

## As Introduced

**136th General Assembly**

**Regular Session**

**2025-2026**

**S. B. No. 145**

**Senators Reynolds, Craig**

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To amend sections 9.47, 9.66, 107.03, 107.21,	1
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6111.12, 6121.02, and 6123.031 and to enact 87  
sections 122.634 and 122.635 of the Revised Code 88  
to rename the Department of Development to the 89

Department of Housing and Development and to 90  
otherwise modify the law related to housing. 91

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

**Section 1.** That sections 9.47, 9.66, 107.03, 107.21, 92  
117.55, 121.02, 121.03, 121.35, 122.01, 122.011, 122.012, 93  
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5747.67, 5751.52, 5751.54, 5751.55, 6111.12, 6121.02, and 155  
6123.031 be amended and sections 122.634 and 122.635 of the 156  
Revised Code be enacted to read as follows: 157

**Sec. 9.47.** (A) Any person desiring to bid on a contract 158  
awarded pursuant to Chapter 153. of the Revised Code by an owner 159  
referred to in section 153.01 of the Revised Code or awarded by 160  
the director of transportation pursuant to Chapter 5525. of the 161  
Revised Code may make application for a certificate of 162  
compliance with affirmative action programs. Application shall 163  
be made to the department of housing and development. The 164  
director of housing and development's designee shall promptly 165  
determine whether the person has complied with all federal 166  
affirmative action programs to which the person was subject and 167  
any state affirmative action program to which the person was 168  
subject pursuant to section 153.59 of the Revised Code which 169  
state or federal affirmative action program arose out of a 170  
contract the person had with the federal government, the state, 171  
or a political subdivision of the state. Where the director's 172  
designee determines the person has not committed any violation 173  
of such prior affirmative action programs during the five years 174  
immediately preceding the date of determination, the director's 175  
designee shall issue a dated certificate of compliance with 176  
affirmative action programs. The director's designee may issue 177  
an updated certificate to a person upon request but not more 178  
frequently than once every one hundred eighty days. A person who 179

violates an affirmative action program during the five years 180  
preceding the date of determination is ineligible to bid on a 181  
contract awarded pursuant to Chapter 153. of the Revised Code by 182  
an owner referred to in section 153.01 of the Revised Code or 183  
awarded by the director of transportation pursuant to Chapter 184  
5525. of the Revised Code for a period of three years after the 185  
date of determination. 186

(B) Any person denied a certificate or an updated 187  
certificate may appeal to the director of housing and 188  
development for a review of that determination. The appeal must 189  
be filed within ten days of the date of the determination. The 190  
director shall, within five days after receipt of the appeal, 191  
either affirm or reverse the determination. 192

(C) Any person dissatisfied with the decision of the 193  
director on review may, within thirty days, appeal the decision 194  
of the director to the court of common pleas of Franklin county. 195  
The court may affirm or reverse the decision of the director. At 196  
the hearing before the court, evidence may be introduced for and 197  
against the decision of the director. The decision of the court 198  
may be appealed as in other cases. 199

(D) The director of housing and development, in accordance 200  
with Chapter 119. of the Revised Code, shall adopt, and may 201  
amend or rescind, rules to implement this section. 202

**Sec. 9.66.** (A) As used in this section: 203

(1) "Economic development assistance" means all of the 204  
following: 205

(a) The programs and assistance provided or administered 206  
by the department of housing and development under Chapters 122. 207  
and 166. of the Revised Code and any other section of the 208

Revised Code under which the department provides or administers 209  
economic development assistance; 210

(b) The programs and assistance provided or administered 211  
by a political subdivision under Chapters 725. and 1728. and 212  
sections 3735.67 to 3735.70, 5709.40 to 5709.43, 5709.61 to 213  
5709.69, 5709.73 to 5709.75, and 5709.77 to 5709.81 of the 214  
Revised Code and any other section of the Revised Code under 215  
which a political subdivision provides economic development 216  
assistance; 217

(c) Assistance provided under any other section of the 218  
Revised Code under which the state or a state agency provides or 219  
administers economic development assistance; 220

(d) The tax credit authorized by section 5725.31, 5729.07, 221  
or 5733.42 of the Revised Code. 222

(2) "Liability" means any of the following: 223

(a) Any delinquent tax owed the state or a political 224  
subdivision of the state; 225

(b) Any moneys owed the state or a state agency for the 226  
administration or enforcement of the environmental laws of the 227  
state; 228

(c) Any other moneys owed the state, a state agency, or a 229  
political subdivision of the state that are past due. 230

"Liability" includes any item described in division (A) (2) 231  
of this section that is being contested in a court of law. 232

(3) "Political subdivision" means any county, municipal 233  
corporation, or township of the state. 234

(4) "State agency" means every organized body, office, or 235



agency established by the laws of the state for the exercise of 236  
any function of state government. 237

(B) A person who applies to the state, a state agency, or 238  
a political subdivision for economic development assistance 239  
shall indicate on the application for assistance whether the 240  
person has any outstanding liabilities owed to the state, a 241  
state agency, or a political subdivision. Such a person also 242  
shall authorize the state, state agency, or political 243  
subdivision to inspect the personal or corporate financial 244  
statements of the applicant, including tax records and other 245  
similar information not open to public inspection. 246

(C) (1) Whoever knowingly makes a false statement under 247  
division (B) of this section concerning an application for 248  
economic development assistance or who fails to provide any 249  
information required by that division is ineligible for the 250  
assistance applied for and is ineligible for any future economic 251  
development assistance from the state, a state agency, or a 252  
political subdivision. 253

(2) Whoever knowingly makes a false statement under 254  
division (B) of this section concerning an application for 255  
economic development assistance or who fails to provide any 256  
information required by that division shall return any moneys 257  
received from the state, a state agency, or a political 258  
subdivision in connection with that application. 259

**Sec. 107.03.** (A) As used in this section, "transportation 260  
budget" means the biennial budget that primarily includes the 261  
following: 262

(1) Motor fuel excise tax-related appropriations for the 263  
department of transportation, public works commission, and 264

department of housing and development; 265

(2) Other appropriations that pertain to transportation 266  
and infrastructure related to transportation. 267

(B) The governor shall submit a transportation budget to 268  
the general assembly not later than four weeks after the general 269  
assembly's organization. 270

(C) The governor shall submit to the general assembly, not 271  
later than four weeks after its organization, a state budget 272  
containing a complete financial plan for the ensuing fiscal 273  
biennium, excluding items of revenue and expenditure described 274  
in section 126.022 of the Revised Code. However, in years of a 275  
new governor's inauguration, this budget shall be submitted not 276  
later than the fifteenth day of March. 277

(D) In years of a new governor's inauguration, only the 278  
new governor shall submit a budget to the general assembly. In 279  
addition to other things required by law, each of the governor's 280  
budgets shall contain: 281

(1) A general budget summary by function and agency 282  
setting forth the proposed total expenses from each and all 283  
funds and the anticipated resources for meeting such expenses; 284  
such resources to include any available balances in the several 285  
funds at the beginning of the biennium and a classification by 286  
totals of all revenue receipts estimated to accrue during the 287  
biennium under existing law and proposed legislation. 288

(2) A detailed statement showing the amounts recommended 289  
to be appropriated from each fund for each fiscal year of the 290  
biennium for current expenses, including, but not limited to, 291  
personal services, supplies and materials, equipment, subsidies 292  
and revenue distribution, merchandise for resale, transfers, and 293

nonexpense disbursements, obligations, interest on debt, and 294  
retirement of debt, and for the biennium for capital outlay, to 295  
the respective departments, offices, institutions, as defined in 296  
section 121.01 of the Revised Code, and all other public 297  
purposes; and, in comparative form, the actual expenses by 298  
source of funds during each fiscal year of the previous two 299  
bienniums for each such purpose. No alterations shall be made in 300  
the requests for the legislative and judicial branches of the 301  
state filed with the director of budget and management under 302  
section 126.02 of the Revised Code. If any amount of federal 303  
money is recommended to be appropriated or has been expended for 304  
a purpose for which state money also is recommended to be 305  
appropriated or has been expended, the amounts of federal money 306  
and state money involved shall be separately identified. 307

(3) A detailed estimate of the revenue receipts in each 308  
fund from each source under existing laws during each year of 309  
the biennium; and, in comparative form, actual revenue receipts 310  
in each fund from each source for each year of the two previous 311  
bienniums; 312

(4) The estimated cash balance in each fund at the 313  
beginning of the biennium covered by the budget; the estimated 314  
liabilities outstanding against each such balance; and the 315  
estimated net balance remaining and available for new 316  
appropriations; 317

(5) A detailed estimate of the additional revenue receipts 318  
in each fund from each source under proposed legislation, if 319  
enacted, during each year of the biennium; 320

(6) The most recent report prepared by the department of 321  
taxation under section 5703.48 of the Revised Code, which shall 322  
be submitted to the general assembly as an appendix to the 323

governor's budget; 324

(7) The most recent TANF spending plan prepared by the 325  
department of job and family services under section 5101.806 of 326  
the Revised Code, which shall be submitted to the general 327  
assembly as an appendix to the governor's budget; 328

(8) The medicaid caseload and expenditure forecast report 329  
prepared by the office of budget and management, in consultation 330  
with the department of medicaid, under section 126.021 of the 331  
Revised Code. The report shall be submitted to the general 332  
assembly as a supplemental budget document to provide an in- 333  
depth analysis of the governor's budget recommendations for the 334  
medicaid budget as a whole and for each of the major medicaid 335  
appropriation items. The report shall clearly distinguish a 336  
proposed policy change from continuing law or administrative 337  
policy and indicate whether the data used throughout the report 338  
is proposed, estimated, or actual data for the current or 339  
proposed budget biennium. At a minimum, the report shall 340  
delineate a part-to-whole mapping of the state and federal 341  
shares of the general revenue fund appropriation item 651525, 342  
medicaid health care services, or any other equivalent general 343  
revenue fund appropriation item, by eligibility group and 344  
subgroup, service delivery system, delivery system, medicaid 345  
provider, and program. 346

**Sec. 107.21.** (A) As used in this section, "Appalachian 347  
region" means the following counties in this state that have 348  
been designated as part of Appalachia by the federal Appalachian 349  
regional commission and that have been geographically isolated 350  
and economically depressed: Adams, Ashtabula, Athens, Belmont, 351  
Brown, Carroll, Clermont, Columbiana, Coshocton, Gallia, 352  
Guernsey, Harrison, Highland, Hocking, Holmes, Jackson, 353

Jefferson, Lawrence, Mahoning, Meigs, Monroe, Morgan, Muskingum, 354  
Noble, Perry, Pike, Ross, Scioto, Trumbull, Tuscarawas, Vinton, 355  
and Washington. 356

(B) There is hereby created in the department of housing 357  
and development the governor's office of Appalachian Ohio. The 358  
governor shall designate the director of the governor's office 359  
of Appalachian Ohio. The director shall report directly to the 360  
office of the governor. On January 1, 1987, the governor shall 361  
designate the director to represent this state on the federal 362  
Appalachian regional commission. The director may appoint such 363  
employees as are necessary to exercise the powers and duties of 364  
this office. The director shall maintain local development 365  
districts as established within the Appalachian region for the 366  
purpose of regional planning for the distribution of funds from 367  
the Appalachian regional commission within the Appalachian 368  
region. 369

(C) The governor's office of Appalachian Ohio shall 370  
represent the interests of the Appalachian region in the 371  
government of this state. The duties of the director of the 372  
office shall include, but are not limited to, the following: 373

(1) To identify residents of the Appalachian region 374  
qualified to serve on state boards, commissions, and bodies and 375  
in state offices, and to bring these persons to the attention of 376  
the governor; 377

(2) To represent the interests of the Appalachian region 378  
in the general assembly and before state boards, commissions, 379  
bodies, and agencies; 380

(3) To assist in forming a consensus on public issues and 381  
policies among institutions and organizations that serve the 382

Appalachian region; 383

(4) To act as an ombudsperson to assist in resolving 384  
differences between state or federal agencies and the officials 385  
of political subdivisions or private, nonprofit organizations 386  
located within the Appalachian region; 387

(5) To assist planning commissions, agencies, and 388  
organizations within the Appalachian region in distributing 389  
planning information and documents to the appropriate state and 390  
federal agencies and to assist in focusing attention on any 391  
findings and recommendations of these commissions, agencies, and 392  
organizations; 393

(6) To issue reports on the Appalachian region that 394  
describe progress achieved and the needs that still exist in the 395  
region; 396

(7) To assist the governor's office in resolving the 397  
problems of residents of the Appalachian region that come to the 398  
governor's attention. 399

(D) The amount of money from appropriated state funds 400  
allocated each year to pay administrative costs of a local 401  
development district existing on ~~the effective date of this~~ 402  
~~amendment~~ October 16, 2009, shall not be decreased due to the 403  
creation and funding of additional local development districts. 404  
The amount of money allocated to each district shall be 405  
increased each year by the average percentage of increase in the 406  
consumer price index for the prior year. 407

As used in this division, "consumer price index" means the 408  
consumer price index for all urban consumers (United States city 409  
average, all items), prepared by the United States department of 410  
labor, bureau of labor statistics. 411

Sec. 117.55. (A) As used in this section: 412

(1) "Entity" means, whether for profit or nonprofit, a 413  
corporation, association, partnership, limited liability 414  
company, sole proprietorship, or other business entity. "Entity" 415  
does not include an individual who receives state assistance 416  
that is not related to the individual's business. 417

(2) "State award for economic development" means state 418  
financial assistance and expenditure in any of the following 419  
forms: grants, subgrants, loans, awards, cooperative agreements, 420  
or other similar and related forms of financial assistance and 421  
contracts, subcontracts, purchase orders, task orders, delivery 422  
orders, or other similar and related transactions. It does not 423  
include compensation received as an employee of the state or any 424  
state financial assistance and expenditure received from the 425  
general assembly or any legislative agency, any court or 426  
judicial agency, or from the offices of the attorney general, 427  
the secretary of state, the auditor of state, or the treasurer 428  
of state. 429

(B) Not later than thirty days after the end of the state 430  
fiscal year, the department of housing and development shall 431  
send the auditor of state a list of state awards for economic 432  
development. The auditor of state shall review each award and 433  
determine if an entity is in compliance with the terms and 434  
conditions, including performance metrics, of a state award for 435  
economic development received by that entity. 436

(C) The auditor of state shall publish a report of its 437  
reviews and determinations not later than ninety days after 438  
receipt of the list of state awards from the department of 439  
housing and development. 440

(D) When the auditor of state finds that an entity that 441  
receives or has received a state award for economic development 442  
is not in compliance with a performance metric that is specified 443  
in the terms and conditions of the award, the auditor of state 444  
shall report the findings to the attorney general. The attorney 445  
general may pursue against and from that entity such remedies 446  
and recoveries as are available under law. 447

(E) If the auditor of state is authorized to conduct an 448  
audit of an entity that receives or has received a state award 449  
for economic development, the audit shall be conducted in 450  
accordance with Chapter 117. of the Revised Code. 451

**Sec. 121.02.** The following administrative departments and 452  
their respective directors are hereby created: 453

(A) The office of budget and management, which shall be 454  
administered by the director of budget and management; 455

(B) The department of commerce, which shall be 456  
administered by the director of commerce; 457

(C) The department of administrative services, which shall 458  
be administered by the director of administrative services; 459

(D) The department of transportation, which shall be 460  
administered by the director of transportation; 461

(E) The department of agriculture, which shall be 462  
administered by the director of agriculture; 463

(F) The department of natural resources, which shall be 464  
administered by the director of natural resources; 465

(G) The department of health, which shall be administered 466  
by the director of health; 467



(H) The department of job and family services, which shall 468  
be administered by the director of job and family services; 469

(I) The department of children and youth, which shall be 470  
administered by the director of children and youth; 471

(J) The department of public safety, which shall be 472  
administered by the director of public safety; 473

(K) The department of mental health and addiction 474  
services, which shall be administered by the director of mental 475  
health and addiction services; 476

(L) The department of developmental disabilities, which 477  
shall be administered by the director of developmental 478  
disabilities; 479

(M) The department of insurance, which shall be 480  
administered by the superintendent of insurance as director 481  
thereof; 482

(N) The department of housing and development, which shall 483  
be administered by the director of housing and development; 484

(O) The department of youth services, which shall be 485  
administered by the director of youth services; 486

(P) The department of rehabilitation and correction, which 487  
shall be administered by the director of rehabilitation and 488  
correction; 489

(Q) The environmental protection agency, which shall be 490  
administered by the director of environmental protection; 491

(R) The department of aging, which shall be administered 492  
by the director of aging; 493

(S) The department of veterans services, which shall be 494

administered by the director of veterans services; 495

(T) The department of medicaid, which shall be 496  
administered by the medicaid director; 497

(U) The department of education and workforce, which shall 498  
be administered by the director of education and workforce. 499

The director of each department shall exercise the powers 500  
and perform the duties vested by law in such department. 501

**Sec. 121.03.** The following administrative department heads 502  
shall be appointed by the governor, with the advice and consent 503  
of the senate, and shall hold their offices during the term of 504  
the appointing governor, and are subject to removal at the 505  
pleasure of the governor. 506

(A) The director of budget and management; 507

(B) The director of commerce; 508

(C) The director of transportation; 509

(D) The director of agriculture; 510

(E) The director of job and family services; 511

(F) The director of children and youth; 512

(G) The director of public safety; 513

(H) The superintendent of insurance; 514

(I) The director of housing and development; 515

(J) The tax commissioner; 516

(K) The director of administrative services; 517

(L) The director of natural resources; 518

(M) The director of mental health and addiction services;	519
(N) The director of developmental disabilities;	520
(O) The director of health;	521
(P) The director of youth services;	522
(Q) The director of rehabilitation and correction;	523
(R) The director of environmental protection;	524
(S) The director of aging;	525
(T) The administrator of workers' compensation who meets	526
the qualifications required under division (A) of section	527
4121.121 of the Revised Code;	528
(U) The director of veterans services who meets the	529
qualifications required under section 5902.01 of the Revised	530
Code;	531
(V) The chancellor of higher education;	532
(W) The medicaid director;	533
(X) The director of education and workforce.	534
<b>Sec. 121.35.</b> (A) Subject to division (B) of this section,	535
the following state agencies shall collaborate to revise and	536
make more uniform the eligibility standards and eligibility	537
determination procedures of programs the state agencies	538
administer:	539
(1) The department of aging;	540
(2) The department of <u>housing and development</u> ;	541
(3) The department of developmental disabilities;	542
(4) The department of education and workforce;	543

(5) The department of health;	544
(6) The department of job and family services;	545
(7) The department of medicaid;	546
(8) The department of mental health and addiction services;	547 548
(9) The opportunities for Ohioans with disabilities agency;	549 550
(10) The department of children and youth.	551
(B) In revising eligibility standards and eligibility determination procedures, a state agency shall not make any program's eligibility standards or eligibility determination procedures inconsistent with state or federal law. To the extent authorized by state and federal law, the revisions may provide for the state agencies to share administrative operations.	552 553 554 555 556 557
<b>Sec. 122.01.</b> (A) As used in the Revised Code, the	558
"development services agency" <u>and the "department of</u>	559
<u>development"</u> means the department of <u>housing and development</u> and	560
the "director of development services" <u>and the "director of</u>	561
<u>development"</u> means the director of <u>housing and development</u> .	562
Whenever the development services agency, <u>department of</u>	563
<u>development, director of development, or director of development</u>	564
services is referred to or designated in any statute, rule,	565
contract, grant, or other document, the reference or designation	566
shall be deemed to refer to the department of <u>housing and</u>	567
development or director of <u>housing and development</u> , as the case	568
may be.	569
(B) As used in this chapter:	570
(1) "Community problems" includes, but is not limited to,	571

taxation, fiscal administration, governmental structure and 572  
organization, intergovernmental cooperation, education and 573  
training, employment needs, community planning and development, 574  
air and water pollution, public safety and the administration of 575  
justice, housing, mass transportation, community facilities and 576  
services, health, welfare, recreation, open space, and the 577  
development of human resources. 578

(2) "Professional personnel" means either of the 579  
following: 580

(a) Personnel who have earned a bachelor's degree from a 581  
college or university; 582

(b) Personnel who serve as or have the working title of 583  
director, assistant director, deputy director, assistant deputy 584  
director, manager, office chief, assistant office chief, or 585  
program director. 586

(3) "Technical personnel" means any of the following: 587

(a) Personnel who provide technical assistance according 588  
to their job description or in accordance with the Revised Code; 589

(b) Personnel employed in the director of housing and 590  
development's office or the legal office, communications office, 591  
finance office, legislative affairs office, or human resources 592  
office of the department of housing and development; 593

(c) Personnel employed in the technology division of the 594  
department. 595

**Sec. 122.011.** (A) The department of housing and 596  
development shall develop and promote plans and programs 597  
designed to assure that state resources are efficiently used, 598  
economic growth is properly balanced, community growth is 599

developed in an orderly manner, and local governments are 600  
coordinated with each other and the state, and for such purposes 601  
may do all of the following: 602

(1) Serve as a clearinghouse for information, data, and 603  
other materials that may be helpful or necessary to persons or 604  
local governments, as provided in section 122.073 of the Revised 605  
Code; 606

(2) Prepare and activate plans for the retention, 607  
development, expansion, and use of the resources and commerce of 608  
the state, as provided in section 122.04 of the Revised Code; 609

(3) Assist and cooperate with federal, state, and local 610  
governments and agencies of federal, state, and local 611  
governments in the coordination of programs to carry out the 612  
functions and duties of the department; 613

(4) Encourage and foster research and development 614  
activities, conduct studies related to the solution of community 615  
problems, and develop recommendations for administrative or 616  
legislative actions, as provided in section 122.03 of the 617  
Revised Code; 618

(5) Serve as the economic and community development 619  
planning agency, which shall prepare and recommend plans and 620  
programs for the orderly growth and development of this state 621  
and which shall provide planning assistance, as provided in 622  
section 122.06 of the Revised Code; 623

(6) Cooperate with and provide technical assistance to 624  
state departments, political subdivisions, regional and local 625  
planning commissions, tourist associations, councils of 626  
government, community development groups, community action 627  
agencies, and other appropriate organizations for carrying out 628

the functions and duties of the department of housing and 629  
development or for the solution of community problems; 630

(7) Coordinate the activities of state agencies that have 631  
an impact on carrying out the functions and duties of the 632  
department of housing and development; 633

(8) Encourage and assist the efforts of and cooperate with 634  
local governments to develop mutual and cooperative solutions to 635  
their common problems that relate to carrying out the purposes 636  
of this section; 637

(9) Study existing structure, operations, and financing of 638  
regional or local government and those state activities that 639  
involve significant relations with regional or local 640  
governmental units, recommend to the governor and to the general 641  
assembly such changes in these provisions and activities as will 642  
improve the operations of regional or local government, and 643  
conduct other studies of legal provisions that affect problems 644  
related to carrying out the purposes of this section; 645

(10) Create and operate a division of community 646  
development to develop and administer programs and activities 647  
that are authorized by federal statute or the Revised Code; 648

(11) Until October 15, 2007, establish fees and charges, 649  
in consultation with the director of agriculture, for purchasing 650  
loans from financial institutions and providing loan guarantees 651  
under the family farm loan program created under sections 901.80 652  
to 901.83 of the Revised Code; 653

(12) Provide loan servicing for the loans purchased and 654  
loan guarantees provided under section 901.80 of the Revised 655  
Code as that section existed prior to October 15, 2007; 656

(13) Until October 15, 2007, and upon approval by the 657

controlling board under division (A) (3) of section 901.82 of the Revised Code of the release of money to be used for purchasing a loan or providing a loan guarantee, request the release of that money in accordance with division (B) of section 166.03 of the Revised Code for use for the purposes of the fund created by section 166.031 of the Revised Code.

(14) Allocate that portion of the national recovery zone economic development bond limitation and that portion of the national recovery zone facility bond limitation that has been allocated to the state under section 1400U-1 of the Internal Revenue Code, 26 U.S.C. 1400U-1. If any county or municipal corporation waives any portion of an allocation it receives under division (A) (14) of this section, the department may reallocate that amount. Any allocation or reallocation shall be made in accordance with this section and section 1400U-1 of the Internal Revenue Code.

(B) The director of housing and development may request the attorney general to, and the attorney general, in accordance with section 109.02 of the Revised Code, shall bring a civil action in any court of competent jurisdiction. The director may be sued in the director's official capacity, in connection with this chapter, in accordance with Chapter 2743. of the Revised Code.

(C) The director shall execute a contract pursuant to section 187.04 of the Revised Code with the nonprofit corporation formed under section 187.01 of the Revised Code, and may execute any additional contracts with the corporation providing for the corporation to assist the director or department in carrying out any duties of the director or department under this chapter, under any other provision of the



Revised Code dealing with economic development, or under a 688  
contract with the director, subject to section 187.04 of the 689  
Revised Code. 690

**Sec. 122.012.** The director of housing and development may 691  
designate any governmental entity as an agency of the state to 692  
act within a specified region of the state for the purpose of 693  
creating and preserving jobs and employment opportunities and 694  
financing projects intended to create or preserve jobs and 695  
employment opportunities. Any such designation shall be in 696  
addition to agency designations made for such purpose by, or by 697  
the director pursuant to, Section 56.09 of H.B. 298 of the 119th 698  
general assembly, the provisions of which pertaining to such 699  
designations, and the designations so made, remain in full force 700  
and effect as continuing grants of authority. Each agency 701  
designated by or pursuant to Section 56.09 of H.B. 298 of the 702  
119th general assembly or this section may exercise any 703  
statutory powers it has under any other section of the Revised 704  
Code to accomplish the purposes of this section within the 705  
agency's specified region. The regions served by agencies shall 706  
not overlap. The director may reduce, expand, or otherwise 707  
modify the region served by, or limit the authority of, any such 708  
agency. 709

**Sec. 122.013.** The department of housing and development 710  
shall post the following on the official internet site of the 711  
department: 712

(A) Annual reports of the progress and status of eligible 713  
projects made as required under division (E) of section 122.0814 714  
of the Revised Code; 715

(B) The annual report made by the director of housing and 716  
development under section 122.0817 of the Revised Code; 717

(C) Reports made by the third frontier commission under 718  
section 184.15 of the Revised Code; 719

(D) Information on all support awarded under section 720  
184.11 of the Revised Code. 721

**Sec. 122.014.** (A) As used in this section, "gaming 722  
activities" means activities conducted in connection with or 723  
that include any of the following: 724

(1) Casino gaming, as authorized and defined in Section 725  
6(C) of Article XV, Ohio Constitution; 726

(2) Casino gaming, as defined in division (E) of section 727  
3772.01 of the Revised Code; or 728

(3) The pari-mutuel system of wagering as authorized and 729  
described in Chapter 3769. of the Revised Code. 730

(B) The department of housing and development or any other 731  
entity that administers any program or development project 732  
established under Chapter 122., 166., or 184. of the Revised 733  
Code or in ~~sections~~ section 149.311, 5709.87, or 5709.88 of the 734  
Revised Code shall not provide any financial assistance, 735  
including loans, tax credits, and grants, staffing assistance, 736  
technical support, or other assistance to businesses conducting 737  
gaming activities or for project sites on which gaming 738  
activities are or will be conducted. 739

**Sec. 122.02.** The department of housing and development may 740  
apply for, receive, and accept grants, gifts, contributions, 741  
loans and any other assistance in any form from public and 742  
private sources, including assistance from agencies and 743  
instrumentalities of the United States and including the 744  
application for, receipt, and acceptance, on behalf of this 745  
state, of assistance from agencies and instrumentalities of the 746

United States for the purposes of Chapter 122. of the Revised 747  
Code except that nothing in this section prohibits the minority 748  
business development division from exercising its authority 749  
under section 122.93 of the Revised Code. The department shall 750  
do all things necessary to apply for, receive, and administer 751  
such assistance in accordance with the laws of Ohio. It may 752  
contract or enter into agreements with any person, governmental 753  
agency, or public or private organization, and any local or 754  
regional agency or political subdivision of the state may 755  
contract with it, to carry out the purposes of Chapter 122. of 756  
the Revised Code. The department may require, in all contracts 757  
for assistance stipulations that the contractors and any 758  
subcontractors comply with requirements as to minimum wages, 759  
hours of work, equal employment, and any other conditions which 760  
the United States has attached to its financial aid to the 761  
projects. 762

**Sec. 122.03.** The department of housing and development 763  
shall: 764

(A) Maintain a continuing evaluation of existing research 765  
facilities in the state and their relationship to orderly- 766  
~~economic~~ economic growth and the solution of community problems 767  
of the state; 768

(B) Prepare and disseminate information relative to 769  
research facilities in the state and their availability to 770  
industrial activities and the solution of community problems; 771

(C) Prepare and recommend programs for the coordination of 772  
research activities in the state and to assure the maximum use 773  
of such facilities in the development of orderly economic growth 774  
and the solution of community problems; 775

(D) Cooperate with educational institutions in the 776  
development of educational programs to train technical personnel 777  
in the field of research and those other fields related to the 778  
solution of community problems; 779

(E) Carry out continuing studies and analyses of the 780  
problems and opportunities of communities, districts, and 781  
regions within the state, and of multi-state regions of which 782  
Ohio is a part. 783

**Sec. 122.04.** The department of housing and development 784  
shall do the following: 785

(A) Maintain a continuing evaluation of the sources 786  
available for the retention, development, or expansion of 787  
industrial and commercial facilities in this state through both 788  
public and private agencies; 789

(B) Assist public and private agencies in obtaining 790  
information necessary to evaluate the desirability of the 791  
retention, construction, or expansion of industrial and 792  
commercial facilities in the state; 793

(C) Facilitate contracts between community improvement 794  
corporations organized under Chapter 1724. of the Revised Code 795  
or Ohio development corporations organized under Chapter 1726. 796  
of the Revised Code and industrial and commercial concerns 797  
seeking to locate or expand in the state; 798

(D) Upon request, consult with public agencies or 799  
authorities in the preparation of studies of human and economic 800  
needs or advantages relating to economic and community 801  
development; 802

(E) Encourage, promote, and assist trade and commerce 803  
between this state and foreign nations; 804

(F) Promote and encourage persons to visit and travel 805  
within this state; 806

(G) Maintain membership in the national association of 807  
state development agencies; 808

(H) Assist in the development of facilities and 809  
technologies that will lead to increased, environmentally sound 810  
use of Ohio coal; 811

(I) Promote economic growth in the state. 812

**Sec. 122.041.** The director of housing and development 813  
shall do all of the following with regard to the encouraging 814  
diversity, growth, and equity program created under section 815  
122.922 of the Revised Code: 816

(A) Conduct outreach, marketing, and recruitment of EDGE 817  
business enterprises, as defined in that section; 818

(B) Provide business development services to EDGE business 819  
enterprises in the developmental and transitional stages of the 820  
program, including financial and bonding assistance and 821  
management and technical assistance; 822

(C) Develop a mentor program to bring businesses into a 823  
working relationship with EDGE business enterprises in a way 824  
that commercially benefits both entities and serves the purpose 825  
of the EDGE program; 826

(D) Establish processes by which an EDGE business 827  
enterprise may apply for contract assistance, financial and 828  
bonding assistance, management and technical assistance, and 829  
mentoring opportunities. 830

**Sec. 122.042.** The director of housing and development may 831  
found an employment opportunity program that encourages 832

employers to employ individuals who are members of significantly 833  
disadvantaged groups. If the director intends to found such an 834  
employment opportunity program, the director shall adopt, and 835  
thereafter may amend or rescind, rules under Chapter 119. of the 836  
Revised Code to found, and to operate, maintain, and improve, 837  
the program. In the rules, the director shall: 838

(A) Construct, and, as changing circumstances indicate, 839  
re-construct, procedures according to which significantly 840  
disadvantaged groups are identified as such, an individual is 841  
identified as being a member of a significantly disadvantaged 842  
group, and an employer is identified as being a potential 843  
employer of an individual who is a member of a significantly 844  
disadvantaged group; 845

(B) Describe, and, as experience indicates, re-describe, 846  
the kinds of evidence that shall be considered to identify 847  
significantly disadvantaged groups, the kinds of evidence an 848  
individual shall offer to prove that the individual is a member 849  
of a significantly disadvantaged group, and the kinds of 850  
evidence an employer shall offer to prove that the employer is a 851  
potential employer of an individual who is a member of a 852  
significantly disadvantaged group; 853

(C) Specify, and, as experience indicates, re-specify, 854  
strategies and tactics for connecting individuals who are 855  
members of significantly disadvantaged groups with potential 856  
employers of members of significantly disadvantaged groups; and 857

(D) Construct, describe, specify, define, and prescribe 858  
any other thing that is necessary and proper for the founding, 859  
and for the successful and efficient operation, maintenance, and 860  
improvement, of the employment opportunity program. 861

In founding, and in operating, maintaining, and improving, 862  
the employment opportunity program under the rules, the director 863  
shall proceed so that the resulting program functions as a 864  
coherent, efficient system for improving employment 865  
opportunities for significantly disadvantaged groups. Examples 866  
of significantly disadvantaged groups include individuals who 867  
have not graduated from high school, individuals who have been 868  
convicted of a crime, individuals who are disabled, and 869  
individuals who are chronically unemployed (usually for more 870  
than eighteen months). 871

**Sec. 122.05.** (A) The director of housing and development 872  
may, to carry out the purposes of division (E) of section 122.04 873  
of the Revised Code: 874

(1) Establish offices in foreign countries as the director 875  
considers appropriate and enter into leases of real property, 876  
buildings, and office space that are appropriate for these 877  
offices; 878

(2) Appoint personnel, who shall be in the unclassified 879  
civil services, necessary to operate such offices and fix their 880  
compensation. The director may enter into contracts with foreign 881  
nationals to staff the foreign offices established under this 882  
section. 883

(3) The director may establish United States dollar and 884  
foreign currency accounts for the payment of expenses related to 885  
the operation and maintenance of the offices established under 886  
this section. The director shall establish procedures acceptable 887  
to the director of budget and management for the conversion, 888  
transfer, and control of United States dollars and foreign 889  
currency. 890

(4) Provide export promotion assistance to Ohio businesses 891  
and organize or support missions to foreign countries to promote 892  
export of Ohio products and services and to encourage foreign 893  
direct investment in Ohio. The director may charge fees to 894  
businesses receiving export assistance and to participants in 895  
foreign missions sufficient to recover the direct costs of those 896  
activities. The director shall adopt, as an internal management 897  
rule under section 111.15 of the Revised Code, a procedure for 898  
setting the fees and a schedule of fees for services commonly 899  
provided by the department. The procedure shall require the 900  
director to annually review the established fees. 901

(5) Do all things necessary and appropriate for the 902  
operation of the state's foreign offices. 903

(B) All contracts entered into under division (A) (2) of 904  
this section and any payments of expenses under division (A) (3) 905  
of this section related to the operation and maintenance of 906  
foreign offices established under this section may be paid in 907  
the appropriate foreign currency and are exempt from sections 908  
127.16 and 5147.07 and Chapters 124., 125., and 153. of the 909  
Revised Code. 910

**Sec. 122.06.** The department of housing and development 911  
shall: 912

(A) Assemble, analyze, and make available to governmental 913  
agencies and the public, information relative to the human, 914  
natural, and economic resources and economic needs of the state; 915

(B) Prepare and maintain, in cooperation with departments 916  
and agencies of the state, comprehensive plans and 917  
recommendations for promotion of more desirable patterns of 918  
growth and development of the resources of the state; 919



(C) Assist in the coordination of development plans of 920  
federal, state and local governments, regional and local 921  
planning authorities, and private agencies; 922

(D) Provide planning assistance to state departments and 923  
agencies, political subdivisions, county planning commissions, 924  
regional planning units, councils of government, and local 925  
governments of this state. Such planning assistance may be 926  
rendered with respect to surveys, land use studies, urban 927  
renewal plans, technical services and other planning work. In so 928  
doing, the department may contract with municipal subdivisions, 929  
with regional planning commissions, and with qualified persons, 930  
firms, and agencies. 931

(E) Cooperate with federal agencies and authorities of 932  
other states in the solution of community and development 933  
problems which cross state lines; 934

(F) Recommend guidelines for the development and 935  
management of new communities; 936

(G) Prepare and maintain rules concerning certification of 937  
workable programs for impacted cities pursuant to division (C) 938  
of section 1728.01 of the Revised Code, provided that the 939  
department shall consult with officials of municipalities and 940  
representatives of statewide organizations of such officials 941  
prior to the preparation, adoption, or change of such rules. 942

**Sec. 122.07.** (A) There is hereby created within the 943  
department of housing and development an office to be known as 944  
the office of TourismOhio. The office shall be under the 945  
supervision of a director who shall be of equivalent rank of 946  
deputy director of the agency and shall serve at the pleasure of 947  
the director of housing and development. 948

(B) The office shall do both of the following: 949

(1) Promote the state as a destination for living, 950  
learning, working, and traveling, and provide related services 951  
or otherwise carry out the promotional functions or duties of 952  
the department, as necessary; 953

(2) Perform an annual return-on-investment study analyzing 954  
the office's success in promoting Ohio. A report containing the 955  
findings of the study shall be submitted to the governor, the 956  
speaker and minority leader of the house of representatives, and 957  
the president and minority leader of the senate. The report 958  
shall also be made available to the public. 959

**Sec. 122.071.** (A) The TourismOhio advisory board is hereby 960  
established to advise the director of housing and development 961  
~~services~~ and the director of the office of TourismOhio on 962  
strategies for promoting ~~tourism in this state~~ as a destination 963  
for living, learning, working, and traveling. The board shall 964  
consist of the chief investment officer of the nonprofit 965  
corporation formed under section 187.01 of the Revised Code or 966  
the chief investment officer's designee, the director of the 967  
office of TourismOhio, and nine members to be appointed by the 968  
governor as provided in division (B) of this section. All 969  
members of the board, except the director of the office of 970  
TourismOhio, shall be voting members. 971

(B) (1) The governor shall, within sixty days after 972  
September 28, 2012, appoint to the TourismOhio advisory board 973  
one individual who is a representative of convention and 974  
visitors' bureaus, one individual who is a representative of the 975  
lodging industry, one individual who is a representative of the 976  
restaurant industry, one individual who is a representative of 977  
attractions, one individual who is a representative of special 978

events and festivals, one individual who is a representative of 979  
agritourism, and three individuals who are representatives of 980  
the tourism industry. Of the initial appointments, two 981  
individuals shall serve a term of one year, three individuals 982  
shall serve a term of two years, and the remainder shall serve a 983  
term of three years. Thereafter, terms of office shall be for 984  
three years. Each individual appointed to the board shall be a 985  
United States citizen. 986

(2) For purposes of division (B)(1) of this section, an 987  
individual is a "representative of the tourism industry" if the 988  
individual possesses five years or more executive-level 989  
experience in the attractions, lodging, restaurant, 990  
transportation, or retail industry or five years or more 991  
executive-level experience with a destination marketing 992  
organization. 993

(C)(1) Each member of the TourismOhio advisory board shall 994  
hold office from the date of the member's appointment until the 995  
end of the term for which the member is appointed. Vacancies 996  
that occur on the board shall be filled in the manner prescribed 997  
for regular appointments to the board. A member appointed to 998  
fill a vacancy occurring prior to the expiration of the term for 999  
which the member's predecessor was appointed shall hold office 1000  
for the remainder of that predecessor's term. A member shall 1001  
continue in office subsequent to the expiration date of the 1002  
member's term until the member's successor takes office or until 1003  
sixty days have elapsed, whichever occurs first. Any member 1004  
appointed to the board is eligible for reappointment. 1005

(2) The governor shall designate one member of the board 1006  
as chairperson. 1007

(3) Members appointed to the board may be reimbursed for 1008

actual and necessary expenses incurred in connection with their 1009  
official duties. 1010

**Sec. 122.073.** (A) The department of housing and 1011  
development ~~services~~ ~~agency~~ may do any of the following: 1012

(1) Disseminate information concerning the industrial, 1013  
commercial, governmental, educational, cultural, recreational, 1014  
agricultural, and other advantages and attractions of the state; 1015

(2) Provide technical assistance to public and private 1016  
agencies in the preparation of promotional programs designed to 1017  
attract business, industry, and tourists to the state; 1018

(3) Enter into cooperative or contractual agreements, 1019  
through the director of housing and ~~development services~~, with 1020  
any individual, organization, or business to create, administer, 1021  
or otherwise be involved with Ohio ~~tourism-related~~ promotional 1022  
programs. Compensation under such agreements shall be determined 1023  
by the director and may include deferred compensation. This 1024  
compensation is payable from the tourism fund created in section 1025  
122.072 of the Revised Code. Any excess revenue generated under 1026  
such a cooperative or contractual agreement shall be remitted to 1027  
the fund to be reinvested in ongoing tourism marketing 1028  
initiatives as authorized by law. 1029

(B) The department of housing and development and the 1030  
office of TourismOhio shall establish and implement a campaign 1031  
to promote Ohio as a pro-housing state and to engage and educate 1032  
Ohioans about the benefits of growth and innovation in housing 1033  
and economic development. 1034

(C) Records related to tourism market research submitted 1035  
to or generated by the office of TourismOhio, and any 1036  
information taken for any purpose from such research, are not 1037

public records for the purposes of section 149.43 of the Revised Code. The ~~agency~~ department may use, however, such tourism market research in a public report if the director determines that issuing and distributing the report would promote or market the state's travel and tourism industry or otherwise advance the purposes of this section.

**Sec. 122.075.** (A) As used in this section:

(1) "Alternative fuel" has the same meaning as in section 125.831 of the Revised Code.

(2) "Biodiesel" means a mono-alkyl ester combustible liquid fuel that is derived from vegetable oils or animal fats, or any combination of those reagents, and that meets American society for testing and materials specification D6751-03a for biodiesel fuel (B100) blend stock distillate fuels.

(3) "Diesel fuel" and "gasoline" have the same meanings as in section 5735.01 of the Revised Code.

(4) "Ethanol" means fermentation ethyl alcohol derived from agricultural products, including potatoes, cereal, grains, cheese whey, and sugar beets; forest products; or other renewable resources, including residue and waste generated from the production, processing, and marketing of agricultural products, forest products, and other renewable resources that meet all of the specifications in the American society for testing and materials (ASTM) specification D 4806-88 and is denatured as specified in Parts 20 and 21 of Title 27 of the Code of Federal Regulations.

(5) "Blended biodiesel" means diesel fuel containing at least twenty per cent biodiesel by volume.

(6) "Blended gasoline" means gasoline containing at least

eighty-five per cent ethanol by volume. 1067

(7) "Incremental cost" means either of the following: 1068

(a) The difference in cost between blended gasoline and 1069  
gasoline containing ten per cent or less ethanol at the time 1070  
that the blended gasoline is purchased; 1071

(b) The difference in cost between blended biodiesel and 1072  
diesel fuel containing two per cent or less biodiesel at the 1073  
time that the blended biodiesel is purchased. 1074

(B) For the purpose of improving the air quality in this 1075  
state, the director of housing and development services shall 1076  
establish an alternative fuel transportation program under which 1077  
the director may make grants and loans to businesses, nonprofit 1078  
organizations, public school systems, or local governments for 1079  
the purchase and installation of alternative fuel refueling or 1080  
distribution facilities and terminals, for the purchase and use 1081  
of alternative fuel, to pay the cost of fleet conversion, and to 1082  
pay the costs of educational and promotional materials and 1083  
activities intended for prospective alternative fuel consumers, 1084  
fuel marketers, and others in order to increase the availability 1085  
and use of alternative fuel. 1086

(C) The director, in consultation with the director of 1087  
agriculture, shall adopt rules in accordance with Chapter 119. 1088  
of the Revised Code that are necessary for the administration of 1089  
the alternative fuel transportation program. The rules shall 1090  
establish at least all of the following: 1091

(1) An application form and procedures governing the 1092  
application process for receiving funds under the program; 1093

(2) A procedure for prioritizing the award of grants and 1094  
loans under the program. The procedures shall give preference to 1095

all of the following: 1096

    (a) Publicly accessible refueling facilities; 1097

    (b) Entities applying to the program that have secured 1098  
funding from other sources, including, but not limited to, 1099  
private or federal incentives; 1100

    (c) Entities that have presented compelling evidence of 1101  
demand in the market in which the facilities or terminals will 1102  
be located; 1103

    (d) Entities that have committed to utilizing purchased or 1104  
installed facilities or terminals for the greatest number of 1105  
years; 1106

    (e) Entities that will be purchasing or installing 1107  
facilities or terminals for any type of alternative fuel. 1108

    (3) A requirement that the maximum incentive for the 1109  
purchase and installation of an alternative fuel refueling or 1110  
distribution facility or terminal be eighty per cent of the cost 1111  
of the facility or terminal, except that at least twenty per 1112  
cent of the total cost of the facility or terminal shall be 1113  
incurred by the recipient and not compensated for by any other 1114  
source; 1115

    (4) A requirement that the maximum incentive for the 1116  
purchase of alternative fuel be eighty per cent of the cost of 1117  
the fuel or, in the case of blended biodiesel or blended 1118  
gasoline, eighty per cent of the incremental cost of the blended 1119  
biodiesel or blended gasoline; 1120

    (5) Any other criteria, procedures, or guidelines that the 1121  
director determines are necessary to administer the program, 1122  
including fees, charges, interest rates, and payment schedules. 1123

(D) An applicant for a grant or loan under this section 1124  
that sells motor vehicle fuel at retail shall agree that if the 1125  
applicant receives funding, the applicant will report to the 1126  
director the gallon or gallon equivalent amounts of alternative 1127  
fuel the applicant sells at retail in this state for a period of 1128  
three years after the project is completed. 1129

The director shall enter into a written confidentiality 1130  
agreement with the applicant regarding the gallon or gallon 1131  
equivalent amounts sold as described in this division, and upon 1132  
execution of the agreement this information is not a public 1133  
record. 1134

(E) There is hereby created in the state treasury the 1135  
alternative fuel transportation fund. The fund shall consist of 1136  
money transferred to the fund under division (B) of section 1137  
125.836 of the Revised Code, money that is appropriated to it by 1138  
the general assembly, money as may be specified by the general 1139  
assembly from the advanced energy fund created by section 1140  
4928.61 of the Revised Code, and all money received from the 1141  
repayment of loans made from the fund or in the event of a 1142  
default on any such loan. Money in the fund shall be used to 1143  
make grants and loans under the alternative fuel transportation 1144  
program and by the director in the administration of that 1145  
program. 1146

**Sec. 122.077.** For the purpose of promoting the use of 1147  
energy efficient products to reduce greenhouse gas emissions in 1148  
this state, the director of housing and development shall 1149  
establish an energy star rebate program under which the director 1150  
may provide rebates to consumers for household devices carrying 1151  
the energy star label indicating that the device meets the 1152  
energy efficiency criteria of the energy star program 1153



established by the United States department of energy and the 1154  
United States environmental protection agency. The director 1155  
shall adopt rules under Chapter 119. of the Revised Code that 1156  
are necessary for successful and efficient administration of the 1157  
energy star rebate program and shall specify in the rules that 1158  
grant availability is limited to federal stimulus funds or any 1159  
other funds specifically appropriated for such a program. 1160

**Sec. 122.08.** (A) There is hereby created within the 1161  
department of housing and development ~~services agency~~ an office 1162  
to be known as the office of small business and 1163  
entrepreneurship. The office shall be under the supervision of a 1164  
manager appointed by the director of housing and development- 1165  
~~services.~~ 1166

(B) The office shall do all of the following: 1167

(1) Act as liaison between the small business community 1168  
and state governmental agencies; 1169

(2) Furnish information and technical assistance to 1170  
persons and small businesses concerning the establishment and 1171  
maintenance of a small business, and concerning state laws and 1172  
rules relevant to the operation of a small business. In 1173  
conjunction with these duties, the office shall keep a record of 1174  
all proposed and currently effective state agency rules 1175  
affecting small businesses, and may testify before the joint 1176  
committee on agency rule review concerning any proposed rule 1177  
affecting small businesses. 1178

(3) Prepare and publish the small business register under 1179  
section 122.081 of the Revised Code; 1180

(4) Receive complaints from small businesses concerning 1181  
governmental activity, compile and analyze those complaints, and 1182

periodically make recommendations to the governor and the 1183  
general assembly on changes in state laws or agency rules needed 1184  
to eliminate burdensome and unproductive governmental regulation 1185  
to improve the economic climate within which small businesses 1186  
operate; 1187

(5) Receive complaints or questions from small businesses 1188  
and direct those businesses to the appropriate governmental 1189  
agency. If, within a reasonable period of time, a complaint is 1190  
not satisfactorily resolved or a question is not satisfactorily 1191  
answered, the office shall, on behalf of the small business, 1192  
make every effort to secure a satisfactory result. For this 1193  
purpose, the office may consult with any state governmental 1194  
agency and may make any suggestion or request that seems 1195  
appropriate. 1196

(6) Utilize, to the maximum extent possible, the printed 1197  
and electronic media to disseminate information of current 1198  
concern and interest to the small business community and to make 1199  
known to small businesses the services available through the 1200  
office. The office shall publish such books, pamphlets, and 1201  
other printed materials, and shall participate in such trade 1202  
association meetings, conventions, fairs, and other meetings 1203  
involving the small business community, as the manager considers 1204  
appropriate. 1205

(7) Prepare a description of the activities of the office 1206  
for inclusion in the ~~development services agency's~~ department's 1207  
annual report to the governor and general assembly; 1208

(8) Operate the Ohio first-stop business connection to 1209  
assist individuals in identifying and preparing applications for 1210  
business licenses, permits, and certificates and to serve as a 1211  
public distributor for all forms, applications, and other 1212

information related to business licensing. Each state agency, 1213  
board, and commission shall cooperate in providing assistance, 1214  
information, and materials to enable the connection to perform 1215  
its duties under this division. 1216

(9) Provide information to individuals about the resources 1217  
available on the OhioMeansJobs web site and through the local 1218  
OhioMeansJobs one-stop systems established under section 6301.08 1219  
of the Revised Code that connect businesses with job seekers. As 1220  
used in this division, "OhioMeansJobs" has the same meaning as 1221  
in section 6301.01 of the Revised Code. 1222

(C) The office may, upon the request of a state agency, 1223  
assist the agency with the preparation of any rule that will 1224  
affect small businesses. 1225

(D) The director of housing and development ~~services~~ shall 1226  
assign employees and furnish equipment and supplies to the 1227  
office as the director considers necessary for the proper 1228  
performance of the duties assigned to the office. 1229

**Sec. 122.081.** (A) The office of small business and 1230  
entrepreneurship in the department of housing and development 1231  
~~services agency~~ shall prepare and publish a "small business 1232  
register" or contract with any person as provided in this 1233  
section to prepare and publish the register. The small business 1234  
register shall contain the following information regarding each 1235  
proposed rule recorded by the office of small business and 1236  
entrepreneurship: 1237

(1) The title and administrative code rule number of the 1238  
proposed rule; 1239

(2) A brief summary of the proposed rule; 1240

(3) The date on which the proposed rule was recorded by 1241

the office of small business and entrepreneurship; and 1242

(4) The name, address, and telephone number of an 1243  
individual or office within the ~~agency~~department that proposed 1244  
the rule who can provide information about the proposed rule. 1245

(B) The small business register shall be published on a 1246  
weekly basis. The information required under division (A) of 1247  
this section shall be published in the register no later than 1248  
two weeks after the proposed rule to which the information 1249  
relates is recorded by the office of small business and 1250  
entrepreneurship. The office shall furnish the small business 1251  
register, on a single copy or subscription basis, to any person 1252  
who requests it and pays a single copy price or subscription 1253  
rate fixed by the office. The office shall furnish the 1254  
chairpersons of the standing committees of the senate and house 1255  
of representatives having jurisdiction over small businesses 1256  
with free subscriptions to the small business register. 1257

(C) Upon the request of the office of small business and 1258  
entrepreneurship, the director of administrative services shall, 1259  
in accordance with the competitive selection procedure of 1260  
Chapter 125. of the Revised Code, let a contract for the 1261  
compilation, printing, and distribution of the small business 1262  
register. 1263

(D) The office of small business and entrepreneurship 1264  
shall adopt, and may amend or rescind, in accordance with 1265  
Chapter 119. of the Revised Code, such rules as are necessary to 1266  
enable it to properly carry out this section. 1267

**Sec. 122.082.** The department of housing and development 1268  
shall provide for low-interest loans to small businesses, as 1269  
defined by rules adopted pursuant to the "Small Business Act," 1270

72 Stat. 384 (1972), 15 U.S.C.A. 632, as amended, that are 1271  
engaged in the export of goods produced in this state. In 1272  
carrying out the purposes of this section, the department shall 1273  
develop operating procedures that are essentially the same as 1274  
those of the United States export-import bank. 1275

**Sec. 122.083.** (A) The director of housing and development 1276  
shall administer a shovel ready sites program to provide grants 1277  
for projects to port authorities and development entities 1278  
approved by the director. Grants may be used to pay the costs of 1279  
any or all of the following: 1280

(1) Acquisition of property, including options; 1281

(2) Preparation of sites, including brownfield clean-up 1282  
activities; 1283

(3) Construction of road, water, telecommunication, and 1284  
utility infrastructure; 1285

(4) Payment of professional fees the amount of which shall 1286  
not exceed twenty per cent of the grant amount for a project. 1287

(B) The director shall adopt rules in accordance with 1288  
Chapter 119. of the Revised Code that establish procedures and 1289  
requirements necessary for the administration of the program, 1290  
including a requirement that a recipient of a grant enter into 1291  
an agreement with the director governing the use of the grant. 1292

**Sec. 122.085.** As used in sections 122.085 to 122.0820 of 1293  
the Revised Code: 1294

(A) (1) "Allowable costs" includes costs related to the 1295  
following: 1296

(a) Acquisition of land and buildings; 1297

(b) Building construction;	1298
(c) Making improvements to land and buildings, including the following:	1299 1300
(i) Expanding, reconstructing, rehabilitating, remodeling, renovating, enlarging, modernizing, equipping, and furnishing buildings and structures, including leasehold improvements;	1301 1302 1303
(ii) Site preparation, including wetland mitigation.	1304
(d) Planning or determining feasibility or practicability;	1305
(e) Indemnity or surety bonds and premiums on insurance;	1306
(f) Remediation, in compliance with state and federal environmental protection laws, of environmentally contaminated property on which hazardous substances exist under conditions that have caused or would likely cause the property to be identified as contaminated by the Ohio environmental protection agency or the United States environmental protection agency;	1307 1308 1309 1310 1311 1312
(g) Infrastructure improvements, including the following:	1313
(i) Demolition of buildings and other structures;	1314
(ii) Installation or relocation of water, storm water and sanitary sewer lines, water and waste water treatment facilities, pump stations, and water storage mechanisms and other similar equipment or facilities;	1315 1316 1317 1318
(iii) Construction of roads, bridges, traffic control devices, and parking lots and facilities;	1319 1320
(iv) Construction of utility infrastructure such as natural gas, electric, and telecommunications, including broadband and hookups;	1321 1322 1323
(v) Water and railway access improvements;	1324

(vi) Costs of professional services. 1325

(2) "Allowable costs" do not include administrative costs 1326  
assessed by or fees paid to the recipient of a grant. 1327

(B) "District public works integrating committees" means 1328  
those committees established under section 164.04 of the Revised 1329  
Code. 1330

(C) "Eligible applicant" includes any political 1331  
subdivision or ~~non-profit~~ nonprofit economic development 1332  
organization, and, with prior approval of the director of 1333  
housing and development, private, for-profit entities. "Eligible 1334  
applicant" does not include public or private institutions of 1335  
higher education. 1336

(D) "Eligible project" includes projects that, upon 1337  
completion, will be sites and facilities primarily intended for 1338  
commercial, industrial, or manufacturing use. "Eligible 1339  
projects" do not include sites and facilities intended primarily 1340  
for residential, retail, or government use. 1341

(E) "Professional services" includes legal, environmental, 1342  
archeological, engineering, architectural, surveying, design, or 1343  
other similar services performed in conjunction with an eligible 1344  
project. "Professional services" also includes designs, plans, 1345  
specifications, surveys, estimates of costs, and other work 1346  
products. 1347

**Sec. 122.086.** (A) There is hereby created the job ready 1348  
site program to provide grants to pay for allowable costs of 1349  
eligible applicants for eligible projects. The program shall be 1350  
administered by the department of housing and development. All 1351  
grants shall be awarded through one of the following two 1352  
processes: 1353

(1) The annual competitive process under sections 122.087 1354  
to 122.0811, 122.0814, and 122.0815 of the Revised Code; 1355

(2) The discretionary process under sections 122.0812 to 1356  
122.0815 of the Revised Code. 1357

(B) The annual competitive process shall be administered 1358  
by the department of housing and development pursuant to rules 1359  
adopted by the director of housing and development under Chapter 1360  
119. of the Revised Code. The rules shall not establish criteria 1361  
that have the effect of excluding applications for grants from 1362  
any county of the state. 1363

(C) The discretionary process shall be administered by the 1364  
department of housing and development pursuant to guidelines 1365  
established by the director of housing and development. 1366

**Sec. 122.087.** The director of housing and development 1367  
shall establish an annual competitive process for making grants 1368  
described in section 122.086 of the Revised Code in accordance 1369  
with rules adopted under that section. At least two-thirds of 1370  
the amounts that may be distributed as grants each year under 1371  
the job ready site program shall be distributed under the annual 1372  
competitive process. 1373

**Sec. 122.088.** In order to be considered for a grant under 1374  
the annual competitive process, an eligible applicant shall fill 1375  
out an application provided by the department of housing and 1376  
development and shall file it with the district public works 1377  
integrating committee with jurisdiction over the area in which 1378  
the eligible project is located. 1379

**Sec. 122.089.** An eligible applicant shall provide all of 1380  
the following on the annual competitive process application: 1381

(A) Contact information for the eligible applicant; 1382



(B) A legal description of the property for which the 1383  
grant is requested; 1384

(C) A summary of the proposed eligible project that 1385  
includes all of the following: 1386

(1) A general description of the eligible project, 1387  
including individuals, organizations, or other entities that 1388  
will play a critical role in the implementation of the project; 1389

(2) An explanation of the need for the eligible project, 1390  
and the predicted economic impact; 1391

(3) An explanation of the need for a grant from the job 1392  
ready site program; 1393

(4) The commitments required pursuant to division (A) (3) 1394  
of section 122.0815 of the Revised Code. 1395

(D) A detailed summary of costs for the eligible project, 1396  
including supporting documents for cost estimates; 1397

(E) Sources of funding for the eligible project, including 1398  
documentation verifying the status of those funds; 1399

(F) Summary results of preliminary engineering studies and 1400  
environmental reviews, if any have been conducted; 1401

(G) A comprehensive marketing plan detailing how the 1402  
eligible project will be marketed upon completion, if 1403  
appropriate; 1404

(H) Copies of resolutions or ordinances related to the 1405  
eligible project, including resolutions or ordinances adopted by 1406  
the political subdivision with jurisdiction over the geographic 1407  
area in which the eligible project is located; 1408

(I) Any other information the director of housing and 1409

development requests on the application form. 1410

**Sec. 122.0810.** (A) Each application for a grant pursuant 1411  
to the annual competitive process received by a district public 1412  
works integrating committee shall be evaluated by the executive 1413  
committee of the district committee. In conducting the 1414  
evaluation, the executive committee shall determine whether the 1415  
application for the proposed eligible project is complete and 1416  
whether the project meets the requirements of section 122.0815 1417  
of the Revised Code. If the application is complete and the 1418  
eligible project meets the requirements of section 122.0815 of 1419  
the Revised Code, the executive committee shall prioritize the 1420  
eligible project pursuant to section 122.0816 of the Revised 1421  
Code and pursuant to local priorities, as those priorities are 1422  
determined by the executive committee, with all other eligible 1423  
projects with complete applications that meet the requirements 1424  
of section 122.0815 of the Revised Code. If the application is 1425  
incomplete or the project does not meet the requirements of 1426  
section 122.0815 of the Revised Code, the executive committee 1427  
shall notify the applicant of the deficiencies and the period of 1428  
time the applicant has to correct the deficiencies and submit 1429  
the corrections to the executive committee. Failure to correct 1430  
deficiencies within the time designated by the executive 1431  
committee shall disqualify the project from consideration for a 1432  
grant during the annual competitive process for that year. 1433

The executive committee, by the affirmative vote of a 1434  
majority of all its members, shall select up to three eligible 1435  
projects from the projects it has prioritized each year pursuant 1436  
to the annual competitive process. The executive committee shall 1437  
forward the applications and any accompanying information for 1438  
each of the selected eligible projects to the department of 1439  
housing and development in the time and manner required by the 1440

rules governing the annual competitive process for the job ready 1441  
site program. 1442

(B) For a district public works integrating committee that 1443  
does not have an executive committee, the full committee shall 1444  
perform the functions assigned to the executive committee under 1445  
section 122.0816 of the Revised Code and division (A) of this 1446  
section. 1447

(C) An executive committee, or a district committee that 1448  
does not have an executive committee, may appoint a working 1449  
group of committee members and staff to perform the functions of 1450  
those committees as provided in this section. 1451

**Sec. 122.0811.** The department of housing and development 1452  
shall evaluate each eligible project selected pursuant to 1453  
section 122.0810 of the Revised Code to determine whether the 1454  
application for the proposed eligible project is complete and 1455  
whether it meets the requirements of section 122.0815 of the 1456  
Revised Code. If the application is complete and the project 1457  
meets the requirements of section 122.0815 of the Revised Code, 1458  
the department shall notify the eligible applicant that the 1459  
application is complete and shall prioritize the eligible 1460  
project pursuant to section 122.0816 of the Revised Code with 1461  
all other eligible projects with complete applications that meet 1462  
the requirements. If the application is incomplete or the 1463  
project does not meet the requirements of section 122.0815 of 1464  
the Revised Code, the department shall notify the applicant of 1465  
the deficiencies and the period of time the applicant has to 1466  
correct the deficiencies and submit the corrections to the 1467  
department. Failure to correct deficiencies within the time 1468  
designated by the department shall disqualify the project from 1469  
consideration for a grant during the annual competitive process 1470

for that year. 1471

The director, on completion of the evaluations and 1472  
prioritization, shall make a recommendation to the controlling 1473  
board asking for approval to make grants for the eligible 1474  
projects selected by the director. The director shall take into 1475  
consideration the geographic diversity of awards when making the 1476  
selection of eligible projects to receive grants. 1477

**Sec. 122.0812.** The director of housing and development 1478  
shall establish a discretionary process that permits the 1479  
director to make grants described in section 122.086 of the 1480  
Revised Code in situations that include those in which the 1481  
timing of a proposed eligible project is such that the annual 1482  
competitive process is not suitable. The director, as part of 1483  
the guidelines established for the discretionary process for the 1484  
job ready site program, shall establish all the procedures and 1485  
requirements governing application for the discretionary grants. 1486

**Sec. 122.0813.** On receipt of an application for a 1487  
discretionary grant for an eligible project, the director of 1488  
housing and development shall evaluate it to determine whether 1489  
the application for the proposed eligible project is complete 1490  
and whether the eligible project meets the requirements of 1491  
section 122.0815 of the Revised Code. If the application is 1492  
complete and the project meets the requirements of section 1493  
122.0815 of the Revised Code, the director shall make a 1494  
recommendation to the controlling board asking for approval to 1495  
make the discretionary grant for the eligible project. If the 1496  
application is incomplete or the project does not meet the 1497  
requirements of section 122.0815 of the Revised Code, the 1498  
department shall notify the applicant of the deficiencies and 1499  
work with the applicant to correct the deficiencies. If the 1500

deficiencies are corrected, the director shall make a 1501  
recommendation to the controlling board asking for approval to 1502  
make the discretionary grant for the eligible project. 1503

**Sec. 122.0814.** If the controlling board approves a grant 1504  
for an eligible project pursuant to the annual competitive 1505  
process or the discretionary process, the director of housing 1506  
and development shall enter into an agreement with the eligible 1507  
applicant to provide the grant for the project. The agreement 1508  
shall be executed prior to the payment or disbursement of any 1509  
funds under the grant and shall contain the following 1510  
provisions: 1511

(A) A designation of a single officer or employee of the 1512  
eligible applicant who will serve as the manager of the eligible 1513  
project; 1514

(B) A detailed description of the scope of the work 1515  
required under the eligible project, including anticipated 1516  
sources and uses of funds; 1517

(C) A designation of the percentage of the estimated total 1518  
cost of the project for which the grant will provide funding, 1519  
which shall not exceed seventy-five per cent of the cost; 1520

(D) Provisions for the recovery by the department of 1521  
housing and development of grant funds for failure to meet the 1522  
terms of the agreement; 1523

(E) A requirement that annual reports be made by the 1524  
eligible applicant on the progress of the eligible project and 1525  
any other information about the status of the project as 1526  
required by the guidelines and rules established for the job 1527  
ready site program; 1528

(F) Any other provisions the director determines 1529

necessary. 1530

**Sec. 122.0815.** (A) A project shall meet the following 1531  
requirements in order to be considered for a grant under the 1532  
annual competitive process: 1533

(1) The application for the grant is made by an eligible 1534  
applicant. 1535

(2) The project for which the application is made is an 1536  
eligible project. 1537

(3) The eligible applicant commits to all the following: 1538

(a) To use the grant to pay only allowable costs for the 1539  
eligible project; 1540

(b) Not to use the grant to fund more than seventy-five 1541  
per cent of the total cost of the eligible project; 1542

(c) Not to use more than ten per cent of the grant amount 1543  
to pay the costs of professional services under the eligible 1544  
project. 1545

(4) The grant amount requested does not exceed five 1546  
million dollars. 1547

(5) The eligible applicant and the eligible project comply 1548  
with any other criteria the director of housing and development 1549  
determines is necessary. 1550

(B) A project shall meet the requirements described in 1551  
divisions (A) (1) to (4) of this section in order to be 1552  
considered for a grant under the discretionary process. 1553

**Sec. 122.0816.** The department of housing and development 1554  
and the executive committees of district public works 1555  
integrating committees shall apply the following factors to 1556

eligible projects under the annual competitive process to 1557  
determine a priority order for the eligible projects subject to 1558  
that process: 1559

(A) The potential economic impact of the eligible project; 1560

(B) The potential impact of the eligible project on 1561  
economic distress; 1562

(C) The amount of local, federal, and private funding 1563  
available for the eligible project; 1564

(D) The demonstrated need for the eligible project; 1565

(E) The strength of the eligible project's marketing plan, 1566  
if appropriate; 1567

(F) The level of financial need; 1568

(G) Any other factor the director of housing and 1569  
development determines should be considered. 1570

**Sec. 122.0817.** In accordance with the guidelines 1571  
established to govern the discretionary process and the rules 1572  
adopted to govern the annual competitive process for the job 1573  
ready site program, the director of housing and development 1574  
shall publish an annual report that includes the following: 1575

(A) Details on each grant awarded pursuant to the program; 1576

(B) The status of projects funded in previous years; 1577

(C) The amount of grants awarded for projects in 1578  
economically distressed areas and, to the extent possible, the 1579  
impact of those grants in those areas. 1580

**Sec. 122.09.** (A) As used in this section: 1581

(1) "Development costs" means expenditures paid or 1582

incurred by the property owner in completing a certified 1583  
transformational mixed use development project, including 1584  
architectural or engineering fees paid or incurred in connection 1585  
with the project and expenses incurred before the date the 1586  
project is certified by the tax credit authority under division 1587  
(C) of this section. In the case of a certified transformational 1588  
mixed use development project that is part of a larger 1589  
contiguous project that is planned to be completed in phases, 1590  
"development costs" include only expenditures associated with 1591  
the portion of the project that is certified by the tax credit 1592  
authority and do not include expenditures incurred for other 1593  
phases of the project. 1594

(2) "Owner" means a person or persons holding a fee simple 1595  
or leasehold interest in real property, including interests in 1596  
real property acquired through a capital lease arrangement. 1597  
"Owner" does not include the state or a state agency, or any 1598  
political subdivision as defined in section 9.23 of the Revised 1599  
Code. For the purpose of this division, "fee simple interest," 1600  
"leasehold interest," and "capital lease" shall be construed in 1601  
accordance with generally accepted accounting principles. 1602

(3) "Transformational mixed use development" means a 1603  
project that consists of new construction or the redevelopment, 1604  
rehabilitation, expansion, or other improvement of vacant 1605  
buildings or structures, or a combination of the foregoing, and 1606  
that: 1607

(a) Will have a transformational economic impact on the 1608  
development site and the surrounding area; 1609

(b) Integrates some combination of retail, office, 1610  
residential, recreation, structured parking, and other similar 1611  
uses into one mixed use development; and 1612



- (c) Satisfies one of the following criteria: 1613
- (i) If the development site is located within ten miles of 1614  
a major city, the project includes at least one new or 1615  
previously vacant building that is fifteen or more stories in 1616  
height or has a floor area of at least three hundred fifty 1617  
thousand square feet, or after completion will be the site of 1618  
employment accounting for at least four million dollars in 1619  
annual payroll, or includes two or more buildings that are 1620  
connected to each other, are located on the same parcel or on 1621  
contiguous parcels, and that collectively have a floor area of 1622  
at least three hundred fifty thousand square feet; 1623
- (ii) If the development site is not located within ten 1624  
miles of a major city, the project includes at least one new or 1625  
previously vacant building that is two or more stories in height 1626  
or has a floor area of at least seventy-five thousand square 1627  
feet or two or more new buildings that are located on the same 1628  
parcel or on contiguous parcels and that collectively have a 1629  
floor area of at least seventy-five thousand square feet. 1630
- "Transformational mixed use development" may include a 1631  
portion of a larger contiguous project that is planned to be 1632  
completed in phases as long as the phases collectively meet the 1633  
criteria described in division (A) (3) of this section. 1634
- (4) "Increase in tax collections" means the difference, if 1635  
positive, of the amount of state and local taxes derived from 1636  
economic activity occurring within the development site and the 1637  
surrounding area during a period of time minus the amount of 1638  
such taxes that are estimated to be derived from such economic 1639  
activity in that site and surrounding area during the same 1640  
period if the transformational mixed use project were not 1641  
completed. 1642

(5) "Completion period" means the time period beginning on 1643  
the day after a transformational mixed use development is 1644  
certified by the tax credit authority and ending on the fifth 1645  
anniversary of the day the project is completed. 1646

(6) "Insurance company" means a person subject to the tax 1647  
imposed under section 5725.18 or 5729.03 of the Revised Code. 1648

(7) "Contribute capital" means to invest, loan, or donate 1649  
cash in exchange for an equity interest in an asset, a debt 1650  
instrument, or no consideration. 1651

(8) "Major city" means a municipal corporation that has a 1652  
population greater than one hundred thousand. 1653

(9) "Tax credit authority" means the tax credit authority 1654  
created under section 122.17 of the Revised Code. 1655

(10) "Adjusted development costs" means the development 1656  
costs attributed to a complete transformational mixed use 1657  
development project minus the sum of the capital contributions 1658  
of any insurance companies that are preliminarily approved for a 1659  
tax credit in connection with the same project. 1660

(11) A "property owner's share" of the increase in tax 1661  
collections equals the product obtained by multiplying the total 1662  
increase in tax collections since the date the transformational 1663  
mixed use development project was certified by a fraction, the 1664  
numerator of which is the adjusted development costs and the 1665  
denominator of which is the actual development costs attributed 1666  
to the project. 1667

(12) An "insurance company's share" of the increase in tax 1668  
collections equals the product obtained by multiplying the total 1669  
increase in tax collections since the date the transformational 1670  
mixed use development project was certified by a fraction, the 1671

numerator of which is the insurance company's capital 1672  
contribution to the project and the denominator of which is the 1673  
actual development costs attributed to the project. 1674

(B) The owner of one or more parcels of land in this state 1675  
within which a transformational mixed use development is planned 1676  
or an insurance company that contributes capital to be used in 1677  
the planning or construction of such a development may apply to 1678  
the tax credit authority for certification of the development 1679  
and preliminary approval of a tax credit. Each application shall 1680  
be filed in the form and manner prescribed by the director of 1681  
housing and development and shall, at minimum, include a 1682  
development plan comprised of all of the following information: 1683

(1) The location of the development site and an indication 1684  
of whether it is located within ten miles of a major city; 1685

(2) A detailed description of the proposed 1686  
transformational mixed use development including site plans, 1687  
construction drawings, architectural renderings, or other means 1688  
sufficient to convey the appearance, size, purposes, capacity, 1689  
and scope of the project and, if applicable, previously 1690  
completed and future phases of the project; 1691

(3) A viable financial plan that estimates the development 1692  
costs that have been or will be incurred in the completion of 1693  
the project and that designates a source of financing or a 1694  
strategy for obtaining financing; 1695

(4) An estimated schedule for the progression and 1696  
completion of the project including, if applicable, previously 1697  
completed and future phases of the project; 1698

(5) An assessment of the projected economic impact of the 1699  
project on the development site and the surrounding area; 1700

(6) Evidence that the increase in tax collections during 1701  
the completion period will exceed ten per cent of the estimated 1702  
development costs reported under division (B) (3) of this 1703  
section; 1704

(7) If the applicant is an insurance company that is not 1705  
the property owner, the amount of the insurance company's 1706  
capital contribution to the development and the date on which it 1707  
was or will be made; 1708

(8) Evidence that the project will not be completed unless 1709  
the applicant receives the credit. 1710

(C) (1) In determining whether to certify a project that is 1711  
the subject of an application submitted under division (B) of 1712  
this section, the tax credit authority shall consider the 1713  
potential impact of the transformational mixed use development 1714  
on the development site and the surrounding area in terms of 1715  
architecture, accessibility to pedestrians, retail entertainment 1716  
and dining sales, job creation, property values, connectivity, 1717  
and revenue from sales, income, lodging, and property taxes. The 1718  
tax credit authority shall not certify a project unless it 1719  
satisfies the following conditions: 1720

(a) The project qualifies as a transformational mixed use 1721  
development and satisfies all other criteria prescribed by this 1722  
section or by rule of the director of housing and development; 1723

(b) The estimated increase in tax collections during the 1724  
completion period exceeds ten per cent of the estimated 1725  
development costs for the project reported under division (B) (3) 1726  
of this section; 1727

(c) The project will not be completed unless the applicant 1728  
receives the credit; 1729

(d) If the development site is located within ten miles of 1730  
a major city, the estimated development costs to complete the 1731  
project plus, if applicable, the estimated expenditures that 1732  
have been or will be incurred to complete all other contiguous 1733  
phases of the project, exceed fifty million dollars. 1734

In making its determination of whether or not to approve 1735  
an application, the tax credit authority may conduct an 1736  
interview of the applicant. 1737

(2) If the tax credit authority approves an application, 1738  
the authority shall issue a statement certifying the associated 1739  
transformational mixed use development project and preliminarily 1740  
approving a tax credit. The statement shall stipulate that 1741  
receipt of a tax credit certificate is contingent upon 1742  
completion of the transformational mixed use development as 1743  
described in the development plan. The statement shall specify 1744  
the estimated amount of the tax credit, but state that the 1745  
amount of the credit is dependent upon determination of the 1746  
actual development costs attributed to the project and, unless 1747  
the tax credit authority grants a request by the property owner 1748  
under division (F) of this section, of the increase in tax 1749  
collections during the completion period. 1750

(3) Except as otherwise provided in this division, if the 1751  
applicant is an insurance company that is not the property 1752  
owner, the estimated amount of the tax credit shall equal ten 1753  
per cent of the insurance company's capital contribution to the 1754  
project as reported in the development plan pursuant to division 1755  
(B) (7) of this section. Except as otherwise provided in this 1756  
division, if the applicant is the property owner, the estimated 1757  
amount of the tax credit shall equal ten per cent of the 1758  
estimated development costs for the project as reported in the 1759

development plan pursuant to division (B) (3) of this section 1760  
minus any estimated credit amounts that have been preliminarily 1761  
approved for insurance companies contributing capital to the 1762  
project. The estimated credit amounts may be reduced by the tax 1763  
credit authority as a condition of certifying the project if 1764  
such a reduction is necessary to comply with the limitations on 1765  
the amount of credits that may be preliminarily approved as 1766  
prescribed by division (C) (5) of this section. The estimated 1767  
credit amounts shall not be adjusted after the statement 1768  
described in division (C) (2) of this section has been issued. 1769

(4) If the tax credit authority denies an application, the 1770  
authority shall notify the applicant of the reason or reasons 1771  
for such determination. The authority's determination is final, 1772  
but an applicant may revise and resubmit a previously denied 1773  
application. 1774

(5) (a) The tax credit authority shall not certify any 1775  
transformational mixed use development projects after June 30, 1776  
2025. 1777

(b) The tax credit authority may not preliminarily approve 1778  
more than one hundred million dollars of estimated tax credits 1779  
in each of fiscal years 2022, 2023, 2024, and 2025. 1780

(c) Not more than eighty million dollars of estimated tax 1781  
credits in each such fiscal year may be preliminarily approved 1782  
in connection with projects that are located within ten miles of 1783  
a major city. 1784

(d) Not more than forty million dollars of estimated tax 1785  
credits may be preliminarily approved in connection with the 1786  
same transformational mixed use development project. 1787

(6) If the dollar amount of tax credits applied for under 1788

division (B) of this section in connection with projects that 1789  
are located within ten miles of a major city exceeds eighty 1790  
million dollars for a fiscal year, the tax credit authority 1791  
shall rank those applications and certify the associated 1792  
projects in order, starting with the project that presents the 1793  
best combination of economic value and transformational impact. 1794  
If the dollar amount of tax credits applied for in connection 1795  
with projects not located within ten miles of a major city 1796  
exceeds twenty million dollars for a fiscal year, the tax credit 1797  
authority shall rank those applications and certify the 1798  
associated projects in order, starting with the project that 1799  
presents the best combination of economic value and 1800  
transformational impact. In either case, the authority shall 1801  
consider the following factors in ranking the applications: 1802

(a) The projected increase in tax collections during the 1803  
completion period as a percentage of the total amount of 1804  
estimated tax credits that would be preliminarily approved in 1805  
connection with the project; 1806

(b) The economic impact of the project on the development 1807  
site and the surrounding area and the impact of the project in 1808  
terms of architecture, accessibility to pedestrians, retail 1809  
entertainment and dining sales, job creation, property values, 1810  
and connectivity; 1811

(c) The expeditiousness of the schedule for completing the 1812  
project, realizing the increase in tax collections, and 1813  
attaining the economic and other impacts on the development site 1814  
and the surrounding area. 1815

(D) Within twelve months of the date a project is 1816  
certified, the property owner shall provide the tax credit 1817  
authority with an updated schedule for the progression and 1818

completion of the project and documentation sufficient to 1819  
demonstrate that construction of the project has begun. If the 1820  
property owner does not provide the schedule and documentation 1821  
or if construction of the project has not begun within the time 1822  
prescribed by this division, the tax credit authority shall 1823  
rescind certification of the project and send notice of the 1824  
rescission to the property owner and each insurance company that 1825  
is preliminarily approved for a tax credit in connection with 1826  
the project. A property owner that receives notice of rescission 1827  
may submit a new application concerning the same project under 1828  
division (B) of this section. 1829

(E) An applicant that is the property owner and is 1830  
preliminarily approved for a tax credit under this section may 1831  
sell or transfer the rights to that credit to one or more 1832  
persons for the purpose of raising capital for the certified 1833  
project. The applicant shall notify the tax credit authority 1834  
upon selling or transferring the rights to the credit. The 1835  
notice shall identify the person or persons to which the credit 1836  
was sold or transferred and the credit amount sold or 1837  
transferred to each such person. Only an applicant that owns the 1838  
property may sell or transfer a credit under this division. A 1839  
credit may be divided among multiple purchasers through more 1840  
than one transaction but once a particular credit amount is 1841  
acquired by a person other than the applicant it may not be sold 1842  
or transferred again. 1843

(F) After a transformational mixed use development project 1844  
is certified and before it is completed, the property owner may 1845  
request that the value of the tax credit certificates awarded in 1846  
connection with the project be computed using the alternative 1847  
method described in division (I) of this section. The tax credit 1848  
authority shall grant the request if the authority determines, 1849



and a third party engaged by the authority at the expense of the 1850  
property owner affirms, that it is reasonably certain that the 1851  
increase in tax collections will exceed ten per cent of the 1852  
estimated development costs within one year after the project is 1853  
completed. Otherwise, the authority shall deny the request and 1854  
the amount of each credit awarded in connection with the project 1855  
shall be computed under division (H) of this section. The 1856  
authority's determination under this division shall be delivered 1857  
in writing and is final and not appealable. 1858

(G) (1) The property owner shall notify the tax credit 1859  
authority upon completion of a certified transformational mixed 1860  
use development project. The notification shall include a report 1861  
prepared by a third-party certified public accountant that 1862  
contains a detailed accounting of the actual development costs 1863  
attributed to the project. 1864

(2) Upon receiving such a notice, unless the tax credit 1865  
authority has previously granted a request by the property owner 1866  
under division (F) of this section, the authority shall 1867  
determine the increase in tax collections since the date the 1868  
project was certified by consulting with the tax commissioner 1869  
and with the tax administrator of any municipal corporation that 1870  
levies an income tax within the project site and the surrounding 1871  
area. The tax commissioner and the tax administrators that are 1872  
consulted pursuant to this division shall provide the tax credit 1873  
authority with any information that is necessary to determine 1874  
the increase in tax collections. 1875

(3) After determining the increase in tax collections 1876  
under division (G) (2) of this section, if required, and 1877  
computing the value of the tax credit under division (H) or (I) 1878  
of this section, as applicable, the tax credit authority shall 1879

issue a tax credit certificate to each applicant that is 1880  
preliminarily approved for a credit associated with the project 1881  
or to the person or persons to which such an applicant sold or 1882  
transferred the rights to the credit under division (E) of this 1883  
section. If the amount of the tax credit awarded to the property 1884  
owner is less than the credit amount estimated under division 1885  
(C) of this section and the property owner sold or transferred 1886  
the rights to the credit, the tax credit authority shall reduce 1887  
the amount of each tax credit certificate issued to each 1888  
purchaser or recipient on a pro rata basis unless the property 1889  
owner requests an alternative allocation of the credit. 1890

(H) (1) Unless the tax credit authority granted a request 1891  
by the property owner under division (F) of this section, the 1892  
aggregate value of the tax credit certificates issued under 1893  
division (G) of this section to the property owner and to any 1894  
persons to whom the property owner sold or transferred the 1895  
rights to the credit shall equal the lesser of the following: 1896

(a) Ten per cent of the adjusted development costs; 1897

(b) Five per cent of the adjusted development costs plus 1898  
any amount by which the property owner's share of the increase 1899  
in tax collections since the date the project was certified 1900  
exceeds five per cent of the adjusted development costs; 1901

(c) The estimated credit amount specified in the tax 1902  
credit authority's statement certifying the project and 1903  
preliminarily approving the tax credit under division (C) of 1904  
this section. 1905

(2) The value of a tax credit certificate issued under 1906  
division (G) of this section to an insurance company that 1907  
contributed capital to the project shall equal the lesser of the 1908

following: 1909

(a) Ten per cent of the insurance company's actual capital 1910  
contribution; 1911

(b) Five per cent of such capital contribution plus any 1912  
amount by which the insurance company's share of the increase in 1913  
tax collections since the date the project was certified exceeds 1914  
five per cent of the insurance company's capital contribution; 1915

(c) The estimated credit amount specified in the tax 1916  
credit authority's statement certifying the project and 1917  
preliminarily approving the tax credit under division (C) of 1918  
this section. 1919

(I) If the tax credit authority granted a request by the 1920  
property owner under division (F) of this section, the value of 1921  
the tax credit certificates issued in connection with the 1922  
transformational mixed use development project shall be computed 1923  
as follows: 1924

(1) For the property owner or any person to which the 1925  
property owner sold or transferred the rights to the credit, ten 1926  
per cent of the actual development costs attributed to the 1927  
project. If the amount of the credit is less than the credit 1928  
amount estimated under division (C) of this section and the 1929  
property owner sold or transferred the rights to the credit to 1930  
more than one person, the authority shall reduce the amount of 1931  
each tax credit certificate on a pro rata basis unless the 1932  
property owner requests an alternative allocation of the credit. 1933

(2) For an insurance company that contributed capital to 1934  
the project, ten per cent of the insurance company's actual 1935  
capital contribution. 1936

(J) If the value of a tax credit certificate was computed 1937

under division (H) of this section for a project, the property 1938  
owner, on or before the thirtieth day following the first, 1939  
second, third, fourth, and fifth anniversaries of the date the 1940  
certified transformational mixed use development project is 1941  
completed, may request in writing that the tax credit authority 1942  
update the increase in tax collections during the completion 1943  
period. Upon receiving such a request, the tax credit authority 1944  
shall update the increase in tax collections in the same manner 1945  
described by division (G) of this section. If the tax credit 1946  
authority determines that the value of the tax credit 1947  
certificates computed under division (H) of this section would 1948  
be greater if computed based on the updated increase in tax 1949  
collections, the authority shall issue an additional tax credit 1950  
certificate to each person that previously received a 1951  
certificate for the project under those divisions. The value of 1952  
each additional tax credit certificate shall equal the amount by 1953  
which the tax credit certificate computed under division (H) of 1954  
this section upon completion of the project would have been 1955  
greater had the value of such certificate been computed based on 1956  
the updated increase in tax collections, less the value of any 1957  
additional tax credit certificates previously issued under this 1958  
division to the same person respecting the same project. 1959

(K) The aggregate value of all tax credit certificates 1960  
issued under this section for the same transformational mixed 1961  
use development project shall not exceed (1) ten per cent of the 1962  
actual development costs of that project or (2) the sum of all 1963  
estimated credit amounts preliminarily approved by the tax 1964  
credit authority in connection with the project. 1965

(L) Issuance of a tax credit certificate under this 1966  
section does not represent a verification or certification by 1967  
the tax credit authority of the actual development costs of the 1968

project or the capital contributions to the project by an 1969  
insurance company. Such amounts are subject to inspection and 1970  
examination by the superintendent of insurance. 1971

(M) Upon the issuance of a tax credit certificate under 1972  
division (G) or (J) of this section, the tax credit authority 1973  
shall certify to the superintendent of insurance (1) the name of 1974  
each person that was issued a tax credit certificate, (2) 1975  
whether the person is the property owner, an insurance company 1976  
that contributed capital to the development, or a person that 1977  
acquired the rights to the tax credit certificate from the 1978  
property owner, (3) the credit amount shown on each tax credit 1979  
certificate, and (4) any other information required by the rules 1980  
adopted under this section. A person that holds the rights to a 1981  
tax credit certificate issued under this section and that is an 1982  
insurance company may claim a tax credit under section 5725.35 1983  
or 5729.18 of the Revised Code. 1984

(N) The tax credit authority shall publish information 1985  
about each transformational mixed use development on the web 1986  
site of the department of housing and development not later than 1987  
the first day of August following certification of the project. 1988  
The tax credit authority shall update the published information 1989  
annually until the project is complete and the credit or credits 1990  
are fully claimed. The published information shall include all 1991  
of the following: 1992

(1) The location of the transformational mixed use 1993  
development and the name by which it is known; 1994

(2) The estimated schedule for progression and completion 1995  
of the project included in the development plan pursuant to 1996  
division (B)(4) of this section; 1997

(3) The assessment of the projected economic impact of the project included in the development plan pursuant to division (B) (5) of this section; 1998  
1999  
2000

(4) The evidence supporting the estimated increase in tax collections included in the development plan pursuant to division (B) (6) of this section, except that the tax credit authority may omit any proprietary or sensitive information included in such evidence; 2001  
2002  
2003  
2004  
2005

(5) The estimated development costs that have been or will be incurred in completion of the project and, if applicable, the amount of the insurance company's capital contribution to the development and the date on which it was made, as reported in the development plan pursuant to divisions (B) (3) and (7) of this section; 2006  
2007  
2008  
2009  
2010  
2011

(6) A copy of each report submitted to the tax credit authority by the applicant under division (D) of this section. 2012  
2013

(0) The director, in accordance with Chapter 119. of the Revised Code, shall adopt rules that establish all of the following: 2014  
2015  
2016

(1) Forms and procedures by which applicants may apply for a transformational investment tax credit, and any deadlines for applying; 2017  
2018  
2019

(2) Criteria and procedures for reviewing, evaluating, ranking, and approving applications within the limitations prescribed by this section, including rules prescribing the timing and frequency by which the tax credit authority must rank applications and preliminarily approve tax credits under division (C) of this section; 2020  
2021  
2022  
2023  
2024  
2025

(3) Eligibility requirements for obtaining a tax credit 2026

certificate under this section; 2027

(4) The form of the tax credit certificate; 2028

(5) Reporting requirements and monitoring procedures; 2029

(6) Procedures for computing the increase in tax 2030  
collections within the project site and the surrounding area; 2031

(7) Forms and procedures by which property owners may 2032  
request the alternative method of computing the value of tax 2033  
credit certificates under division (I) of this section that are 2034  
awarded in connection with a project and criteria for evaluating 2035  
and making a determination on such requests; 2036

(8) Any other rules necessary to implement and administer 2037  
this section. 2038

**Sec. 122.10.** Each department, bureau, institution, agency, 2039  
commission, or office of the state government, shall, upon 2040  
request, furnish to the department of housing and development 2041  
any information it has available. 2042

The department of housing and development shall cooperate 2043  
with each department, bureau, institution, agency, commission, 2044  
or office of the state government and shall furnish any 2045  
information it has available to such departments, bureaus, 2046  
institutions, agencies, commissions, or office upon their 2047  
request. 2048

The department shall coordinate its services and 2049  
activities with those of state departments, bureaus, agencies, 2050  
commissions, and offices to the fullest extent possible in order 2051  
to avoid duplication. 2052

**Sec. 122.11.** The director of housing and development may 2053  
employ and fix the compensation of technical and professional 2054

personnel, who shall be in the unclassified civil service, and 2055  
may employ other personnel, who shall be in the classified civil 2056  
service, as necessary to carry out the provisions of sections 2057  
122.011 to 122.11, 122.17, and 122.18 of the Revised Code. 2058

**Sec. 122.121.** (A) A local organizing committee, endorsing 2059  
municipality, or endorsing county that has entered into a 2060  
joinder undertaking with a site selection organization may apply 2061  
to the director of housing and development~~services~~, on a form 2062  
and in the manner prescribed by the director, for a grant from 2063  
the sports event grant fund created under section 122.122 of the 2064  
Revised Code with respect to a game to which either of the 2065  
following applies: 2066

(1) The organization accepts competitive bids to host the 2067  
game. 2068

(2) The game is a one-time centennial commemoration of the 2069  
founding of a national football organization, association, or 2070  
league. 2071

The amount of the grant shall be based on the projected 2072  
incremental increase in the receipts from the tax imposed under 2073  
section 5739.02 of the Revised Code within the market area 2074  
designated under division (C) of this section, for the two-week 2075  
period that ends at the end of the day after the date on which 2076  
the game will be held, that is directly attributable, as 2077  
determined by the director, to the preparation for and 2078  
presentation of the game. The director shall determine the 2079  
projected incremental increase in the tax imposed under section 2080  
5739.02 of the Revised Code by using a formula approved by the 2081  
director in consultation with the tax commissioner. The 2082  
application shall include an estimate of the committee's, 2083  
municipality's, or county's qualifying costs under the game 2084



support contract. The local organizing committee, endorsing 2085  
municipality, or endorsing county is eligible to receive a grant 2086  
under this section only if the projected incremental increase in 2087  
receipts from the tax imposed under section 5739.02 of the 2088  
Revised Code, as determined by the director, exceeds two hundred 2089  
fifty thousand dollars. The amount of the grant shall be not 2090  
less than fifty per cent of the projected incremental increase 2091  
in receipts, as determined by the director, but shall not exceed 2092  
the lesser of two million dollars or the amount of the 2093  
committee's, municipality's, or county's qualifying costs under 2094  
the game support contract. The director shall disburse the grant 2095  
to the local organizing committee, endorsing municipality, or 2096  
endorsing county from the sports event grant fund. 2097

(B) If the director of housing and development ~~services~~ 2098  
approves an application for a local organizing committee, 2099  
endorsing municipality, or endorsing county and that local 2100  
organizing committee, endorsing municipality, or endorsing 2101  
county enters into a joinder agreement with a site selection 2102  
organization, the local organizing committee, endorsing 2103  
municipality, or endorsing county shall file a copy of the 2104  
joinder agreement with the director. The grant shall be used 2105  
exclusively by the local organizing committee, endorsing 2106  
municipality, or endorsing county to pay its qualifying costs 2107  
under the game support contract. 2108

(C) For the purposes of division (A) of this section, the 2109  
director of housing and development ~~services~~, in consultation 2110  
with the tax commissioner, shall designate the market area for a 2111  
game. The market area shall consist of the combined statistical 2112  
area, as defined by the United States office of management and 2113  
budget, in which an endorsing municipality or endorsing county 2114  
is located. 2115

(D) A local organizing committee, endorsing municipality, 2116  
or endorsing county shall provide information required by the 2117  
director of housing and development ~~services~~ and tax 2118  
commissioner to enable the director and commissioner to fulfill 2119  
their duties under this section, including annual audited 2120  
statements of any financial records required by a site selection 2121  
organization; data obtained by the local organizing committee, 2122  
endorsing municipality, or endorsing county relating to 2123  
attendance at a game and to the economic impact of the game; and 2124  
financial records from the committee, municipality, or county 2125  
verifying its qualifying costs under the game support contract. 2126  
A local organizing committee, an endorsing municipality, or an 2127  
endorsing county shall provide an annual audited financial 2128  
statement if so required by the director and commissioner, not 2129  
later than the end of the fourth month after the date the period 2130  
covered by the financial statement ends. 2131

(E) Within thirty days after the game, the local 2132  
organizing committee, endorsing municipality, or endorsing 2133  
county shall certify to the director of housing and development 2134  
~~services~~ a statement of its qualifying costs under the game 2135  
support contract and a report about the economic impact of the 2136  
game. The certification shall be in the form and substance 2137  
required by the director, including, but not limited to, a final 2138  
income statement for the event showing total revenue and 2139  
expenditures and revenue and expenditures in the market area for 2140  
the game, and ticket sales for the game and any related 2141  
activities for which admission was charged. The director shall 2142  
determine, based on the reported information and the exercise of 2143  
reasonable judgment, the incremental increase in receipts from 2144  
the tax imposed under section 5739.02 of the Revised Code 2145  
directly attributable to the game and the committee's, 2146

municipality's, or county's qualifying costs under the game 2147  
support contract. If the actual incremental increase in sales 2148  
tax receipts is less than the projected incremental increase in 2149  
such receipts, or if the actual qualifying costs are less than 2150  
the estimated qualifying costs, the director may require the 2151  
local organizing committee, endorsing municipality, or endorsing 2152  
county to refund to the state all or a portion of the grant. Any 2153  
refund remitted under this division shall be credited to the 2154  
sports event grant fund. 2155

(F) No disbursement may be made under this section if the 2156  
director of housing and development ~~services~~ determines that it 2157  
would be used for the purpose of soliciting the relocation of a 2158  
professional sports franchise located in this state. 2159

(G) This section may not be construed as creating or 2160  
requiring a state guarantee of obligations imposed on an 2161  
endorsing municipality or endorsing county under a game support 2162  
contract or any other agreement relating to hosting one or more 2163  
games in this state. 2164

**Sec. 122.131.** There is hereby created the employee 2165  
ownership assistance program to be administered by the director 2166  
of housing and development. The director may employ any 2167  
professional and technical personnel and other employees that 2168  
are necessary to comply with sections 122.13 to 122.136 of the 2169  
Revised Code. The director shall assist an individual or group 2170  
of individuals, who seek assistance in the establishment of an 2171  
employee-owned corporation. The director shall inform local 2172  
government, business organizations, labor organizations, and 2173  
others in the state of the availability of the program and its 2174  
services established pursuant to sections 122.13 to 122.136 of 2175  
the Revised Code. 2176

<b>Sec. 122.132.</b> The director of <u>housing and</u> development	2177
shall do all of the following:	2178
(A) Develop, collect, and disseminate information useful	2179
to individuals and organizations throughout the state in	2180
undertaking or promoting the establishment and successful	2181
operation of employee-owned corporations;	2182
(B) Assist in the evaluation of the feasibility and	2183
economic vitality of employee-owned corporation proposals	2184
received in the employee ownership assistance program;	2185
(C) Provide technical assistance and counseling services	2186
to individuals who seek to form an employee-owned corporation;	2187
(D) Provide assistance and counseling in the operation of	2188
an employee-owned corporation;	2189
(E) Assist individuals in obtaining financing for the	2190
purchase and operation of an employee-owned corporation;	2191
(F) Promote and coordinate the efforts of local, state,	2192
federal, or private organizations to assist in the formation or	2193
operation of employee-owned corporations;	2194
(G) Recommend appropriate legislative or executive actions	2195
to enhance opportunities for employee-owned corporations in this	2196
state;	2197
(H) Prescribe all forms for assistance requests and	2198
publish materials describing the employee ownership assistance	2199
program's services;	2200
(I) Adopt rules under Chapter 119. of the Revised Code for	2201
the conduct of the employee ownership assistance program.	2202
<b>Sec. 122.133.</b> The director of <u>housing and</u> development	2203

shall publicize the availability of the employee ownership 2204  
assistance program and its services to local governments and to 2205  
business and labor organizations and shall coordinate with local 2206  
governments, business and labor organizations, and other state 2207  
agencies in obtaining information relating to the possible 2208  
relocation of operations or closing of a business establishment. 2209

**Sec. 122.134.** If the director of housing and development 2210  
becomes aware that a business establishment is closing or 2211  
relocating operations, the director, pursuant to a request 2212  
received under section 122.135 of the Revised Code, may conduct 2213  
an initial study of the feasibility of the employees of the 2214  
business establishment establishing an employee-owned 2215  
corporation to continue the operations of the business 2216  
establishment, or to operate another business, and may hold an 2217  
informational meeting of representatives of the local community, 2218  
the business establishment, representatives of any employee 2219  
organization, and affected employees to explain the services 2220  
available from the department of housing and development 2221  
relative to the formation of an employee-owned corporation. 2222

**Sec. 122.135.** Any individual, group of individuals, 2223  
employees, organization of employees, or local community 2224  
affected by any closing or relocation of a business 2225  
establishment's operations or the proposed closing or relocation 2226  
of a business establishment's operations may request, in a 2227  
manner prescribed by the director of housing and development, 2228  
assistance in efforts to study the feasibility of the 2229  
establishment of an employee-owned corporation and any other 2230  
assistance the director may provide pursuant to sections 122.13 2231  
to 122.136 of the Revised Code. 2232

**Sec. 122.136.** The director of housing and development 2233

~~services~~ shall prepare and submit a report to the governor and 2234  
the general assembly annually on or before the first day of 2235  
August of the services and activities of the employee ownership 2236  
assistance program for the preceding calendar year. The director 2237  
shall include in the report information regarding the number, 2238  
names, and locations of business establishments that have been 2239  
or likely will be assisted as employee-owned corporations; 2240  
recommendations on how to better operate the program; 2241  
information regarding the effectiveness of the program in 2242  
maintaining and improving employment in the state; and the 2243  
number of individuals affected by the activities of the program. 2244

**Sec. 122.14.** (A) There is hereby created in the state 2245  
treasury the roadwork development fund. The fund shall consist 2246  
of the investment earnings of the security deposit fund created 2247  
by section 4509.27 of the Revised Code and revenue transferred 2248  
to it by the director of budget and management from the highway 2249  
operating fund created in section 5735.051 of the Revised Code. 2250  
The fund shall be used by the department of housing and 2251  
~~development services agency~~ in accordance with Section 5a of 2252  
Article XII, Ohio Constitution, to make road improvements 2253  
associated with retaining or attracting business for this state, 2254  
including both of the following: 2255

(1) Construction, reconstruction, maintenance, or repair 2256  
of public roads that provide access to a public airport or are 2257  
located within a public airport; 2258

(2) Construction, reconstruction, maintenance, or repair 2259  
of public roads that provide or improve access to tourism 2260  
attractions. 2261

(B) All investment earnings of the fund shall be credited 2262  
to the fund. 2263

**Sec. 122.15.** As used in this section and sections 122.151 2264  
to 122.156 of the Revised Code: 2265

(A) "Affiliate" means a person that directly, or 2266  
indirectly through one or more intermediaries, controls, is 2267  
controlled by, or is under common control with another person. 2268  
For the purposes of this division, a person is "controlled by" 2269  
another person if the controlling person holds, directly or 2270  
indirectly, the majority voting or ownership interest in the 2271  
controlled person or has control over the day-to-day operations 2272  
of the controlled person by contract or by law. 2273

(B) "Border county" means a county in this state that 2274  
borders another state. 2275

(C) "Closing date" means the date on which a rural 2276  
business growth fund has collected all of the amounts specified 2277  
by divisions (G) (1) and (2) of section 122.151 of the Revised 2278  
Code. 2279

(D) "Credit-eligible capital contribution" means an 2280  
investment of cash by a person subject to the tax imposed by 2281  
section 3901.86, 5725.18, 5729.03, or 5729.06 of the Revised 2282  
Code in a rural business growth fund that equals the amount 2283  
specified on a notice of tax credit allocation issued by the 2284  
department of housing and development under division (I) (1) of 2285  
section 122.151 of the Revised Code. The investment shall 2286  
purchase an equity interest in the fund or purchase, at par 2287  
value or premium, a debt instrument issued by the fund that 2288  
meets all of the following criteria: 2289

(1) The debt instrument has an original maturity date of 2290  
at least five years after the date of issuance. 2291

(2) The debt instrument has a repayment schedule that is 2292

not faster than a level principal amortization over five years. 2293

(3) The debt instrument has no interest, distribution, or 2294  
payment features dependent on the fund's profitability or the 2295  
success of the fund's growth investments. 2296

(E) "Eligible investment authority" means the amount 2297  
stated on the notice issued under division (F) of section 2298  
122.151 of the Revised Code certifying the rural business growth 2299  
fund. Sixty per cent of a fund's eligible investment authority 2300  
shall be comprised of credit-eligible capital contributions. 2301

(F) "Full-time equivalent employee" means the quotient 2302  
obtained by dividing the total number of hours for which 2303  
employees were compensated for employment over the preceding 2304  
twelve-month period by two thousand eighty. 2305

(G) "Growth investment" means any capital or equity 2306  
investment in a rural business concern or any loan to a rural 2307  
business concern with a stated maturity of at least one year. A 2308  
secured loan or the provision of a revolving line of credit to a 2309  
rural business concern is a growth investment only if the rural 2310  
business growth fund obtains an affidavit from the president or 2311  
chief executive officer of the rural business concern attesting 2312  
that the rural business concern sought and was denied similar 2313  
financing from a commercial bank. 2314

(H) "Operating company" means any business that has its 2315  
principal business operations in this state, has fewer than two 2316  
hundred fifty employees and not more than fifteen million 2317  
dollars in net income for the preceding taxable year, and that 2318  
is none of the following: 2319

(1) A country club; 2320

(2) A racetrack or other facility used for gambling; 2321



(3) A store the principal purpose of which is the sale of	2322
alcoholic beverages for consumption off premises;	2323
(4) A massage parlor;	2324
(5) A hot tub facility;	2325
(6) A suntan facility;	2326
(7) A business engaged in the development or holding of	2327
intangibles for sale;	2328
(8) A private or commercial golf course;	2329
(9) A business that derives or projects to derive fifteen	2330
per cent or more of its net income from the rental or sale of	2331
real property, except any business that is a special purpose	2332
entity principally owned by a principal user of that property	2333
formed solely for the purpose of renting, either directly or	2334
indirectly, or selling real property back to such principal user	2335
if such principal user does not derive fifteen per cent or more	2336
of its gross annual revenue from the rental or sale of real	2337
property;	2338
(10) A publicly traded business.	2339
For the purposes of this division, "net income" means	2340
federal gross income as required to be reported under the	2341
Internal Revenue Code less federal and state taxes imposed on or	2342
measured by income.	2343
(I) "Population" means that shown by the most recent	2344
decennial census or the most recent annual population estimate	2345
published or released by the United States census bureau,	2346
whichever is more recent.	2347
(J) A business's "principal business operations" are in	2348

this state if at least eighty per cent of the business's 2349  
employees reside in this state, the individuals who receive 2350  
eighty per cent of the business's payroll reside in this state, 2351  
or the business has agreed to use the proceeds of a growth 2352  
investment to relocate at least eighty per cent of its employees 2353  
to this state or pay at least eighty per cent of its payroll to 2354  
individuals residing in this state. For the purpose of growth 2355  
investments by a program two rural business growth fund, a 2356  
business's "principal business operations" are also in this 2357  
state if it is headquartered in a border county and at least 2358  
sixty-five per cent of the business's employees reside in this 2359  
state, the individuals who receive sixty-five per cent of the 2360  
business's payroll reside in this state, or the business has 2361  
agreed to use the proceeds of a growth investment to relocate at 2362  
least sixty-five per cent of its employees to this state or pay 2363  
at least sixty-five per cent of its payroll to individuals 2364  
residing in this state. 2365

(K) "Program one" refers to rural business growth funds 2366  
certified by the department of housing and development under 2367  
section 122.151 of the Revised Code before ~~the effective date of~~ 2368  
~~this amendment~~ September 30, 2021. 2369

(L) "Program two" refers to rural business growth funds 2370  
certified by the department of housing and development under 2371  
section 122.151 of the Revised Code on or after ~~the effective~~ 2372  
~~date of this amendment~~ September 30, 2021. 2373

(M) "Rural area" means any county in this state having a 2374  
population less than two hundred thousand. 2375

(N) "Rural business concern" means an operating company 2376  
that has its principal business operations located in a rural 2377  
area. 2378

(O) "Rural business growth fund" and "fund" mean an entity 2379  
certified by the department of housing and development under 2380  
section 122.151 of the Revised Code. 2381

(P) "Taxable year" means the calendar year ending on the 2382  
thirty-first day of December next preceding the day the annual 2383  
statement is required to be returned under section 5725.18 or 2384  
5729.02 of the Revised Code. 2385

(Q) "Tier one rural area" means any county in this state 2386  
having a population less than two hundred thousand and more than 2387  
one hundred fifty thousand. 2388

(R) "Tier two rural area" means any county in this state 2389  
having a population of more than seventy-five thousand but not 2390  
more than one hundred fifty thousand. 2391

(S) "Tier three rural area" means any county in this state 2392  
having a population of not more than seventy-five thousand. 2393

**Sec. 122.151.** (A) A person that has developed a business 2394  
plan to invest in rural business concerns in this state and has 2395  
successfully solicited private investors to make credit-eligible 2396  
capital contributions in support of the plan may apply to the 2397  
department of housing and development for certification as a 2398  
rural business growth fund. The application shall include all of 2399  
the following: 2400

(1) The total eligible investment authority sought by the 2401  
applicant under the business plan; 2402

(2) Documents and other evidence sufficient to prove, to 2403  
the satisfaction of the agency, that the applicant meets all of 2404  
the following criteria: 2405

(a) The applicant or an affiliate of the applicant is 2406

licensed as a rural business investment company under 7 U.S.C. 2407  
2009cc, or as a small business investment company under 15 2408  
U.S.C. 681. 2409

(b) As of the date the application is submitted, the 2410  
applicant has invested more than one hundred million dollars in 2411  
operating companies, including at least fifty million dollars in 2412  
operating companies located in rural areas. In computing 2413  
investments under this division, the applicant may include 2414  
investments made by affiliates of the applicant and investments 2415  
made in businesses that are not operating companies but would 2416  
qualify as operating companies if the principal business 2417  
operations were located in this state. 2418

(3) The industries in which the applicant proposes to make 2419  
growth investments and the percentage of the growth investments 2420  
that will be made in each industry. The applicant shall identify 2421  
each industry by using the codes utilized by the north American 2422  
industry classification system. 2423

(4) An estimate of the number of new full-time equivalent 2424  
employees and retained full-time equivalent employees that will 2425  
result from the applicant's growth investments; 2426

(5) A revenue impact assessment for the applicant's 2427  
proposed growth investments prepared by a nationally recognized 2428  
third-party independent economic forecasting firm using a 2429  
dynamic economic forecasting model. The revenue impact 2430  
assessment shall analyze the applicant's business plan over the 2431  
ten years following the date the application is submitted to the 2432  
agency. 2433

(6) A signed affidavit from each investor successfully 2434  
solicited by the applicant to make a credit eligible capital 2435

contribution in support of the business plan. Each affidavit 2436  
shall include information sufficient for the agency and the 2437  
superintendent of insurance to identify the investor and shall 2438  
state the amount of the investor's credit-eligible capital 2439  
contribution. 2440

(7) A nonrefundable application fee of five thousand 2441  
dollars. 2442

(B) (1) Except as provided in division (B) (2) of this 2443  
section, the agency shall review and make a determination with 2444  
respect to each application submitted under division (A) of this 2445  
section within sixty days of receipt. The agency shall review 2446  
and make determinations on the applications in the order in 2447  
which the applications are received by the agency. Applications 2448  
received by the agency on the same day shall be deemed to have 2449  
been received simultaneously. The agency shall approve not more 2450  
than seventy-five million dollars in eligible investment 2451  
authority and not more than forty-five million dollars in 2452  
credit-eligible capital contributions under this section for 2453  
program one rural business growth funds. The agency shall 2454  
approve not more than seventy-five million dollars in eligible 2455  
investment authority and not more than forty-five million 2456  
dollars in credit-eligible contributions under this section for 2457  
program two rural business growth funds. 2458

(2) If the agency denies an application for certification 2459  
as a fund, and approving a subsequently submitted application 2460  
would result in exceeding the dollar limitation on eligible 2461  
investment authority or credit-eligible contributions prescribed 2462  
by division (B) (1) of this section assuming the previously 2463  
denied application were completed, clarified, or cured under 2464  
division (D) of this section, the agency shall refrain from 2465

making a determination on the subsequently submitted application 2466  
until the previously denied application is reconsidered or the 2467  
fifteen-day period for submitting additional information 2468  
respecting that application has passed, whichever comes first. 2469

(C) The agency shall deny an application submitted under 2470  
this section if any of the following are true: 2471

(1) The application is incomplete. 2472

(2) The application fee is not paid in full. 2473

(3) The applicant does not satisfy all the criteria 2474  
described in division (A) (2) of this section. 2475

(4) The revenue impact assessment submitted under division 2476  
(A) (5) of this section does not demonstrate that the applicant's 2477  
business plan will result in a positive economic impact on this 2478  
state over a ten-year period that exceeds the cumulative amount 2479  
of tax credits that would be issued under section 122.152 of the 2480  
Revised Code if the application were approved. 2481

(5) The credit-eligible capital contributions described in 2482  
affidavits submitted under division (A) (6) of this section do 2483  
not equal sixty per cent of the total amount of eligible 2484  
investment authority sought under the applicant's business plan. 2485

(6) The agency has already approved the maximum total 2486  
eligible investment authority and credit-eligible capital 2487  
contributions allowed under division (B) of this section. 2488

(D) If the agency denies an application under division (C) 2489  
of this section, the agency shall send notice of its 2490  
determination to the applicant. The notice shall include the 2491  
reason or reasons that the application was denied. If the 2492  
application was denied for any reason other than the reason 2493

specified in division (C) (6) of this section, the applicant may 2494  
provide additional information to the agency to complete, 2495  
clarify, or cure defects in the application. The additional 2496  
information must be submitted within fifteen days after the date 2497  
the notice of denial was dispatched by the agency. If the person 2498  
submits additional information within fifteen days, the agency 2499  
shall reconsider the application within thirty days after 2500  
receiving the additional information. The application shall be 2501  
reviewed and considered before any pending application submitted 2502  
after the original submission date of the reconsidered 2503  
application. If the person does not submit additional 2504  
information within fifteen days after dispatch of the notice of 2505  
denial, the person may submit a new application with a new 2506  
submission date at any time. 2507

(E) If approving multiple simultaneously submitted 2508  
applications would result in exceeding the overall eligible 2509  
investment limit prescribed by division (B) of this section, the 2510  
agency shall proportionally reduce the eligible investment 2511  
authority and the credit-eligible capital contributions for each 2512  
approved application as necessary to avoid exceeding the limit. 2513

(F) The agency shall not deny a rural business growth fund 2514  
application or reduce the requested eligible investment 2515  
authority for reasons other than those described in divisions 2516  
(C) and (E) of this section. If the agency approves such an 2517  
application, the agency shall issue a written notice to the 2518  
applicant certifying that the applicant qualifies as a rural 2519  
business growth fund and specifying the amount of the 2520  
applicant's eligible investment authority. 2521

(G) A fund shall do all of the following within sixty days 2522  
after receiving the certification issued under division (F) of 2523

this section: 2524

(1) Collect the credit-eligible capital contributions from 2525  
each investor whose affidavit was included in the application. 2526  
If the rural business growth fund's requested eligible 2527  
investment authority is proportionally reduced under division 2528  
(E) of this section, the investor's required credit-eligible 2529  
capital contribution shall be reduced by the same proportion. 2530

(2) Collect one or more investments of cash that, when 2531  
added to the contributions collected under division (G) (1) of 2532  
this section, equal the fund's eligible investment authority. At 2533  
least ten per cent of the fund's eligible investment authority 2534  
shall be comprised of equity investments contributed directly or 2535  
indirectly by affiliates of the fund, including employees, 2536  
officers, and directors of such affiliates. 2537

(H) Within sixty-five days after receiving the 2538  
certification issued under division (F) (1) of this section, the 2539  
fund shall send to the agency documentation sufficient to prove 2540  
that the amounts described in divisions (G) (1) and (2) of this 2541  
section have been collected. The fund shall identify any 2542  
affiliate of an investor described in division (G) (1) of this 2543  
section that will seek to claim the credit allowed by section 2544  
122.152 of the Revised Code. If the fund fails to fully comply 2545  
with division (G) of this section, the fund's certification 2546  
shall lapse. 2547

Eligible investment authority and corresponding credit- 2548  
eligible capital contributions that lapse under this division do 2549  
not count toward limits on total eligible investment authority 2550  
and credit-eligible capital contributions prescribed by division 2551  
(B) of this section. Once eligible investment authority has 2552  
lapsed, the agency shall first award lapsed authority pro rata 2553



to each fund that was awarded less than the requested eligible 2554  
investment authority because of the operation of division (E) of 2555  
this section. Any remaining eligible investment authority may be 2556  
awarded by the agency to new applicants. 2557

(I) After receiving documentation sufficient to prove that 2558  
the amounts described in divisions (G) (1) and (2) of this 2559  
section have been collected, the agency shall issue the 2560  
following notices: 2561

(1) To each investor or affiliate identified in division 2562  
(H) of this section, a notice of the amount and utilization 2563  
schedule of the tax credits allocated to that investor or 2564  
affiliate as a result of its credit-eligible capital 2565  
contribution; 2566

(2) To the superintendent of insurance, a notice of the 2567  
amount and utilization schedule of the tax credits allocated to 2568  
each investor described in division (G) (1) of this section and 2569  
any affiliate of such investor who will seek to claim the credit 2570  
allowed by section 122.152 of the Revised Code. 2571

(J) Application fees submitted to the agency pursuant to 2572  
division (A) (7) of this section shall be credited to the tax 2573  
incentives operating fund created under section 122.174 of the 2574  
Revised Code, and shall be used by the agency to administer 2575  
sections 122.15 to 122.156 of the Revised Code. 2576

**Sec. 122.152.** (A) There is hereby allowed a nonrefundable 2577  
tax credit for owners of tax credit certificates issued by the 2578  
department of housing and development ~~services agency~~ under 2579  
division (B) of this section. The credit may be claimed against 2580  
the tax imposed by section 3901.86, 5725.18, 5729.03, or 5729.06 2581  
of the Revised Code. 2582

(B) On the closing date, a taxpayer that made a credit- 2583  
eligible capital contribution to a rural business growth fund 2584  
shall be eligible for a credit equal to the amount specified in 2585  
the notice issued under division (I)(1) of section 122.151 of 2586  
the Revised Code. On or before the third, fourth, fifth, and 2587  
sixth anniversary dates of the closing date, the ~~agency-~~ 2588  
department shall issue a tax credit certificate to the taxpayer 2589  
specifying the corresponding anniversary date and a credit 2590  
amount equal to one-fourth of the total credit authorized under 2591  
this section. The taxpayer or its identified affiliate may claim 2592  
the credit amount for the taxable year that includes the date 2593  
specified on the certificate. The taxpayer making a credit- 2594  
eligible capital contribution and the issuance of a tax credit 2595  
certificate by the ~~agency-~~department does not represent a 2596  
verification or certification by the ~~agency-~~department of 2597  
compliance with the recapture provisions of section 122.153 of 2598  
the Revised Code. The tax credit issued under this division is 2599  
subject to recapture under section 122.153 of the Revised Code. 2600

(C) The credit shall be claimed in the order required 2601  
under section 5725.98 or 5729.98 of the Revised Code as 2602  
applicable. If the amount of the credit for a taxable year 2603  
exceeds the tax otherwise due for that year, the excess may be 2604  
carried forward for not more than four ensuing taxable years. A 2605  
taxpayer claiming a credit under this section shall submit a 2606  
copy of the tax credit certificate with the taxpayer's annual 2607  
statement for each taxable year in which the credit is claimed. 2608

**Sec. 122.153.** (A) The department of housing and 2609  
development shall not be required to issue a tax credit 2610  
certificate under section 122.152 of the Revised Code if either 2611  
of the following applies: 2612

(1) The credit-eligible capital contribution was made in a 2613  
program one rural business growth fund that fails to: 2614

(a) Invest fifty per cent of its eligible investment 2615  
authority in growth investments within one year of the closing 2616  
date; and 2617

(b) Invest one hundred per cent of its eligible investment 2618  
authority in growth investments in this state within two years 2619  
of the closing date. 2620

(2) The credit eligible contribution was made in a program 2621  
two rural business growth fund that fails to: 2622

(a) Invest twenty-five per cent of its eligible investment 2623  
authority in growth investments within one year of the closing 2624  
date; 2625

(b) Invest fifty per cent of its eligible investment 2626  
authority in growth investments within two years of the closing 2627  
date; and 2628

(c) Invest one hundred per cent of its eligible investment 2629  
authority in growth investments within three years of the 2630  
closing date, including seventy-five per cent of its eligible 2631  
investment authority in rural business concerns that have their 2632  
principal business operations in tier two or tier three rural 2633  
areas, and twenty-five per cent of its eligible investment 2634  
authority in rural business concerns that have their principal 2635  
business operations in tier three rural areas. The amount by 2636  
which a rural business growth fund's growth investments in rural 2637  
business concerns that have their principal business operations 2638  
in tier one rural areas exceeds twenty-five per cent of the 2639  
fund's eligible investment authority shall not count towards the 2640  
satisfaction of the requirements prescribed by division (A) (2) 2641

(c) of this section. 2642

(B) The agency shall recapture tax credits claimed under 2643  
section 122.152 of the Revised Code if any of the following 2644  
occur with respect to the rural business growth fund: 2645

(1) The fund, after investing one hundred per cent of its 2646  
eligible investment authority in growth investments in this 2647  
state, fails to maintain that investment until the sixth 2648  
anniversary of the closing date. For the purposes of this 2649  
division, an investment is maintained even if the investment is 2650  
sold or repaid so long as the fund reinvests an amount equal to 2651  
the capital returned or recovered by the fund from the original 2652  
investment, exclusive of any profits realized, in other growth 2653  
investments in this state within one year of the receipt of such 2654  
capital. 2655

(2) The fund makes a distribution or payment after the 2656  
fund complies with division (G) of section 122.151 of the 2657  
Revised Code and before the fund decertifies under division (D) 2658  
of this section that results in the fund having less than one 2659  
hundred per cent of its eligible investment authority invested 2660  
in growth investments in this state. 2661

(3) The fund makes a growth investment in a rural business 2662  
concern that directly or indirectly through an affiliate owns, 2663  
has the right to acquire an ownership interest, makes a loan to, 2664  
or makes an investment in the fund, an affiliate of the fund, or 2665  
an investor in the fund. Division ~~(A)-(3)~~ (B) (3) of this section 2666  
does not apply to investments in publicly traded securities by a 2667  
rural business concern or an owner or affiliate of a rural 2668  
business concern. 2669

Before recapturing one or more tax credits under this 2670

division, the agency shall notify the fund of the reasons for 2671  
the pending recapture. If the fund corrects the violations 2672  
outlined in the notice to the satisfaction of the agency within 2673  
thirty days of the date the notice was dispatched, the agency 2674  
shall not recapture the tax credits. 2675

(C) (1) The amount by which one or more growth investments 2676  
by a program one rural business growth fund in the same rural 2677  
business concern exceeds twenty per cent of the fund's eligible 2678  
investment authority shall not be counted as a growth investment 2679  
for the purposes of this section. The amount by which one or 2680  
more growth investments by a program two rural business growth 2681  
fund in the same business concern exceeds five million dollars 2682  
shall not be counted as a growth investment for the purposes of 2683  
this section. A growth investment returned or repaid by a rural 2684  
business concern to a program one or program two rural business 2685  
growth fund and then reinvested by the fund in the same rural 2686  
business concern does not count as an investment in the same 2687  
rural business concern for the purposes of the limitations 2688  
prescribed by division (C) (1) of this section. 2689

(2) The aggregate amount of growth investments by all 2690  
rural business growth funds in the same rural business concern, 2691  
including amounts reinvested in a rural business concern 2692  
following a returned or repayment of a growth investment, shall 2693  
not exceed fifteen million dollars. 2694

(3) A growth investment in an affiliate of a rural 2695  
business concern shall be treated as a growth investment in that 2696  
rural business concern for the purposes of division (C) of this 2697  
section. 2698

(D) If the agency recaptures a tax credit under this 2699  
section, the agency shall notify the superintendent of insurance 2700

of the recapture. The superintendent shall make an assessment 2701  
under Chapter 5725. or 5729. of the Revised Code for the amount 2702  
of the credit claimed by each certificate owner associated with 2703  
the fund before the recapture was finalized. The time 2704  
limitations on assessments under those chapters do not apply to 2705  
an assessment under this division, but the superintendent shall 2706  
make the assessment within one year after the date the agency 2707  
notifies the superintendent of the recapture. Following the 2708  
recapture of a tax credit under this section, no tax credit 2709  
certificate associated with the fund may be utilized. 2710  
Notwithstanding division (B) of section 122.152 of the Revised 2711  
Code, if a tax credit is recaptured under this section the 2712  
agency shall not issue future tax credit certificates to 2713  
taxpayers that made credit-eligible capital contributions to the 2714  
fund. 2715

(E) (1) On or after the sixth anniversary of the closing 2716  
date, a fund that has not committed any of the acts described in 2717  
division (B) of this section may apply to the agency to 2718  
decertify as a rural business growth fund. The agency shall 2719  
respond to the application within sixty days after receiving the 2720  
application. In evaluating the application, the fact that no tax 2721  
credit has been recaptured with respect to the fund shall be 2722  
sufficient evidence to prove that the fund is eligible for 2723  
decertification. The agency shall not unreasonably deny an 2724  
application submitted under this division. 2725

(2) The agency shall send notice of its determination with 2726  
respect to an application submitted under division (E) (1) of 2727  
this section to the fund. If the application is denied, the 2728  
notice shall include the reason or reasons for the 2729  
determination. 2730

(3) The agency shall not recapture a tax credit due to any 2731  
actions of a fund that occur after the date the fund's 2732  
application for decertification is approved. Division (E) (3) of 2733  
this section does not prohibit the agency from recapturing a tax 2734  
credit due to the actions of a fund that occur before the date 2735  
the fund's application for decertification is approved, even if 2736  
those actions are discovered after that date. 2737

**Sec. 122.154.** (A) Each rural business growth fund shall 2738  
submit a report to the department of housing and development on 2739  
or before the first day of each March following the end of the 2740  
calendar year that includes the closing date until the calendar 2741  
year after the fund has decertified. The report shall provide an 2742  
itemization of the fund's growth investments and shall include 2743  
the following documents and information: 2744

(1) A bank statement evidencing each growth investment; 2745

(2) The name, location, and industry class of each 2746  
business that received a growth investment from the fund and 2747  
evidence that the business qualified as a rural business concern 2748  
at the time the investment was made. If the fund obtained a 2749  
written opinion from the agency on the business's status as a 2750  
rural business concern under section 122.156 of the Revised 2751  
Code, or if the fund makes a written request for such an opinion 2752  
and the agency failed to respond within thirty days as required 2753  
by that section, a copy of the agency's favorable opinion or a 2754  
dated copy of the fund's unanswered request, as applicable, 2755  
shall be sufficient evidence that the business qualified as a 2756  
rural business concern at the time the investment was made. 2757

(3) The number of employment positions that existed at 2758  
each business described in division (A) (2) of this section on 2759  
the date the business received the growth investment; 2760

(4) The number of new full-time equivalent employees 2761  
resulting from each of the fund's growth investments made or 2762  
maintained in the preceding calendar year; 2763

(5) Any other information required by the agency. 2764

(B) Each fund shall submit a report to the agency on or 2765  
before the fifth business day after the first, second, and for 2766  
program two funds, third anniversaries of the closing date that 2767  
provides documentation sufficient to prove that the fund has met 2768  
the investment thresholds described in division (A) of section 2769  
122.153 of the Revised Code and has not implicated any of the 2770  
other recapture provisions described in division (B) of that 2771  
section. 2772

(C) Each certified rural business growth fund shall pay 2773  
the agency an annual fee of twenty thousand dollars. The initial 2774  
annual fee required of a fund shall be due and payable to the 2775  
agency along with the submission of documentation required under 2776  
division (H) of section 122.151 of the Revised Code. Each 2777  
subsequent annual fee is due and payable on the last day of 2778  
February following the first and each ensuing anniversary of the 2779  
closing date. If the fund is required to submit an annual report 2780  
under division (A) of this section, the annual fee shall be 2781  
submitted along with the report. No fund shall be required to 2782  
pay an annual fee after the fund has decertified under section 2783  
122.153 of the Revised Code. Annual fees paid to the agency 2784  
under this section shall be credited to the tax incentives 2785  
operating fund created under section 122.174 of the Revised 2786  
Code. 2787

(D) The director of housing and development, after 2788  
consultation with the superintendent of insurance and in 2789  
accordance with Chapter 119. of the Revised Code, may adopt 2790



rules necessary to implement sections 122.15 to 122.156 of the 2791  
Revised Code. 2792

**Sec. 122.155.** (A) (1) For each calendar year in which a 2793  
rural business growth fund makes or maintains a growth 2794  
investment in a rural business concern in this state, the fund 2795  
shall determine the number of new full-time equivalent employees 2796  
produced at the business concern as a result of the investment. 2797  
New full-time equivalent employees shall be computed by 2798  
subtracting the number of full-time equivalent employees at the 2799  
rural business concern on the date of the fund's initial growth 2800  
investment in the rural business concern from the number of 2801  
full-time equivalent employees at the rural business concern on 2802  
the last day of the calendar year. If the computation results in 2803  
a number less than zero, the number of new full-time equivalent 2804  
employees, produced by the fund's growth investment for that 2805  
calendar year period shall be zero. Only employees with an 2806  
hourly wage rate of at least one hundred fifty per cent of the 2807  
federal minimum wage may be considered in computing the number 2808  
of new full-time equivalent employees for the purposes of this 2809  
section. 2810

(2) A fund may determine and include, for the purposes of 2811  
this section and section 122.154 of the Revised Code, the number 2812  
of new full-time equivalent employees produced at a rural 2813  
business concern after the year in which the fund's growth 2814  
investment is repaid or redeemed. The new full-time equivalent 2815  
employees shall be computed in the same manner as in division 2816  
(A) (1) of this section based on reporting information provided 2817  
by the rural business concern to the fund. 2818

(B) After a fund's application for decertification is 2819  
approved under section 122.153 of the Revised Code, the fund 2820

shall determine the state reimbursement amount. The state 2821  
reimbursement amount shall equal the amount by which the fund's 2822  
credit-eligible capital contributions exceed the product 2823  
obtained by multiplying thirty thousand dollars by the aggregate 2824  
number of new full-time equivalent employees for the fund. If 2825  
that product is greater than the fund's credit-eligible capital 2826  
contributions, the state reimbursement amount shall equal zero. 2827  
In the absence of additional information provided by the fund or 2828  
discovered by the agency, the number of new full-time equivalent 2829  
employees for the purposes of this division equals the sum of 2830  
all new full-time equivalent employees reported by the fund on 2831  
the annual reports required under section 122.154 of the Revised 2832  
Code. 2833

(C) After the state reimbursement amount is computed under 2834  
division (B) of this section, the fund shall not be permitted to 2835  
make further distributions to equity holders of the fund, 2836  
including investors that are equity holders of the funds without 2837  
first remitting the state reimbursement amount to the agency. 2838  
All amounts received by the agency under this division shall be 2839  
credited to the general revenue fund. 2840

(D) The director of housing and development~~services~~, upon 2841  
the request of a fund, may waive all or a portion of the 2842  
remission required under division (C) of this section if the 2843  
director determines, based on an affidavit of the chief 2844  
executive officer or president of a rural business concern, that 2845  
the growth investments of the fund resulted in the retention of 2846  
employment positions that would have otherwise been eliminated 2847  
at rural business concerns in this state. The amount waived 2848  
shall not exceed the product of thirty thousand dollars 2849  
multiplied by the number of retained employment positions 2850  
multiplied by the number of years in which the fund made or 2851

maintained a growth investment in the rural business concern 2852  
that retained the employment positions. 2853

**Sec. 122.156.** A rural business growth fund, before 2854  
investing in a business, may request a written opinion from the 2855  
department of housing and development as to whether the business 2856  
qualifies as a rural business concern based on the criteria 2857  
prescribed by section 122.15 of the Revised Code. The request 2858  
shall be submitted in a form prescribed by rule of the agency. 2859  
The agency shall issue a written opinion to the fund within 2860  
thirty business days of receiving such a request. 2861  
Notwithstanding division (J) of section 122.15 of the Revised 2862  
Code, if the agency determines that the business qualifies as a 2863  
rural business concern or if the agency fails to timely issue 2864  
the written opinion as required under this section, the business 2865  
shall be considered a rural business concern for the purposes of 2866  
sections 122.15 to 122.156 of the Revised Code. 2867

**Sec. 122.16.** (A) As used in this section: 2868

(1) "Distressed area" means either a municipal corporation 2869  
that has a population of at least fifty thousand according to 2870  
the most recent federal decennial census published by the United 2871  
States census bureau, or a county, that meets at least two of 2872  
the following criteria: 2873

(a) Its average rate of unemployment, during the most 2874  
recent five-year period for which local area unemployment 2875  
statistics published by the United States bureau of labor 2876  
statistics are available, as of the date the most recent federal 2877  
decennial census was published, is equal to or greater than one 2878  
hundred twenty-five per cent of the average rate of unemployment 2879  
for the United States for the same period. 2880

(b) (i) In the case of a county, its per capita personal 2881  
income is equal to or less than eighty per cent of the per 2882  
capita personal income of the United States as determined by the 2883  
most recently available data from the United States department 2884  
of commerce, bureau of economic analysis as of the date the most 2885  
recent federal decennial census was published. 2886

(ii) In the case of a municipal corporation, its per 2887  
capita income is equal to or less than eighty per cent of the 2888  
per capita income of the United States as determined by the most 2889  
recently available five-year estimates published in the American 2890  
community survey as of the date the most recent federal 2891  
decennial census was published. 2892

(c) (i) In the case of a county, its ratio of personal 2893  
current transfer receipts to total personal income is equal to 2894  
or greater than twenty-five per cent, as determined by the most 2895  
recently available data from the United States department of 2896  
commerce, bureau of economic analysis as of the date the most 2897  
recent federal decennial census was published. 2898

(ii) In the case of a municipal corporation, the 2899  
percentage of its residents with incomes below the official 2900  
poverty line is equal to or greater than twenty per cent as 2901  
determined by the most recently available five-year estimates 2902  
published in the American community survey as of the date the 2903  
most recent federal decennial census was published. 2904

If a federal agency ceases to publish the applicable data 2905  
described in division (A) (1) of this section, the director of 2906  
housing and development shall designate, on the department of 2907  
housing and development's web site, an alternative source of the 2908  
applicable data published by a federal agency or, if no such 2909  
source is available, another reliable source. 2910

(2) "Eligible area" means a distressed area, a labor surplus area, an inner city area, or a situational distress area. 2911  
2912  
2913

(3) "Eligible costs associated with a voluntary action" 2914  
means costs incurred during the qualifying period in performing 2915  
a remedy or remedial activities, as defined in section 3746.01 2916  
of the Revised Code, and any costs incurred during the 2917  
qualifying period in performing both a phase I and phase II 2918  
property assessment, as defined in the rules adopted under 2919  
section 3746.04 of the Revised Code, provided that the 2920  
performance of the phase I and phase II property assessment 2921  
resulted in the implementation of the remedy or remedial 2922  
activities. 2923

(4) "Inner city area" means, in a municipal corporation 2924  
that has a population of at least one hundred thousand and does 2925  
not meet the criteria of a labor surplus area or a distressed 2926  
area, targeted investment areas established by the municipal 2927  
corporation within its boundaries that are comprised of the most 2928  
recent census block tracts that individually have at least 2929  
twenty per cent of their population at or below the state 2930  
poverty level or other census block tracts contiguous to such 2931  
census block tracts. 2932

(5) "Labor surplus area" means an area designated as a 2933  
labor surplus area by the United States department of labor. 2934

(6) "Official poverty line" has the same meaning as in 2935  
division (A) of section 3923.51 of the Revised Code. 2936

(7) "Partner" includes a member of a limited liability 2937  
company formed under Chapter 1705. or 1706. of the Revised Code 2938  
or under the laws of any other state if the limited liability 2939

company is not treated as a corporation for purposes of Chapter 2940  
5733. of the Revised Code and is not classified as an 2941  
association taxable as a corporation for federal income tax 2942  
purposes. 2943

(8) "Partnership" includes a limited liability company 2944  
formed under Chapter 1705. or 1706. of the Revised Code or under 2945  
the laws of any other state if the limited liability company is 2946  
not treated as a corporation for purposes of Chapter 5733. of 2947  
the Revised Code and is not classified as an association taxable 2948  
as a corporation for federal income tax purposes. 2949

(9) "Qualifying period" means the period that begins July 2950  
1, 1996, and ends June 30, 1999. 2951

(10) "S corporation" means a corporation that has made an 2952  
election under subchapter S of chapter one of subtitle A of the 2953  
Internal Revenue Code for its taxable year under the Internal 2954  
Revenue Code; 2955

(11) "Situational distress area" means a county or a 2956  
municipal corporation that has experienced or is experiencing a 2957  
closing or downsizing of a major employer that will adversely 2958  
affect the economy of the county or municipal corporation. In 2959  
order for a county or municipal corporation to be designated as 2960  
a situational distress area, the governing body of the county or 2961  
municipal corporation shall submit a petition to the director of 2962  
housing and development in the form prescribed by the director. 2963  
A county or municipal corporation may be designated as a 2964  
situational distress area for a period not exceeding thirty-six 2965  
months. 2966

The petition shall include written documentation that 2967  
demonstrates all of the following: 2968

(a) The number of jobs lost by the closing or downsizing;	2969
(b) The impact that the job loss has on the unemployment rate of the county or municipal corporation as measured by the director of job and family services;	2970 2971 2972
(c) The annual payroll associated with the job loss;	2973
(d) The amount of state and local taxes associated with the job loss;	2974 2975
(e) The impact that the closing or downsizing has on the suppliers located in the county or municipal corporation.	2976 2977
(12) "Voluntary action" has the same meaning as in section 3746.01 of the Revised Code.	2978 2979
(13) "Taxpayer" means a corporation subject to the tax imposed by section 5733.06 of the Revised Code or any person subject to the tax imposed by section 5747.02 of the Revised Code.	2980 2981 2982 2983
(14) "Governing body" means the board of county commissioners of a county, the board of township trustees of a township, or the legislative authority of a municipal corporation.	2984 2985 2986 2987
(15) "Eligible site" means property for which a covenant not to sue has been issued under section 3746.12 of the Revised Code.	2988 2989 2990
(16) "American community survey" means the supplementary statistics collected and published annually by the United States census bureau in accordance with 13 U.S.C. 141 and 193.	2991 2992 2993
(B) (1) A taxpayer, partnership, or S corporation that has been issued, under section 3746.12 of the Revised Code, a	2994 2995

covenant not to sue for a site by the director of environmental 2996  
protection during the qualifying period may apply to the 2997  
director of housing and development, in the manner prescribed by 2998  
the director, to enter into an agreement under which the 2999  
applicant agrees to economically redevelop the site in a manner 3000  
that will create employment opportunities and a credit will be 3001  
granted to the applicant against the tax imposed by section 3002  
5733.06 or 5747.02 of the Revised Code. The application shall 3003  
state the eligible costs associated with a voluntary action 3004  
incurred by the applicant. The application shall be accompanied 3005  
by proof, in a form prescribed by the director of housing and 3006  
development, that the covenant not to sue has been issued. 3007

The applicant shall request the certified professional 3008  
that submitted the no further action letter for the eligible 3009  
site under section 3746.11 of the Revised Code to submit an 3010  
affidavit to the director of housing and development verifying 3011  
the eligible costs associated with the voluntary action at that 3012  
site. 3013

The director shall review the applications in the order 3014  
they are received. If the director determines that the applicant 3015  
meets the requirements of this section, the director may enter 3016  
into an agreement granting a credit against the tax imposed by 3017  
section 5733.06 or 5747.02 of the Revised Code. In making the 3018  
determination, the director may consider the extent to which 3019  
political subdivisions and other units of government will 3020  
cooperate with the applicant to redevelop the eligible site. The 3021  
agreement shall state the amount of the tax credit and the 3022  
reporting requirements described in division (F) of this 3023  
section. 3024

(2) The maximum annual amount of credits the director of 3025



housing and development may grant under such agreements shall be 3026  
as follows: 3027

1996 \$5,000,000 3028

1997 \$10,000,000 3029

1998 \$10,000,000 3030

1999 \$5,000,000 3031

For any year in which the director of housing and 3032  
development does not grant tax credits under this section equal 3033  
to the maximum annual amount, the amount not granted for that 3034  
year shall be added to the maximum annual amount that may be 3035  
granted for the following year. However, the director shall not 3036  
grant any tax credits under this section after June 30, 1999. 3037

(C) (1) If the covenant not to sue was issued in connection 3038  
with a site that is not located in an eligible area, the credit 3039  
amount is equal to the lesser of five hundred thousand dollars 3040  
or ten per cent of the eligible costs associated with a 3041  
voluntary action incurred by the taxpayer, partnership, or S 3042  
corporation. 3043

(2) If a covenant not to sue was issued in connection with 3044  
a site that is located in an eligible area, the credit amount is 3045  
equal to the lesser of seven hundred fifty thousand dollars or 3046  
fifteen per cent of the eligible costs associated with a 3047  
voluntary action incurred by the taxpayer, partnership, or S 3048  
corporation. 3049

(3) A taxpayer, partnership, or S corporation that has 3050  
been issued covenants not to sue under section 3746.12 of the 3051  
Revised Code for more than one site may apply to the director of 3052  
housing and development to enter into more than one agreement 3053

granting a credit against the tax imposed by section 5733.06 or 3054  
5747.02 of the Revised Code. 3055

(4) For each year for which a taxpayer, partnership, or S 3056  
corporation has been granted a credit under an agreement entered 3057  
into under this section, the director of housing and development 3058  
shall issue a certificate to the taxpayer, partnership, or S 3059  
corporation indicating the amount of the credit the taxpayer, 3060  
the partners of the partnership, or the shareholders of the S 3061  
corporation may claim for that year, not including any amount 3062  
that may be carried forward from previous years under section 3063  
5733.34 of the Revised Code. 3064

(D) (1) Each agreement entered into under this section 3065  
shall incorporate a commitment by the taxpayer, partnership, or 3066  
S corporation not to permit the use of an eligible site to cause 3067  
the relocation of employment positions to that site from 3068  
elsewhere in this state, except as otherwise provided in 3069  
division (D) (2) of this section. The commitment shall be binding 3070  
on the taxpayer, partnership, or S corporation for the lesser of 3071  
five years from the date the agreement is entered into or the 3072  
number of years the taxpayer, partnership, or S corporation is 3073  
entitled to claim the tax credit under the agreement. 3074

(2) An eligible site may be the site of employment 3075  
positions relocated from elsewhere in this state if the director 3076  
of housing and development determines both of the following: 3077

(a) That the site from which the employment positions 3078  
would be relocated is inadequate to meet market and industry 3079  
conditions, expansion plans, consolidation plans, or other 3080  
business considerations affecting the relocating employer; 3081

(b) That the governing body of the county, township, or 3082

municipal corporation from which the employment positions would 3083  
be relocated has been notified of the possible relocation. 3084

For purposes of this section, the movement of an 3085  
employment position from one political subdivision to another 3086  
political subdivision shall be considered a relocation of an 3087  
employment position, but the transfer of an individual employee 3088  
from one political subdivision to another political subdivision 3089  
shall not be considered a relocation of an employment position 3090  
as long as the individual's employment position in the first 3091  
political subdivision is refilled. 3092

(E) A taxpayer, partnership, or S corporation that has 3093  
entered into an agreement granting a credit against the tax 3094  
imposed by section 5733.06 or 5747.02 of the Revised Code that 3095  
subsequently recovers in a lawsuit or settlement of a lawsuit at 3096  
least seventy-five per cent of the eligible costs associated 3097  
with a voluntary action shall not claim any credit amount 3098  
remaining, including any amounts carried forward from prior 3099  
years, beginning with the taxable year in which the judgment in 3100  
the lawsuit is entered or the settlement is finally agreed to. 3101

Any amount of credit that a taxpayer, partnership, or S 3102  
corporation may not claim by reason of this division shall not 3103  
be considered to have been granted for the purpose of 3104  
determining the total amount of credits that may be issued under 3105  
division (B) (2) of this section. 3106

(F) Each year for which a taxpayer, partnership, or S 3107  
corporation claims a credit under section 5733.34 of the Revised 3108  
Code, the taxpayer, partnership, or S corporation shall report 3109  
the following to the director of housing and development: 3110

(1) The status of all cost recovery litigation described 3111

in division (E) of this section to which it was a party during 3112  
the previous year; 3113

(2) Confirmation that the covenant not to sue has not been 3114  
revoked or has not been voided; 3115

(3) Confirmation that the taxpayer, partnership, or S 3116  
corporation has not permitted the eligible site to be used in 3117  
such a manner as to cause the relocation of employment positions 3118  
from elsewhere in this state in violation of the commitment 3119  
required under division (D) of this section; 3120

(4) Any other information the director of housing and 3121  
development requires to perform the director's duties under this 3122  
section. 3123

(G) The director of housing and development shall annually 3124  
certify, by the first day of January of each year during the 3125  
qualifying period, the eligible areas for the calendar year that 3126  
includes that first day of January. 3127

(H) The director of housing and development, in accordance 3128  
with Chapter 119. of the Revised Code, shall adopt rules 3129  
necessary to implement this section, including rules prescribing 3130  
forms required for administering this section. 3131

**Sec. 122.17.** (A) As used in this section: 3132

(1) "Payroll" means the total taxable income paid by the 3133  
employer during the employer's taxable year, or during the 3134  
calendar year that includes the employer's tax period, to each 3135  
employee or each home-based employee employed in the project to 3136  
the extent such payroll is not used to determine the credit 3137  
under section 122.171 of the Revised Code. "Payroll" excludes 3138  
amounts paid before the day the taxpayer becomes eligible for 3139  
the credit and retirement or other benefits paid or contributed 3140

by the employer to or on behalf of employees. 3141

(2) "Baseline payroll" means Ohio employee payroll, except 3142  
that the applicable measurement period is the twelve months 3143  
immediately preceding the date the tax credit authority approves 3144  
the taxpayer's application or the date the tax credit authority 3145  
receives the recommendation described in division (C) (2) (a) of 3146  
this section, whichever occurs first, multiplied by the sum of 3147  
one plus an annual pay increase factor to be determined by the 3148  
tax credit authority. 3149

(3) "Ohio employee payroll" means the amount of 3150  
compensation used to determine the withholding obligations in 3151  
division (A) of section 5747.06 of the Revised Code and paid by 3152  
the employer during the employer's taxable year, or during the 3153  
calendar year that includes the employer's tax period, to the 3154  
following: 3155

(a) An employee employed in the project who is a resident 3156  
of this state including a qualifying work-from-home employee not 3157  
designated as a home-based employee by an applicant under 3158  
division (C) (1) of this section; 3159

(b) An employee employed at the project location who is 3160  
not a resident and whose compensation is not exempt from the tax 3161  
imposed under section 5747.02 of the Revised Code pursuant to a 3162  
reciprocity agreement with another state under division (A) (3) 3163  
of section 5747.05 of the Revised Code; 3164

(c) A home-based employee employed in the project. 3165

"Ohio employee payroll" excludes any such compensation to 3166  
the extent it is used to determine the credit under section 3167  
122.171 of the Revised Code, and excludes amounts paid before 3168  
the day the taxpayer becomes eligible for the credit under this 3169

section. 3170

(4) "Excess payroll" means Ohio employee payroll minus 3171  
baseline payroll. 3172

(5) "Home-based employee" means an employee whose services 3173  
are performed primarily from the employee's residence in this 3174  
state exclusively for the benefit of the project and whose rate 3175  
of pay is at least one hundred thirty-one per cent of the 3176  
federal minimum wage under 29 U.S.C. 206. 3177

(6) "Full-time equivalent employees" means the quotient 3178  
obtained by dividing the total number of hours for which 3179  
employees were compensated for employment in the project by two 3180  
thousand eighty. "Full-time equivalent employees" excludes hours 3181  
that are counted for a credit under section 122.171 of the 3182  
Revised Code. 3183

(7) "Metric evaluation date" means the date by which the 3184  
taxpayer must meet all of the commitments included in the 3185  
agreement. 3186

(8) "Qualifying work-from-home employee" means an employee 3187  
who is a resident of this state and whose services are 3188  
supervised from the employer's project location and performed 3189  
primarily from a residence of the employee located in this 3190  
state. 3191

(9) "Resident" or "resident of this state" means an 3192  
individual who is a resident as defined in section 5747.01 of 3193  
the Revised Code. 3194

(10) "Reporting period" means a period corresponding to 3195  
the annual report required under division (D) (6) of this 3196  
section. 3197

(11) "Megaproject" means a project in this state that 3198  
meets all of the following requirements: 3199

(a) At least one of the following applies: 3200

(i) The project requires unique sites, extremely robust 3201  
utility service, and a technically skilled workforce. 3202

(ii) The megaproject operator of the project has its 3203  
corporate headquarters in the United States, incurs more than 3204  
fifty per cent of its research and development expenses in the 3205  
United States in the year preceding the date the tax credit 3206  
authority approves the project for a credit under this section, 3207  
and builds and operates semiconductor wafer manufacturing 3208  
factories in this state or intends to do so by the metric 3209  
evaluation date applicable to the megaproject operator. 3210

(b) The megaproject operator of the project agrees, in an 3211  
agreement with the tax credit authority under division (D) of 3212  
this section, that, on and after the metric evaluation date 3213  
applicable to the megaproject operator and until the end of the 3214  
last year for which the megaproject qualifies for the credit 3215  
authorized under this section, the megaproject operator will 3216  
compensate the project's employees at an average hourly wage of 3217  
at least three hundred per cent of the federal minimum wage 3218  
under 29 U.S.C. 206, exclusive of employee benefits, as 3219  
determined at the time the tax credit authority approves the 3220  
project for a credit under this section. 3221

(c) The megaproject operator agrees, in an agreement with 3222  
the tax credit authority under division (D) of this section, to 3223  
satisfy either of the following by the metric evaluation date 3224  
applicable to the project: 3225

(i) The megaproject operator makes at least one billion 3226

dollars, as adjusted under division (V) (1) of this section, in 3227  
fixed-asset investments in the project. 3228

(ii) The megaproject operator creates at least seventy- 3229  
five million dollars, as adjusted under division (V) (1) of this 3230  
section, in Ohio employee payroll at the project. 3231

(d) The megaproject operator agrees, in an agreement with 3232  
the tax credit authority under division (D) of this section, 3233  
that if the project satisfies division (A) (11) (c) (ii) of this 3234  
section, then, on and after the metric evaluation date and until 3235  
the end of the last year for which the megaproject qualifies for 3236  
the credit authorized under this section, the megaproject 3237  
operator will maintain at least the amount in Ohio employee 3238  
payroll at the project required under that division for each 3239  
year in that period. 3240

(12) "Megaproject operator" means a taxpayer that, 3241  
separately or collectively with other taxpayers, undertakes and 3242  
operates a megaproject. Such a taxpayer becomes a megaproject 3243  
operator effective the first day of the calendar year in which 3244  
the taxpayer and the tax credit authority enter into an 3245  
agreement under division (D) of this section with respect to the 3246  
megaproject. More than one taxpayer may be designated by the tax 3247  
credit authority as a megaproject operator for the same 3248  
megaproject. 3249

(13) "Megaproject supplier" means a supplier in this state 3250  
that meets either or both of the following requirements: 3251

(a) The supplier sells tangible personal property directly 3252  
to a megaproject operator of a megaproject that satisfies the 3253  
criteria described in division (A) (11) (a) (ii) of this section 3254  
for use at a megaproject site, provided that such property was 3255



subject to substantial manufacturing, assembly, or processing in 3256  
this state at a facility owned or operated by the supplier; 3257

(b) The supplier sells tangible personal property directly 3258  
to a megaproject operator for use at a megaproject site, 3259  
provided that the supplier agrees, in an agreement with the tax 3260  
credit authority under division (D) of this section, to meet all 3261  
of the following requirements: 3262

(i) By the metric evaluation date applicable to the 3263  
supplier, makes at least one hundred million dollars, as 3264  
adjusted under division (V) (2) of this section, in fixed-asset 3265  
investments in this state; 3266

(ii) By the metric evaluation date applicable to the 3267  
supplier, creates at least ten million dollars, as adjusted 3268  
under division (V) (2) of this section, in Ohio employee payroll; 3269

(iii) On and after the metric evaluation date applicable 3270  
to the supplier, until the end of the last year for which the 3271  
supplier qualifies for the credit authorized under this section, 3272  
maintains at least the amount in Ohio employee payroll required 3273  
under division (A) (13) (b) (ii) of this section for each year in 3274  
that period. 3275

(B) The tax credit authority may make grants under this 3276  
section to foster job creation in this state. Such a grant shall 3277  
take the form of a refundable credit allowed against the tax 3278  
imposed by section 5725.18, 5726.02, 5729.03, 5733.06, 5736.02, 3279  
or 5747.02 or levied under Chapter 5751. of the Revised Code. 3280  
The credit shall be claimed for the taxable years or tax periods 3281  
specified in the taxpayer's agreement with the tax credit 3282  
authority under division (D) of this section. With respect to 3283  
taxes imposed under section 5726.02, 5733.06, or 5747.02 or 3284

Chapter 5751. of the Revised Code, the credit shall be claimed 3285  
in the order required under section 5726.98, 5733.98, 5747.98, 3286  
or 5751.98 of the Revised Code. The amount of the credit 3287  
available for a taxable year or for a calendar year that 3288  
includes a tax period equals the excess payroll for that year 3289  
multiplied by the percentage specified in the agreement with the 3290  
tax credit authority. 3291

(C) (1) A taxpayer or potential taxpayer who proposes a 3292  
project to create new jobs in this state may apply to the tax 3293  
credit authority to enter into an agreement for a tax credit 3294  
under this section. 3295

An application shall not propose to include both home- 3296  
based employees and employees who are not home-based employees 3297  
in the computation of Ohio employee payroll for the purposes of 3298  
the same tax credit agreement, except that a qualifying work- 3299  
from-home employee shall not be considered to be a home-based 3300  
employee unless so designated by the applicant. If a taxpayer or 3301  
potential taxpayer employs both home-based employees and 3302  
employees who are not home-based employees in a project, the 3303  
taxpayer shall submit separate applications for separate tax 3304  
credit agreements for the project, one of which shall include 3305  
home-based employees in the computation of Ohio employee payroll 3306  
and one of which shall include all other employees in the 3307  
computation of Ohio employee payroll. 3308

The director of housing and development shall prescribe 3309  
the form of the application. After receipt of an application, 3310  
the authority may enter into an agreement with the taxpayer for 3311  
a credit under this section if it determines all of the 3312  
following: 3313

(a) The taxpayer's project will increase payroll; 3314

(b) The taxpayer's project is economically sound and will 3315  
benefit the people of this state by increasing opportunities for 3316  
employment and strengthening the economy of this state; 3317

(c) Receiving the tax credit is a major factor in the 3318  
taxpayer's decision to go forward with the project. 3319

(2) (a) A taxpayer that chooses to begin the project prior 3320  
to receiving the determination of the authority may, upon 3321  
submitting the taxpayer's application to the authority, request 3322  
that the chief investment officer of the nonprofit corporation 3323  
formed under section 187.01 of the Revised Code and the director 3324  
review the taxpayer's application and recommend to the authority 3325  
that the taxpayer's application be considered. As soon as 3326  
possible after receiving such a request, the chief investment 3327  
officer and the director shall review the taxpayer's application 3328  
and, if they determine that the application warrants 3329  
consideration by the authority, make that recommendation to the 3330  
authority not later than six months after the application is 3331  
received by the authority. 3332

(b) The authority shall consider any taxpayer's 3333  
application for which it receives a recommendation under 3334  
division (C) (2) (a) of this section. If the authority determines 3335  
that the taxpayer does not meet all of the criteria set forth in 3336  
division (C) (1) of this section, the authority and the 3337  
department of housing and development shall proceed in 3338  
accordance with rules adopted by the director pursuant to 3339  
division (I) of this section. 3340

(D) An agreement under this section shall include all of 3341  
the following: 3342

(1) A detailed description of the project that is the 3343

subject of the agreement; 3344

(2) (a) The term of the tax credit, which, except as 3345  
provided in division (D) (2) (b) or (C) of this section, shall not 3346  
exceed fifteen years, and the first taxable year, or first 3347  
calendar year that includes a tax period, for which the credit 3348  
may be claimed; 3349

(b) If the tax credit is computed on the basis of home- 3350  
based employees, the term of the credit shall expire on or 3351  
before the last day of the taxable or calendar year ending 3352  
before the beginning of the seventh year after September 6, 3353  
2012, the effective date of H.B. 327 of the 129th general 3354  
assembly. 3355

(c) If the taxpayer is a megaproject operator or a 3356  
megaproject supplier that meets the requirements described in 3357  
division (A) (13) (b) of this section, the term of the tax credit 3358  
shall not exceed thirty years. 3359

(3) A requirement that the taxpayer shall maintain 3360  
operations at the project location for at least the greater of 3361  
seven years or the term of the credit plus three years; 3362

(4) The percentage, as determined by the tax credit 3363  
authority, of excess payroll that will be allowed as the amount 3364  
of the credit for each taxable year or for each calendar year 3365  
that includes a tax period; 3366

(5) The pay increase factor to be applied to the 3367  
taxpayer's baseline payroll; 3368

(6) A requirement that the taxpayer annually shall report 3369  
to the director of housing and development full-time equivalent 3370  
employees, payroll, Ohio employee payroll, investment, the 3371  
provision of health care benefits and tuition reimbursement if 3372

required in the agreement, and other information the director 3373  
needs to perform the director's duties under this section; 3374

(7) A requirement that the director of housing and 3375  
development annually review the information reported under 3376  
division (D)(6) of this section and verify compliance with the 3377  
agreement; if the taxpayer is in compliance, a requirement that 3378  
the director issue a certificate to the taxpayer stating that 3379  
the information has been verified and identifying the amount of 3380  
the credit that may be claimed for the taxable or calendar year. 3381  
If the taxpayer is a megaproject supplier, the director shall 3382  
issue such a certificate to the megaproject supplier and to any 3383  
megaproject operator (a) to which the megaproject supplier 3384  
directly sells tangible personal property and (b) that is 3385  
authorized to claim the credit pursuant to division (D)(10) of 3386  
this section. 3387

(8) A provision providing that the taxpayer may not 3388  
relocate a substantial number of employment positions from 3389  
elsewhere in this state to the project location unless the 3390  
director of housing and development determines that the 3391  
legislative authority of the county, township, or municipal 3392  
corporation from which the employment positions would be 3393  
relocated has been notified by the taxpayer of the relocation. 3394

For purposes of this section, the movement of an 3395  
employment position from one political subdivision to another 3396  
political subdivision shall be considered a relocation of an 3397  
employment position unless the employment position in the first 3398  
political subdivision is replaced. The movement of a qualifying 3399  
work-from-home employee to a different residence located in this 3400  
state or to the project location shall not be considered a 3401  
relocation of an employment position. 3402

(9) If the tax credit is computed on the basis of home-based employees, that the tax credit may not be claimed by the taxpayer until the taxable year or tax period in which the taxpayer employs at least two hundred employees more than the number of employees the taxpayer employed on June 30, 2011;

(10) If the taxpayer is a megaproject supplier, the percentage of the annual tax credit certified under division (D) (7) of this section, up to one hundred per cent, that may be claimed by each megaproject operator to which the megaproject supplier directly sells tangible personal property, rather than by that megaproject supplier, on the condition that the megaproject operator continues to qualify as a megaproject operator;

(11) If the taxpayer is a megaproject operator or megaproject supplier, a requirement that the taxpayer meet and maintain compliance with all thresholds and requirements to which the taxpayer agreed, pursuant to division (A) (11) or (13) of this section, respectively, as a condition of the operator's project qualifying as a megaproject or the supplier qualifying as a megaproject supplier until the end of the last year for which the taxpayer qualifies for the credit authorized under this section. In each year that a megaproject operator or megaproject supplier is subject to an agreement with the tax credit authority under this section and meets the requirements of this division, the director of housing and development shall issue a certificate to the megaproject operator or megaproject supplier stating that the megaproject operator or megaproject supplier continues to meet those requirements.

(12) If the taxpayer is a megaproject operator, a requirement that the megaproject operator submit, in a form

acceptable to the director of housing and development, an 3433  
economic impact report with respect to each megaproject for 3434  
which the megaproject operator is designated, summarizing all of 3435  
the following for the reporting year: 3436

(a) The aggregate amount of purchases made by the 3437  
megaproject operator for such megaproject from megaproject 3438  
suppliers; 3439

(b) The aggregate amount of purchases made by the 3440  
megaproject operator for such megaproject from suppliers other 3441  
than megaproject suppliers; 3442

(c) A summary of the construction activity for any 3443  
facilities at the site of the megaproject in that year; 3444

(d) The aggregate amount expended by the megaproject 3445  
operator on research and development at the site of the 3446  
megaproject in that year; 3447

(e) The number of employees working at the site of the 3448  
megaproject and the counties in which those employees reside; 3449

(f) A summary of the supply chain activity in support of 3450  
the megaproject, including a list of the twenty-five suppliers 3451  
with a physical presence in Ohio from which the megaproject 3452  
operator made the most purchases in that year. 3453

The economic impact report shall be due on or before the 3454  
first day of July of each year, beginning in the year specified 3455  
in the agreement with the tax credit authority. The information 3456  
required in the report shall be certified as true and correct by 3457  
an officer of the megaproject operator. If there is more than 3458  
one megaproject operator designated for a single megaproject, 3459  
all of the megaproject operators designated for the megaproject 3460  
may jointly submit a single report. Any information contained in 3461

the report is a public record for purposes of section 149.43 of 3462  
the Revised Code and shall be published on the department of 3463  
housing and development's web site. 3464

(E) (1) If a taxpayer fails to meet or comply with any 3465  
condition or requirement set forth in a tax credit agreement, 3466  
the tax credit authority may amend the agreement to reduce the 3467  
percentage or term of the tax credit. The reduction of the 3468  
percentage or term may take effect in the current taxable or 3469  
calendar year. 3470

(2) If the tax credit authority determines that a taxpayer 3471  
that is a megaproject operator of a megaproject described in 3472  
division (A) (11) (a) (ii) of this section is not fully compliant 3473  
with the requirements of the agreement, the authority may impose 3474  
a recoupment payment on the taxpayer in accordance with the 3475  
following: 3476

(a) If, on the metric evaluation date, the taxpayer fails 3477  
to substantially meet the capital investment, full-time 3478  
equivalent employee, or payroll requirements included in the 3479  
agreement, an amount determined at the discretion of the 3480  
authority, not to exceed the sum of the following for all years 3481  
prior to the metric evaluation date: (i) the amount of taxes 3482  
that would have been imposed under Chapters 5739. and 5741. of 3483  
the Revised Code in the absence of the agreement, and (ii) the 3484  
amount of taxes that would have been imposed under Chapter 5751. 3485  
of the Revised Code on receipts realized from sales to the 3486  
taxpayer in the absence of the agreement; 3487

(b) If the taxpayer fails to substantially maintain the 3488  
capital investment, full-time equivalent employee, or payroll 3489  
requirements included in the agreement in any year after the 3490  
metric evaluation date, an amount determined at the discretion 3491



of the authority, not to exceed the sum of the following for the 3492  
calendar year in which taxpayer failed to meet the requirements: 3493  
(i) the amount of taxes that would have been imposed under 3494  
Chapters 5739. and 5741. of the Revised Code in the absence of 3495  
the agreement, and (ii) the amount of taxes that would have been 3496  
imposed under Chapter 5751. of the Revised Code on receipts 3497  
realized from sales to the taxpayer in the absence of the 3498  
agreement. 3499

(3) The tax credit authority may, subject to any 3500  
requirements of the tax credit agreement, take into 3501  
consideration the taxpayer's prior performance and any market 3502  
conditions impacting the taxpayer when determining the amount of 3503  
the recoupment payment described in division (E) (2) of this 3504  
section. 3505

(F) Projects that consist solely of point-of-final- 3506  
purchase retail facilities are not eligible for a tax credit 3507  
under this section. If a project consists of both point-of- 3508  
final-purchase retail facilities and nonretail facilities, only 3509  
the portion of the project consisting of the nonretail 3510  
facilities is eligible for a tax credit and only the excess 3511  
payroll from the nonretail facilities shall be considered when 3512  
computing the amount of the tax credit. If a warehouse facility 3513  
is part of a point-of-final-purchase retail facility and 3514  
supplies only that facility, the warehouse facility is not 3515  
eligible for a tax credit. Catalog distribution centers are not 3516  
considered point-of-final-purchase retail facilities for the 3517  
purposes of this division, and are eligible for tax credits 3518  
under this section. 3519

(G) Financial statements and other information submitted 3520  
to the department of housing and development or the tax credit 3521

authority by an applicant or recipient of a tax credit under 3522  
this section, and any information taken for any purpose from 3523  
such statements or information, are not public records subject 3524  
to section 149.43 of the Revised Code. However, the chairperson 3525  
of the authority may make use of the statements and other 3526  
information for purposes of issuing public reports or in 3527  
connection with court proceedings concerning tax credit 3528  
agreements under this section. Upon the request of the tax 3529  
commissioner or, if the applicant or recipient is an insurance 3530  
company, upon the request of the superintendent of insurance, 3531  
the chairperson of the authority shall provide to the 3532  
commissioner or superintendent any statement or information 3533  
submitted by an applicant or recipient of a tax credit in 3534  
connection with the credit. The commissioner or superintendent 3535  
shall preserve the confidentiality of the statement or 3536  
information. 3537

(H) A taxpayer claiming a credit under this section shall 3538  
submit to the tax commissioner or, if the taxpayer is an 3539  
insurance company, to the superintendent of insurance, a copy of 3540  
the director of housing and development's certificate of 3541  
verification under division (D)(7) of this section with the 3542  
taxpayer's tax report or return for the taxable year or for the 3543  
calendar year that includes the tax period. Failure to submit a 3544  
copy of the certificate with the report or return does not 3545  
invalidate a claim for a credit if the taxpayer submits a copy 3546  
of the certificate to the commissioner or superintendent within 3547  
the time prescribed by section 5703.0510 of the Revised Code or 3548  
within thirty days after the commissioner or superintendent 3549  
requests it. 3550

(I) The director of housing and development, after 3551  
consultation with the tax commissioner and the superintendent of 3552

insurance and in accordance with Chapter 119. of the Revised 3553  
Code, shall adopt rules necessary to implement this section, 3554  
including rules that establish a procedure to be followed by the 3555  
tax credit authority and the department of housing and 3556  
development in the event the authority considers a taxpayer's 3557  
application for which it receives a recommendation under 3558  
division (C) (2) (a) of this section but does not approve it. The 3559  
rules may provide for recipients of tax credits under this 3560  
section to be charged fees to cover administrative costs of the 3561  
tax credit program. For the purposes of these rules, a 3562  
qualifying work-from-home employee shall be considered to be an 3563  
employee employed at the applicant's project location. The fees 3564  
collected shall be credited to the tax incentives operating fund 3565  
created in section 122.174 of the Revised Code. At the time the 3566  
director gives public notice under division (A) of section 3567  
119.03 of the Revised Code of the adoption of the rules, the 3568  
director shall submit copies of the proposed rules to the 3569  
chairpersons of the standing committees on economic development 3570  
in the senate and the house of representatives. 3571

(J) For the purposes of this section, a taxpayer may 3572  
include a partnership, a corporation that has made an election 3573  
under subchapter S of chapter one of subtitle A of the Internal 3574  
Revenue Code, or any other business entity through which income 3575  
flows as a distributive share to its owners. A partnership, S- 3576  
corporation, or other such business entity may elect to pass the 3577  
credit received under this section through to the persons to 3578  
whom the income or profit of the partnership, S-corporation, or 3579  
other entity is distributed. The election shall be made on the 3580  
annual report required under division (D) (6) of this section. 3581  
The election applies to and is irrevocable for the credit for 3582  
which the report is submitted. If the election is made, the 3583

credit shall be apportioned among those persons in the same 3584  
proportions as those in which the income or profit is 3585  
distributed. 3586

(K) (1) If the director of housing and development 3587  
determines that a taxpayer who has received a credit under this 3588  
section is not complying with the requirements of the agreement, 3589  
the director shall notify the tax credit authority of the 3590  
noncompliance. After receiving such a notice, and after giving 3591  
the taxpayer an opportunity to explain the noncompliance, the 3592  
tax credit authority may require the taxpayer to refund to this 3593  
state a portion of the credit in accordance with the following: 3594

(a) If the taxpayer fails to comply with the requirement 3595  
under division (D) (3) of this section, an amount determined in 3596  
accordance with the following: 3597

(i) If the taxpayer maintained operations at the project 3598  
location for a period less than or equal to the term of the 3599  
credit, an amount not exceeding one hundred per cent of the sum 3600  
of any credits allowed and received under this section; 3601

(ii) If the taxpayer maintained operations at the project 3602  
location for a period longer than the term of the credit, but 3603  
less than the greater of seven years or the term of the credit 3604  
plus three years, an amount not exceeding seventy-five per cent 3605  
of the sum of any credits allowed and received under this 3606  
section. 3607

(b) If, on the metric evaluation date, the taxpayer fails 3608  
to substantially meet the job creation, payroll, or investment 3609  
requirements included in the agreement, an amount determined at 3610  
the discretion of the authority; 3611

(c) If the taxpayer fails to substantially maintain the 3612

number of new full-time equivalent employees or amount of 3613  
payroll required under the agreement at any time during the term 3614  
of the agreement after the metric evaluation date, an amount 3615  
determined at the discretion of the authority. 3616

(2) If a taxpayer files for bankruptcy and fails as 3617  
described in division (K) (1) (a), (b), or (c) of this section, 3618  
the director may immediately commence an action to recoup an 3619  
amount not exceeding one hundred per cent of the sum of any 3620  
credits received by the taxpayer under this section. 3621

(3) In determining the portion of the tax credit to be 3622  
refunded to this state, the tax credit authority shall consider 3623  
the effect of market conditions on the taxpayer's project and 3624  
whether the taxpayer continues to maintain other operations in 3625  
this state. After making the determination, the authority shall 3626  
certify the amount to be refunded to the tax commissioner or 3627  
superintendent of insurance, as appropriate. If the amount is 3628  
certified to the commissioner, the commissioner shall make an 3629  
assessment for that amount against the taxpayer under Chapter 3630  
5726., 5733., 5736., 5747., or 5751. of the Revised Code. If the 3631  
amount is certified to the superintendent, the superintendent 3632  
shall make an assessment for that amount against the taxpayer 3633  
under Chapter 5725. or 5729. of the Revised Code. The time 3634  
limitations on assessments under those chapters do not apply to 3635  
an assessment under this division, but the commissioner or 3636  
superintendent, as appropriate, shall make the assessment within 3637  
one year after the date the authority certifies to the 3638  
commissioner or superintendent the amount to be refunded. Within 3639  
ninety days after certifying the amount to be refunded, if 3640  
circumstances have changed, the authority may adjust the amount 3641  
to be refunded and certify the adjusted amount to the 3642  
commissioner or superintendent. The authority may only adjust 3643

the amount to be refunded one time and only if the amount 3644  
initially certified by the authority has not been repaid, in 3645  
whole or in part, by the taxpayer or certified to the attorney 3646  
general for collection under section 131.02 of the Revised Code. 3647

(L) On or before the first day of August each year, the 3648  
director of housing and development shall submit a report to the 3649  
governor, the president of the senate, and the speaker of the 3650  
house of representatives on the tax credit program under this 3651  
section. The report shall include information on the number of 3652  
agreements that were entered into under this section during the 3653  
preceding calendar year, a description of the project that is 3654  
the subject of each such agreement, and an update on the status 3655  
of projects under agreements entered into before the preceding 3656  
calendar year. 3657

(M) There is hereby created the tax credit authority, 3658  
which consists of the director of housing and development and 3659  
four other members appointed as follows: the governor, the 3660  
president of the senate, and the speaker of the house of 3661  
representatives each shall appoint one member who shall be a 3662  
specialist in economic development; the governor also shall 3663  
appoint a member who is a specialist in taxation. Terms of 3664  
office shall be for four years. Each member shall serve on the 3665  
authority until the end of the term for which the member was 3666  
appointed. Vacancies shall be filled in the same manner provided 3667  
for original appointments. Any member appointed to fill a 3668  
vacancy occurring prior to the expiration of the term for which 3669  
the member's predecessor was appointed shall hold office for the 3670  
remainder of that term. Members may be reappointed to the 3671  
authority. Members of the authority shall receive their 3672  
necessary and actual expenses while engaged in the business of 3673  
the authority. The director of housing and development shall 3674

serve as chairperson of the authority, and the members annually 3675  
shall elect a vice-chairperson from among themselves. Three 3676  
members of the authority constitute a quorum to transact and 3677  
vote on the business of the authority. The majority vote of the 3678  
membership of the authority is necessary to approve any such 3679  
business, including the election of the vice-chairperson. 3680

The director of housing and development may appoint a 3681  
professional employee of the department of housing and 3682  
development to serve as the director's substitute at a meeting 3683  
of the authority. The director shall make the appointment in 3684  
writing. In the absence of the director from a meeting of the 3685  
authority, the appointed substitute shall serve as chairperson. 3686  
In the absence of both the director and the director's 3687  
substitute from a meeting, the vice-chairperson shall serve as 3688  
chairperson. 3689

(N) For purposes of the credits granted by this section 3690  
against the taxes imposed under sections 5725.18 and 5729.03 of 3691  
the Revised Code, "taxable year" means the period covered by the 3692  
taxpayer's annual statement to the superintendent of insurance. 3693

(O) On or before the first day of March of each of the 3694  
five calendar years beginning with 2014, each taxpayer subject 3695  
to an agreement with the tax credit authority under this section 3696  
on the basis of home-based employees shall report the number of 3697  
home-based employees and other employees employed by the 3698  
taxpayer in this state to the department of housing and 3699  
development. 3700

(P) On or before the first day of January of 2019, the 3701  
director of housing and development shall submit a report to the 3702  
governor, the president of the senate, and the speaker of the 3703  
house of representatives on the effect of agreements entered 3704

into under this section in which the taxpayer included home- 3705  
based employees in the computation of income tax revenue, as 3706  
that term was defined in this section prior to the amendment of 3707  
this section by H.B. 64 of the 131st general assembly. The 3708  
report shall include information on the number of such 3709  
agreements that were entered into in the preceding six years, a 3710  
description of the projects that were the subjects of such 3711  
agreements, and an analysis of nationwide home-based employment 3712  
trends, including the number of home-based jobs created from 3713  
July 1, 2011, through June 30, 2017, and a description of any 3714  
home-based employment tax incentives provided by other states 3715  
during that time. 3716

(Q) The director of housing and development may require 3717  
any agreement entered into under this section for a tax credit 3718  
computed on the basis of home-based employees to contain a 3719  
provision that the taxpayer makes available health care benefits 3720  
and tuition reimbursement to all employees. 3721

(R) Original agreements approved by the tax credit 3722  
authority under this section in 2014 or 2015 before September 3723  
29, 2015, may be revised at the request of the taxpayer to 3724  
conform with the amendments to this section and sections 3725  
5733.0610, 5736.50, 5747.058, and 5751.50 of the Revised Code by 3726  
H.B. 64 of the 131st general assembly, upon mutual agreement of 3727  
the taxpayer and the department of housing and development, and 3728  
approval by the tax credit authority. 3729

(S) (1) As used in division (S) of this section: 3730

(a) "Eligible agreement" means an agreement approved by 3731  
the tax credit authority under this section on or before 3732  
December 31, 2013. 3733



(b) "Income tax revenue" has the same meaning as under 3734  
this section as it existed before September 29, 2015, the 3735  
effective date of the amendment of this section by H.B. 64 of 3736  
the 131st general assembly. 3737

(2) In calendar year 2016 and thereafter, the tax credit 3738  
authority shall annually determine a withholding adjustment 3739  
factor to be used in the computation of income tax revenue for 3740  
eligible agreements. The withholding adjustment factor shall be 3741  
a numerical percentage that equals the percentage that employer 3742  
income tax withholding rates have been increased or decreased as 3743  
a result of changes in the income tax rates prescribed by 3744  
section 5747.02 of the Revised Code by amendment of that section 3745  
taking effect on or after June 29, 2013. 3746

(3) Except as provided in division (S) (4) of this section, 3747  
for reporting periods ending in 2015 and thereafter for 3748  
taxpayers subject to eligible agreements, the tax credit 3749  
authority shall adjust the income tax revenue reported on the 3750  
taxpayer's annual report by multiplying the withholding 3751  
adjustment factor by the taxpayer's income tax revenue and doing 3752  
one of the following: 3753

(a) If the income tax rates prescribed by section 5747.02 3754  
of the Revised Code have decreased by amendment of that section 3755  
taking effect on or after June 29, 2013, add the product to the 3756  
taxpayer's income tax revenue. 3757

(b) If the income tax rates prescribed by section 5747.02 3758  
of the Revised Code have increased by amendment of that section 3759  
taking effect on or after June 29, 2013, subtract the product 3760  
from the taxpayer's income tax revenue. 3761

(4) Division (S) (3) of this section shall not apply unless 3762

all of the following apply for the reporting period with respect 3763  
to the eligible agreement: 3764

(a) The taxpayer has achieved one hundred per cent of the 3765  
new employment commitment identified in the agreement. 3766

(b) If applicable, the taxpayer has achieved one hundred 3767  
per cent of the new payroll commitment identified in the 3768  
agreement. 3769

(c) If applicable, the taxpayer has achieved one hundred 3770  
per cent of the investment commitment identified in the 3771  
agreement. 3772

(5) Failure by a taxpayer to have achieved any of the 3773  
applicable commitments described in divisions (S) (4) (a) to (c) 3774  
of this section in a reporting period does not disqualify the 3775  
taxpayer for the adjustment under division (S) of this section 3776  
for an ensuing reporting period. 3777

(T) For reporting periods ending in calendar year 2020 or 3778  
thereafter, any taxpayer may include qualifying work-from-home 3779  
employees in its report required under division (D) (6) of this 3780  
section, and the compensation of such employees shall qualify as 3781  
Ohio employee payroll under division (A) (3) (a) of this section, 3782  
even if the taxpayer's application to the tax credit authority 3783  
to enter into an agreement for a tax credit under this section 3784  
was approved before September 29, 2017, the effective date of 3785  
the amendment of this section by H.B. 49 of the 132nd general 3786  
assembly. 3787

(U) The director of housing and development shall notify 3788  
the tax commissioner if the director determines that a 3789  
megaproject operator or megaproject supplier is not in 3790  
compliance with the agreement pursuant to a review conducted 3791

under division (D) (11) of this section. 3792

(V) Beginning in 2025 and in each fifth calendar year 3793  
thereafter, the tax commissioner shall adjust the following 3794  
amounts in September of that year: 3795

(1) The fixed-asset investment threshold described in 3796  
division (A) (11) (c) (i) of this section and the Ohio employee 3797  
payroll threshold described in division (A) (11) (c) (ii) of this 3798  
section by completing the following calculations: 3799

(a) Determine the percentage increase in the gross 3800  
domestic product deflator determined by the bureau of economic 3801  
analysis of the United States department of commerce from the 3802  
first day of January of the fifth preceding calendar year to the 3803  
last day of December of the preceding calendar year; 3804

(b) Multiply that percentage increase by the fixed-asset 3805  
investment threshold and the Ohio employee payroll threshold for 3806  
the current year; 3807

(c) Add the resulting products to the corresponding fixed- 3808  
asset investment threshold and Ohio employee payroll threshold 3809  
for the current year; 3810

(d) Round the resulting fixed-asset investment sum to the 3811  
nearest multiple of ten million dollars and the Ohio employee 3812  
payroll sum to the nearest multiple of one million dollars. 3813

(2) The fixed-asset investment threshold described in 3814  
division (A) (13) (b) (i) of this section and the Ohio employee 3815  
payroll threshold described in division (A) (13) (b) (ii) of this 3816  
section by completing the calculations described in divisions 3817  
(V) (1) (a) to (c) of this section and rounding the resulting 3818  
fixed-asset investment sum to the nearest multiple of one 3819  
million dollars and the Ohio employee payroll sum to the nearest 3820

multiple of one hundred thousand dollars. 3821

The commissioner shall certify the amount of the 3822  
adjustments under divisions (V) (1) and (2) of this section to 3823  
the director of housing and development and to the tax credit 3824  
authority not later than the first day of December of the year 3825  
the commissioner computes the adjustment. Each certified amount 3826  
applies to the ensuing calendar year and each calendar year 3827  
thereafter until the tax commissioner makes a new adjustment. 3828  
The tax commissioner shall not calculate a new adjustment in any 3829  
year in which the resulting amount from the adjustment would be 3830  
less than the corresponding amount for the current year. 3831

**Sec. 122.171.** (A) As used in this section: 3832

(1) "Capital investment project" means a plan of 3833  
investment at a project site for the acquisition, construction, 3834  
renovation, or repair of buildings, machinery, or equipment, or 3835  
for capitalized costs of basic research and new product 3836  
development determined in accordance with generally accepted 3837  
accounting principles, but does not include any of the 3838  
following: 3839

(a) Payments made for the acquisition of personal property 3840  
through operating leases; 3841

(b) Project costs paid before January 1, 2002; 3842

(c) Payments made to a related member as defined in 3843  
section 5733.042 of the Revised Code or to a consolidated 3844  
elected taxpayer or a combined taxpayer as defined in section 3845  
5751.01 of the Revised Code. 3846

(2) "Eligible business" means a taxpayer and its related 3847  
members with Ohio operations that had a capital investment 3848  
project reviewed and approved by the tax credit authority as 3849

provided in divisions (C), (D), and (E) of this section and that 3850  
satisfies either of the following requirements: 3851

(a) If engaged at the project site primarily in 3852  
significant corporate administrative functions, as defined by 3853  
the director of housing and development by rule, the taxpayer 3854  
meets both of the following criteria: 3855

(i) The taxpayer either is located in a foreign trade 3856  
zone, employs at least five hundred full-time equivalent 3857  
employees, or has an annual Ohio employee payroll of at least 3858  
thirty-five million dollars at the time the tax credit authority 3859  
grants the tax credit under this section; 3860

(ii) The taxpayer makes or causes to be made payments for 3861  
the capital investment project of at least twenty million 3862  
dollars in the aggregate at the project site during a period of 3863  
three consecutive calendar years including the calendar year 3864  
that includes a day of the taxpayer's taxable year or tax period 3865  
with respect to which the credit is granted. 3866

(b) If engaged at the project site primarily as a 3867  
manufacturer, the taxpayer makes or causes to be made payments 3868  
for the capital investment project at the project site during a 3869  
period of three consecutive calendar years, including the 3870  
calendar year that includes a day of the taxpayer's taxable year 3871  
or tax period with respect to which the credit is granted, in an 3872  
amount that in the aggregate equals or exceeds the lesser of the 3873  
following: 3874

(i) Fifty million dollars; 3875

(ii) Five per cent of the net book value of all tangible 3876  
personal property used at the project site as of the last day of 3877  
the three-year period in which the capital investment payments 3878

are made. 3879

(3) "Full-time equivalent employees" means the quotient 3880  
obtained by dividing the total number of hours for which 3881  
employees were compensated for employment in the project by two 3882  
thousand eighty. "Full-time equivalent employees" shall exclude 3883  
hours that are counted for a credit under section 122.17 of the 3884  
Revised Code. 3885

(4) "Ohio employee payroll" has the same meaning as in 3886  
section 122.17 of the Revised Code. 3887

(5) "Manufacturer" has the same meaning as in section 3888  
5739.011 of the Revised Code. 3889

(6) "Project site" means an integrated complex of 3890  
facilities in this state, as specified by the tax credit 3891  
authority under this section, within a fifteen-mile radius where 3892  
a taxpayer is primarily operating as an eligible business. 3893

(7) "Related member" has the same meaning as in section 3894  
5733.042 of the Revised Code as that section existed on the 3895  
effective date of its amendment by Am. Sub. H.B. 215 of the 3896  
122nd general assembly, September 29, 1997. 3897

(8) "Taxable year" includes, in the case of a domestic or 3898  
foreign insurance company, the calendar year ending on the 3899  
thirty-first day of December preceding the day the 3900  
superintendent of insurance is required to certify to the 3901  
treasurer of state under section 5725.20 or 5729.05 of the 3902  
Revised Code the amount of taxes due from insurance companies. 3903

(9) "Foreign trade zone" means a general purpose foreign 3904  
trade zone or a special purpose subzone for which, pursuant to 3905  
19 U.S.C. 81a, as amended, a permit for foreign trade zone 3906  
status has been granted and remains active, including special 3907

purpose subzones for which a permit has been granted and remains 3908  
active. 3909

(B) The tax credit authority created under section 122.17 3910  
of the Revised Code may grant a nonrefundable tax credit to an 3911  
eligible business under this section for the purpose of 3912  
fostering job retention in this state. Upon application by an 3913  
eligible business and upon consideration of the determination of 3914  
the director of budget and management, tax commissioner, and the 3915  
superintendent of insurance in the case of an insurance company, 3916  
the recommendation and determination of the director of housing 3917  
and development under division (C)(1) of this section, and a 3918  
review of the criteria described in division (C)(2) of this 3919  
section, the tax credit authority may grant the credit against 3920  
the tax imposed by section 5725.18, 5726.02, 5729.03, 5733.06, 3921  
5736.02, 5747.02, or 5751.02 of the Revised Code. 3922

The credit authorized in this section may be granted for a 3923  
period up to fifteen taxable years or, in the case of the tax 3924  
levied by section 5736.02 or 5751.02 of the Revised Code, for a 3925  
period of up to fifteen calendar years. The credit amount for a 3926  
taxable year or a calendar year that includes the tax period for 3927  
which a credit may be claimed equals the Ohio employee payroll 3928  
for that year multiplied by the percentage specified in the 3929  
agreement with the tax credit authority. The credit shall be 3930  
claimed in the order required under section 5725.98, 5726.98, 3931  
5729.98, 5733.98, 5747.98, or 5751.98 of the Revised Code. In 3932  
determining the percentage and term of the credit, the tax 3933  
credit authority shall consider both the number of full-time 3934  
equivalent employees and the value of the capital investment 3935  
project. The credit amount may not be based on the Ohio employee 3936  
payroll for a calendar year before the calendar year in which 3937  
the tax credit authority specifies the tax credit is to begin, 3938

and the credit shall be claimed only for the taxable years or 3939  
tax periods specified in the eligible business' agreement with 3940  
the tax credit authority. In no event shall the credit be 3941  
claimed for a taxable year or tax period terminating before the 3942  
date specified in the agreement. 3943

If a credit allowed under this section for a taxable year 3944  
or tax period exceeds the taxpayer's tax liability for that year 3945  
or period, the excess may be carried forward for the three 3946  
succeeding taxable or calendar years, but the amount of any 3947  
excess credit allowed in any taxable year or tax period shall be 3948  
deducted from the balance carried forward to the succeeding year 3949  
or period. 3950

(C) (1) A taxpayer that proposes a capital investment 3951  
project to retain jobs in this state may apply to the tax credit 3952  
authority to enter into an agreement for a tax credit under this 3953  
section. The director of housing and development shall prescribe 3954  
the form of the application. After receipt of an application, 3955  
the authority shall forward copies of the application to the 3956  
director of budget and management, the tax commissioner, and the 3957  
superintendent of insurance in the case of an insurance company, 3958  
each of whom shall review the application to determine the 3959  
economic impact the proposed project would have on the state and 3960  
the affected political subdivisions and shall submit a summary 3961  
of their determinations to the authority. The authority shall 3962  
also forward a copy of the application to the director of 3963  
housing and development, who shall review the application to 3964  
determine the economic impact the proposed project would have on 3965  
the state and the affected political subdivisions and shall 3966  
submit a summary of the director's determinations and 3967  
recommendations to the authority. 3968



(2) The director of housing and development, in reviewing 3969  
applications and making recommendations to the tax credit 3970  
authority, and the authority, in selecting taxpayers with which 3971  
to enter into an agreement under division (D) of this section, 3972  
shall give priority to applications that meet one or more of the 3973  
following criteria, with greater priority given to applications 3974  
that meet more of the criteria: (a) Within the preceding five 3975  
years, the applicant has not received a credit under this 3976  
section or section 122.17 of the Revised Code for a project at 3977  
the same project site as that proposed in the application. 3978

(b) The applicant is not currently receiving a credit 3979  
under this section or section 122.17 of the Revised Code. 3980

(c) The applicant has operated at the project site for at 3981  
least the preceding ten years. 3982

(d) The project involves a significant upgrade of the 3983  
project site, rather than only routine maintenance of existing 3984  
facilities, such as an increase in capacity of a facility, new 3985  
product development, or technology upgrades or other facility 3986  
modernization. 3987

(e) The applicant intends to use machinery, equipment, and 3988  
materials supplied by Ohio businesses in the project when 3989  
possible. 3990

(D) Upon review and consideration of the determinations, 3991  
recommendations, and criteria described in division (C) of this 3992  
section, the tax credit authority may enter into an agreement 3993  
with the taxpayer for a credit under this section if the 3994  
authority determines all of the following: 3995

(1) The taxpayer's capital investment project will result 3996  
in the retention of employment in this state. 3997

(2) The taxpayer is economically sound and has the ability 3998  
to complete the proposed capital investment project. 3999

(3) The taxpayer intends to and has the ability to 4000  
maintain operations at the project site for at least the greater 4001  
of (a) the term of the credit plus three years, or (b) seven 4002  
years. 4003

(4) Receiving the credit is a major factor in the 4004  
taxpayer's decision to begin, continue with, or complete the 4005  
project. 4006

(E) An agreement under this section shall include all of 4007  
the following: 4008

(1) A detailed description of the project that is the 4009  
subject of the agreement, including the amount of the 4010  
investment, the period over which the investment has been or is 4011  
being made, the number of full-time equivalent employees at the 4012  
project site, and the anticipated Ohio employee payroll to be 4013  
generated. 4014

(2) The term of the credit, the percentage of the tax 4015  
credit, the maximum annual value of tax credits that may be 4016  
allowed each year, and the first year for which the credit may 4017  
be claimed. 4018

(3) A requirement that the taxpayer maintain operations at 4019  
the project site for at least the greater of (a) the term of the 4020  
credit plus three years, or (b) seven years. 4021

(4) (a) If the taxpayer is engaged at the project site 4022  
primarily in significant corporate administrative functions, a 4023  
requirement that the taxpayer either retain at least five 4024  
hundred full-time equivalent employees at the project site and 4025  
within this state for the entire term of the credit, maintain an 4026

annual Ohio employee payroll of at least thirty-five million 4027  
dollars for the entire term of the credit, or remain located in 4028  
a foreign trade zone for the entire term of the credit; 4029

(b) If the taxpayer is engaged at the project site 4030  
primarily as a manufacturer, a requirement that the taxpayer 4031  
maintain at least the number of full-time equivalent employees 4032  
specified in the agreement pursuant to division (E) (1) of this 4033  
section at the project site and within this state for the entire 4034  
term of the credit. 4035

(5) A requirement that the taxpayer annually report to the 4036  
director of housing and development full-time equivalent 4037  
employees, Ohio employee payroll, capital investment, and other 4038  
information the director needs to perform the director's duties 4039  
under this section. 4040

(6) A requirement that the director of housing and 4041  
development annually review the annual reports of the taxpayer 4042  
to verify the information reported under division (E) (5) of this 4043  
section and compliance with the agreement. Upon verification, 4044  
the director shall issue a certificate to the taxpayer stating 4045  
that the information has been verified and identifying the 4046  
amount of the credit for the taxable year or calendar year that 4047  
includes the tax period. In determining the number of full-time 4048  
equivalent employees, no position shall be counted that is 4049  
filled by an employee who is included in the calculation of a 4050  
tax credit under section 122.17 of the Revised Code. 4051

(7) A provision providing that the taxpayer may not 4052  
relocate a substantial number of employment positions from 4053  
elsewhere in this state to the project site unless the director 4054  
of housing and development determines that the taxpayer notified 4055  
the legislative authority of the county, township, or municipal 4056

corporation from which the employment positions would be 4057  
relocated. 4058

For purposes of this section, the movement of an 4059  
employment position from one political subdivision to another 4060  
political subdivision shall be considered a relocation of an 4061  
employment position unless the movement is confined to the 4062  
project site. The transfer of an employment position from one 4063  
political subdivision to another political subdivision shall not 4064  
be considered a relocation of an employment position if the 4065  
employment position in the first political subdivision is 4066  
replaced by another employment position. 4067

(8) A waiver by the taxpayer of any limitations periods 4068  
relating to assessments or adjustments resulting from the 4069  
taxpayer's failure to comply with the agreement. 4070

(F) If a taxpayer fails to meet or comply with any 4071  
condition or requirement set forth in a tax credit agreement, 4072  
the tax credit authority may amend the agreement to reduce the 4073  
percentage or term of the credit. The reduction of the 4074  
percentage or term may take effect in the current taxable or 4075  
calendar year. 4076

(G) Financial statements and other information submitted 4077  
to the department of housing and development or the tax credit 4078  
authority by an applicant for or recipient of a tax credit under 4079  
this section, and any information taken for any purpose from 4080  
such statements or information, are not public records subject 4081  
to section 149.43 of the Revised Code. However, the chairperson 4082  
of the authority may make use of the statements and other 4083  
information for purposes of issuing public reports or in 4084  
connection with court proceedings concerning tax credit 4085  
agreements under this section. Upon the request of the tax 4086

commissioner, or the superintendent of insurance in the case of 4087  
an insurance company, the chairperson of the authority shall 4088  
provide to the commissioner or superintendent any statement or 4089  
other information submitted by an applicant for or recipient of 4090  
a tax credit in connection with the credit. The commissioner or 4091  
superintendent shall preserve the confidentiality of the 4092  
statement or other information. 4093

(H) A taxpayer claiming a tax credit under this section 4094  
shall submit to the tax commissioner or, in the case of an 4095  
insurance company, to the superintendent of insurance, a copy of 4096  
the director of housing and development's certificate of 4097  
verification under division (E) (6) of this section with the 4098  
taxpayer's tax report or return for the taxable year or for the 4099  
calendar year that includes the tax period. Failure to submit a 4100  
copy of the certificate with the report or return does not 4101  
invalidate a claim for a credit if the taxpayer submits a copy 4102  
of the certificate to the commissioner or superintendent within 4103  
the time prescribed by section 5703.0510 of the Revised Code or 4104  
within thirty days after the commissioner or superintendent 4105  
requests it. 4106

(I) For the purposes of this section, a taxpayer may 4107  
include a partnership, a corporation that has made an election 4108  
under subchapter S of chapter one of subtitle A of the Internal 4109  
Revenue Code, or any other business entity through which income 4110  
flows as a distributive share to its owners. A partnership, S- 4111  
corporation, or other such business entity may elect to pass the 4112  
credit received under this section through to the persons to 4113  
whom the income or profit of the partnership, S-corporation, or 4114  
other entity is distributed. The election shall be made on the 4115  
annual report required under division (E) (5) of this section. 4116  
The election applies to and is irrevocable for the credit for 4117

which the report is submitted. If the election is made, the 4118  
credit shall be apportioned among those persons in the same 4119  
proportions as those in which the income or profit is 4120  
distributed. 4121

(J) (1) If the director of housing and development 4122  
determines that a taxpayer that received a certificate under 4123  
division (E) (6) of this section is not complying with the 4124  
requirements of the agreement, the director shall notify the tax 4125  
credit authority of the noncompliance. After receiving such a 4126  
notice, and after giving the taxpayer an opportunity to explain 4127  
the noncompliance, the authority may terminate the agreement and 4128  
require the taxpayer, or any related member or members that 4129  
claimed the tax credit under division (N) of this section, to 4130  
refund to the state all or a portion of the credit claimed in 4131  
previous years, as follows: 4132

(a) If the taxpayer fails to comply with the requirement 4133  
under division (E) (3) of this section, an amount determined in 4134  
accordance with the following: 4135

(i) If the taxpayer maintained operations at the project 4136  
site for less than or equal to the term of the credit, an amount 4137  
not to exceed one hundred per cent of the sum of any tax credits 4138  
allowed and received under this section. 4139

(ii) If the taxpayer maintained operations at the project 4140  
site longer than the term of the credit, but less than the 4141  
greater of seven years or the term of the credit plus three 4142  
years, the amount required to be refunded shall not exceed 4143  
seventy-five per cent of the sum of any tax credits allowed and 4144  
received under this section. 4145

(b) If the taxpayer fails to substantially, satisfy the 4146

employment, payroll, or location requirements required under the 4147  
agreement, as prescribed under division (E) (4) (a) or (b), as 4148  
applicable to the taxpayer, at any time during the term of the 4149  
agreement or during the post-term reporting period, an amount 4150  
determined at the discretion of the authority. 4151

(2) If a taxpayer files for bankruptcy and fails as 4152  
described in division (J) (1) (a) or (b) of this section, the 4153  
director may immediately commence an action to recoup an amount 4154  
not exceeding one hundred per cent of the sum of any credits 4155  
received by the taxpayer under this section. 4156

(3) In determining the portion of the credit to be 4157  
refunded to this state, the authority shall consider the effect 4158  
of market conditions on the taxpayer's project and whether the 4159  
taxpayer continues to maintain other operations in this state. 4160  
After making the determination, the authority shall certify the 4161  
amount to be refunded to the tax commissioner or the 4162  
superintendent of insurance. If the taxpayer, or any related 4163  
member or members who claimed the tax credit under division (N) 4164  
of this section, is not an insurance company, the commissioner 4165  
shall make an assessment for that amount against the taxpayer 4166  
under Chapter 5726., 5733., 5736., 5747., or 5751. of the 4167  
Revised Code. If the taxpayer, or any related member or members 4168  
that claimed the tax credit under division (N) of this section, 4169  
is an insurance company, the superintendent of insurance shall 4170  
make an assessment under section 5725.222 or 5729.102 of the 4171  
Revised Code. The time limitations on assessments under those 4172  
chapters and sections do not apply to an assessment under this 4173  
division, but the commissioner or superintendent shall make the 4174  
assessment within one year after the date the authority 4175  
certifies to the commissioner or superintendent the amount to be 4176  
refunded. Within ninety days after certifying the amount to be 4177

refunded, if circumstances have changed, the authority may 4178  
adjust the amount to be refunded and certify the adjusted amount 4179  
to the commissioner or superintendent. The authority may only 4180  
adjust the amount to be refunded one time and only if the amount 4181  
initially certified by the authority has not been repaid, in 4182  
whole or in part, by the taxpayer or certified to the attorney 4183  
general for collection under section 131.02 of the Revised Code. 4184

(K) The director of housing and development, after 4185  
consultation with the tax commissioner and the superintendent of 4186  
insurance and in accordance with Chapter 119. of the Revised 4187  
Code, shall adopt rules necessary to implement this section. The 4188  
rules may provide for recipients of tax credits under this 4189  
section to be charged fees to cover administrative costs of the 4190  
tax credit program. The fees collected shall be credited to the 4191  
tax incentives operating fund created in section 122.174 of the 4192  
Revised Code. At the time the director gives public notice under 4193  
division (A) of section 119.03 of the Revised Code of the 4194  
adoption of the rules, the director shall submit copies of the 4195  
proposed rules to the chairpersons of the standing committees on 4196  
economic development in the senate and the house of 4197  
representatives. 4198

(L) On or before the first day of August of each year, the 4199  
director of housing and development shall submit a report to the 4200  
governor, the president of the senate, and the speaker of the 4201  
house of representatives on the tax credit program under this 4202  
section. The report shall include information on the number of 4203  
agreements that were entered into under this section during the 4204  
preceding calendar year, a description of the project that is 4205  
the subject of each such agreement, and an update on the status 4206  
of projects under agreements entered into before the preceding 4207  
calendar year. 4208



(M) The aggregate amount of nonrefundable tax credits 4209  
issued under this section during any calendar year for capital 4210  
investment projects reviewed and approved by the tax credit 4211  
authority may not exceed the following amounts: 4212

(1) For 2010, thirteen million dollars; 4213

(2) For 2011 through 2023, the amount of the limit for the 4214  
preceding calendar year plus thirteen million dollars; 4215

(3) For 2024 and each year thereafter, one hundred ninety- 4216  
five million dollars. 4217

The limitations in division (M) of this section do not 4218  
apply to credits for capital investment projects approved by the 4219  
tax credit authority before July 1, 2009. 4220

(N) This division applies only to an eligible business 4221  
that is part of an affiliated group that includes a diversified 4222  
savings and loan holding company or a grandfathered unitary 4223  
savings and loan holding company, as those terms are defined in 4224  
section 5726.01 of the Revised Code. Notwithstanding any 4225  
contrary provision of the agreement between such an eligible 4226  
business and the tax credit authority, any credit granted under 4227  
this section against the tax imposed by section 5725.18, 4228  
5729.03, 5733.06, 5747.02, or 5751.02 of the Revised Code to the 4229  
eligible business, at the election of the eligible business and 4230  
without any action by the tax credit authority, may be shared 4231  
with any member or members of the affiliated group that includes 4232  
the eligible business, which member or members may claim the 4233  
credit against the taxes imposed by section 5725.18, 5726.02, 4234  
5729.03, 5733.06, 5747.02, or 5751.02 of the Revised Code. 4235  
Credits shall be claimed by the eligible business in sequential 4236  
order, as applicable, first claiming the credits to the fullest 4237

extent possible against the tax that the certificate holder is 4238  
subject to, then against the tax imposed by, sequentially, 4239  
section 5729.03, 5725.18, 5747.02, 5751.02, and lastly 5726.02 4240  
of the Revised Code. The credits may be allocated among the 4241  
members of the affiliated group in such manner as the eligible 4242  
business elects, but subject to the sequential order required 4243  
under this division. This division applies to credits granted 4244  
before, on, or after March 27, 2013, the effective date of H.B. 4245  
510 of the 129th general assembly. Credits granted before that 4246  
effective date that are shared and allocated under this division 4247  
may be claimed in those calendar years in which the remaining 4248  
taxable years specified in the agreement end. 4249

As used in this division, "affiliated group" means a group 4250  
of two or more persons with fifty per cent or greater of the 4251  
value of each person's ownership interests owned or controlled 4252  
directly, indirectly, or constructively through related 4253  
interests by common owners during all or any portion of the 4254  
taxable year, and the common owners. "Affiliated group" 4255  
includes, but is not limited to, any person eligible to be 4256  
included in a consolidated elected taxpayer group under section 4257  
5751.011 of the Revised Code or a combined taxpayer group under 4258  
section 5751.012 of the Revised Code. 4259

(O) (1) As used in division (O) of this section: 4260

(a) "Eligible agreement" means an agreement approved by 4261  
the tax credit authority under this section on or before 4262  
December 31, 2013. 4263

(b) "Reporting period" means a period corresponding to the 4264  
annual report required under division (E) (5) of this section. 4265

(c) "Income tax revenue" has the same meaning as under 4266

division (S) of section 122.17 of the Revised Code. 4267

(2) In calendar year 2016 and thereafter, the tax credit 4268  
authority shall annually determine a withholding adjustment 4269  
factor to be used in the computation of income tax revenue for 4270  
eligible agreements. The withholding adjustment factor shall be 4271  
a numerical percentage that equals the percentage that employer 4272  
income tax withholding rates have been increased or decreased as 4273  
a result of changes in the income tax rates prescribed by 4274  
section 5747.02 of the Revised Code by amendment of that section 4275  
taking effect on or after June 29, 2013. 4276

(3) Except as provided in division (O) (4) of this section, 4277  
for reporting periods ending in 2015 and thereafter for 4278  
taxpayers subject to eligible agreements, the tax credit 4279  
authority shall adjust the income tax revenue reported on the 4280  
taxpayer's annual report by multiplying the withholding 4281  
adjustment factor by the taxpayer's income tax revenue and doing 4282  
one of the following: 4283

(a) If the income tax rates prescribed by section 5747.02 4284  
of the Revised Code have decreased by amendment of this section 4285  
taking effect on or after June 29, 2013, add the product to the 4286  
taxpayer's income tax revenue. 4287

(b) If the income tax rates prescribed by section 5747.02 4288  
of the Revised Code have increased by amendment of this section 4289  
taking effect on or after June 29, 2013, subtract the product 4290  
from the taxpayer's income tax revenue. 4291

(4) Division (O) (3) of this section shall not apply unless 4292  
all of the following apply with respect to the eligible 4293  
agreement: 4294

(a) If applicable, the taxpayer has achieved one hundred 4295

per cent of the job retention commitment identified in the 4296  
agreement. 4297

(b) If applicable, the taxpayer has achieved one hundred 4298  
per cent of the payroll retention commitment identified in the 4299  
agreement." 4300

(c) If applicable, the taxpayer has achieved one hundred 4301  
per cent of the investment commitment identified in the 4302  
agreement. 4303

(5) Failure by a taxpayer to have achieved any of the 4304  
applicable commitments described in divisions (O) (4) (a) to (c) 4305  
of this section in a reporting period does not disqualify the 4306  
taxpayer for the adjustment under division (O) of this section 4307  
for an ensuing reporting period. 4308

**Sec. 122.172.** (A) As used in this section, "tax liability" 4309  
means the tax owed under section 5733.06 or 5747.02 of the 4310  
Revised Code after allowance of all nonrefundable credits and 4311  
prior to the allowance of all refundable credits. The tax owed 4312  
under section 5733.06 of the Revised Code shall take into 4313  
account any adjustments to such tax required by division (G) of 4314  
section 5733.01 of the Revised Code that apply prior to 4315  
allowance of refundable credits. 4316

(B) (1) The director of housing and development shall 4317  
administer the manufacturing equipment grant program to provide 4318  
grants for new manufacturing machinery and equipment qualifying 4319  
for the grant under section 122.173 of the Revised Code. Except 4320  
as provided in division (C) of this section, the grants apply to 4321  
the taxes imposed by sections 5733.06 and 5747.02 of the Revised 4322  
Code for taxable years ending on or after July 1, 2005. 4323

(2) To claim a grant, a taxpayer satisfying the 4324

requirements of section 122.173 of the Revised Code shall 4325  
complete a grant request form, as prescribed by the director in 4326  
consultation with the tax commissioner, and shall file the form 4327  
with the tax return for the taxable year for which the grant is 4328  
claimed. In no event shall the grant reduce a taxpayer's tax 4329  
liability below the minimum tax owed for the taxable year. The 4330  
grant request form shall provide the information required to 4331  
allow the grant for the taxable year and is subject to audit by 4332  
the director and the commissioner. Any portion of the grant in 4333  
excess of the taxpayer's tax liability shall not be refundable 4334  
but may be carried forward as provided in section 122.173 of the 4335  
Revised Code. Upon the director's request, the commissioner 4336  
shall provide completed grant request forms filed under this 4337  
section to the director in a mutually agreed upon format. 4338

(C) If a taxpayer is required to repay any credit allowed 4339  
under section 5733.33 of the Revised Code for a taxable year 4340  
ending prior to July 1, 2005, for a reason not specified in 4341  
Chapter 5733. or 5747. of the Revised Code, a grant shall be 4342  
available for that taxable year under section 122.173 of the 4343  
Revised Code to the extent provided in that section. 4344

(D) Any tax liability under section 5733.06 or 5747.02 of 4345  
the Revised Code that is underpaid as the result of an improper 4346  
claim for a grant under this section may be assessed by the tax 4347  
commissioner in the manner provided by section 5733.11 or 4348  
5747.11 of the Revised Code. 4349

**Sec. 122.173.** (A) As used in this section: 4350

(1) "Manufacturing machinery and equipment" means engines 4351  
and machinery, and tools and implements, of every kind used, or 4352  
designed to be used, in refining and manufacturing. 4353  
"Manufacturing machinery and equipment" does not include 4354

property acquired after December 31, 1999, that is used: 4355

(a) For the transmission and distribution of electricity; 4356

(b) For the generation of electricity, if fifty per cent 4357  
or more of the electricity that the property generates is 4358  
consumed, during the one-hundred-twenty-month period commencing 4359  
with the date the property is placed in service, by persons that 4360  
are not related members to the person who generates the 4361  
electricity. 4362

(2) "New manufacturing machinery and equipment" means 4363  
manufacturing machinery and equipment, the original use in this 4364  
state of which commences with the taxpayer or with a partnership 4365  
of which the taxpayer is a partner. "New manufacturing machinery 4366  
and equipment" does not include property acquired after December 4367  
31, 1999, that is used: 4368

(a) For the transmission and distribution of electricity; 4369

(b) For the generation of electricity, if fifty per cent 4370  
or more of the electricity that the property generates is 4371  
consumed, during the one-hundred-twenty-month period commencing 4372  
with the date the property is placed in service, by persons that 4373  
are not related members to the person who generates the 4374  
electricity. 4375

(3) (a) "Purchase" has the same meaning as in section 4376  
179(d) (2) of the Internal Revenue Code. 4377

(b) For purposes of this section, any property that is not 4378  
manufactured or assembled primarily by the taxpayer is 4379  
considered purchased at the time the agreement to acquire the 4380  
property becomes binding. Any property that is manufactured or 4381  
assembled primarily by the taxpayer is considered purchased at 4382  
the time the taxpayer places the property in service in the 4383

county for which the taxpayer will calculate the county excess amount. 4384  
4385

(c) Notwithstanding section 179(d) of the Internal Revenue Code, a taxpayer's direct or indirect acquisition of new manufacturing machinery and equipment is not purchased on or after July 1, 1995, if the taxpayer, or a person whose relationship to the taxpayer is described in subparagraphs (A), (B), or (C) of section 179(d)(2) of the Internal Revenue Code, had directly or indirectly entered into a binding agreement to acquire the property at any time prior to July 1, 1995. 4386  
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(4) "Qualifying period" means the period that begins July 1, 1995, and ends June 30, 2005. 4394  
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(5) "County average new manufacturing machinery and equipment investment" means either of the following: 4396  
4397

(a) The average annual cost of new manufacturing machinery and equipment purchased for use in the county during baseline years, in the case of a taxpayer that was in existence for more than one year during baseline years. 4398  
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4400  
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(b) Zero, in the case of a taxpayer that was not in existence for more than one year during baseline years. 4402  
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(6) "Partnership" includes a limited liability company formed under former Chapter 1705. ~~or~~ of the Revised Code as that chapter existed prior to February 11, 2022, Chapter 1706. of the Revised Code, or under the laws of any other state, provided that the company is not classified for federal income tax purposes as an association taxable as a corporation. 4404  
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(7) "Partner" includes a member of a limited liability company formed under former Chapter 1705. ~~or~~ of the Revised Code as that chapter existed prior to February 11, 2022, Chapter 4410  
4411  
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1706. of the Revised Code, or under the laws of any other state, 4413  
provided that the company is not classified for federal income 4414  
tax purposes as an association taxable as a corporation. 4415

(8) "Distressed area" has the same meaning as in section 4416  
122.16 of the Revised Code. 4417

(9) "Eligible area" means a distressed area, a labor 4418  
surplus area, an inner city area, or a situational distress 4419  
area. 4420

(10) "Inner city area" means, in a municipal corporation 4421  
that has a population of at least one hundred thousand and does 4422  
not meet the criteria of a labor surplus area or a distressed 4423  
area, targeted investment areas established by the municipal 4424  
corporation within its boundaries that are comprised of the most 4425  
recent census block tracts that individually have at least 4426  
twenty per cent of their population at or below the state 4427  
poverty level or other census block tracts contiguous to such 4428  
census block tracts. 4429

(11) "Labor surplus area" means an area designated as a 4430  
labor surplus area by the United States department of labor. 4431

(12) "Official poverty line" has the same meaning as in 4432  
division (A) of section 3923.51 of the Revised Code. 4433

(13) "Situational distress area" means a county or a 4434  
municipal corporation that has experienced or is experiencing a 4435  
closing or downsizing of a major employer that will adversely 4436  
affect the county's or municipal corporation's economy. In order 4437  
to be designated as a situational distress area, for a period 4438  
not to exceed thirty-six months, the county or municipal 4439  
corporation may petition the director of housing and 4440  
development. The petition shall include written documentation 4441



that demonstrates all of the following adverse effects on the 4442  
local economy: 4443

(a) The number of jobs lost by the closing or downsizing; 4444

(b) The impact that the job loss has on the county's or 4445  
municipal corporation's unemployment rate as measured by the 4446  
state director of job and family services; 4447

(c) The annual payroll associated with the job loss; 4448

(d) The amount of state and local taxes associated with 4449  
the job loss; 4450

(e) The impact that the closing or downsizing has on 4451  
suppliers located in the county or municipal corporation. 4452

(14) "Cost" has the same meaning and limitation as in 4453  
section 179(d) (3) of the Internal Revenue Code. 4454

(15) "Baseline years" means: 4455

(a) Calendar years 1992, 1993, and 1994, with regard to a 4456  
grant claimed for the purchase during calendar year 1995, 1996, 4457  
1997, or 1998 of new manufacturing machinery and equipment; 4458

(b) Calendar years 1993, 1994, and 1995, with regard to a 4459  
grant claimed for the purchase during calendar year 1999 of new 4460  
manufacturing machinery and equipment; 4461

(c) Calendar years 1994, 1995, and 1996, with regard to a 4462  
grant claimed for the purchase during calendar year 2000 of new 4463  
manufacturing machinery and equipment; 4464

(d) Calendar years 1995, 1996, and 1997, with regard to a 4465  
grant claimed for the purchase during calendar year 2001 of new 4466  
manufacturing machinery and equipment; 4467

(e) Calendar years 1996, 1997, and 1998, with regard to a 4468

grant claimed for the purchase during calendar year 2002 of new 4469  
manufacturing machinery and equipment; 4470

(f) Calendar years 1997, 1998, and 1999, with regard to a 4471  
grant claimed for the purchase during calendar year 2003 of new 4472  
manufacturing machinery and equipment; 4473

(g) Calendar years 1998, 1999, and 2000, with regard to a 4474  
grant claimed for the purchase during calendar year 2004 of new 4475  
manufacturing machinery and equipment; 4476

(h) Calendar years 1999, 2000, and 2001, with regard to a 4477  
grant claimed for the purchase on or after January 1, 2005, and 4478  
on or before June 30, 2005, of new manufacturing machinery and 4479  
equipment. 4480

(16) "Related member" has the same meaning as in section 4481  
5733.042 of the Revised Code. 4482

(17) "Qualifying controlled group" has the same meaning as 4483  
in section 5733.04 of the Revised Code. 4484

(18) "Tax liability" has the same meaning as in section 4485  
122.172 of the Revised Code. 4486

(B) (1) Subject to divisions (I) and (J) of this section, a 4487  
grant is allowed against the tax imposed by section 5733.06 or 4488  
5747.02 of the Revised Code for a taxpayer that purchases new 4489  
manufacturing machinery and equipment during the qualifying 4490  
period, provided that the new manufacturing machinery and 4491  
equipment are installed in this state not later than June 30, 4492  
2006. 4493

(2) (a) Except as otherwise provided in division (B) (2) (b) 4494  
of this section, a grant may be claimed under this section in 4495  
excess of one million dollars only if the cost of all 4496

manufacturing machinery and equipment owned in this state by the 4497  
taxpayer claiming the grant on the last day of the calendar year 4498  
exceeds the cost of all manufacturing machinery and equipment 4499  
owned in this state by the taxpayer on the first day of that 4500  
calendar year. 4501

As used in division (B) (2) (a) of this section, "calendar 4502  
year" means the calendar year in which the machinery and 4503  
equipment for which the grant is claimed was purchased. 4504

(b) Division (B) (2) (a) of this section does not apply if 4505  
the taxpayer claiming the grant applies for and is issued a 4506  
waiver of the requirement of that division. A taxpayer may apply 4507  
to the director of housing and development for such a waiver in 4508  
the manner prescribed by the director, and the director may 4509  
issue such a waiver if the director determines that granting the 4510  
grant is necessary to increase or retain employees in this 4511  
state, and that the grant has not caused relocation of 4512  
manufacturing machinery and equipment among counties within this 4513  
state for the primary purpose of qualifying for the grant. 4514

(C) (1) Except as otherwise provided in division (C) (2) and 4515  
division (I) of this section, the grant amount is equal to seven 4516  
and one-half per cent of the excess of the cost of the new 4517  
manufacturing machinery and equipment purchased during the 4518  
calendar year for use in a county over the county average new 4519  
manufacturing machinery and equipment investment for that 4520  
county. 4521

(2) Subject to division (I) of this section, as used in 4522  
division (C) (2) of this section, "county excess" means the 4523  
taxpayer's excess cost for a county as computed under division 4524  
(C) (1) of this section. 4525

Subject to division (I) of this section, a taxpayer with a  
county excess, whose purchases included purchases for use in any  
eligible area in the county, the grant amount is equal to  
thirteen and one-half per cent of the cost of the new  
manufacturing machinery and equipment purchased during the  
calendar year for use in the eligible areas in the county,  
provided that the cost subject to the thirteen and one-half per  
cent rate shall not exceed the county excess. If the county  
excess is greater than the cost of the new manufacturing  
machinery and equipment purchased during the calendar year for  
use in eligible areas in the county, the grant amount also shall  
include an amount equal to seven and one-half per cent of the  
amount of the difference.

(3) If a taxpayer is allowed a grant for purchases of new  
manufacturing machinery and equipment in more than one county or  
eligible area, it shall aggregate the amount of those grants  
each year.

(4) Except as provided in division (J) of this section,  
the taxpayer shall claim one-seventh of the grant amount for the  
taxable year ending in the calendar year in which the new  
manufacturing machinery and equipment is purchased for use in  
the county by the taxpayer or partnership. One-seventh of the  
taxpayer grant amount is allowed for each of the six ensuing  
taxable years. Except for carried-forward amounts, the taxpayer  
is not allowed any grant amount remaining if the new  
manufacturing machinery and equipment is sold by the taxpayer or  
partnership or is transferred by the taxpayer or partnership out  
of the county before the end of the seven-year period unless, at  
the time of the sale or transfer, the new manufacturing  
machinery and equipment has been fully depreciated for federal  
income tax purposes.

(5) (a) A taxpayer that acquires manufacturing machinery 4557  
and equipment as a result of a merger with the taxpayer with 4558  
whom commenced the original use in this state of the 4559  
manufacturing machinery and equipment, or with a taxpayer that 4560  
was a partner in a partnership with whom commenced the original 4561  
use in this state of the manufacturing machinery and equipment, 4562  
is entitled to any remaining or carried-forward grant amounts to 4563  
which the taxpayer was entitled. 4564

(b) A taxpayer that enters into an agreement under 4565  
division (C) (3) of section 5709.62 of the Revised Code and that 4566  
acquires manufacturing machinery or equipment as a result of 4567  
purchasing a large manufacturing facility, as defined in section 4568  
5709.61 of the Revised Code, from another taxpayer with whom 4569  
commenced the original use in this state of the manufacturing 4570  
machinery or equipment, and that operates the large 4571  
manufacturing facility so purchased, is entitled to any 4572  
remaining or carried-forward grant amounts to which the other 4573  
taxpayer who sold the facility would have been entitled under 4574  
this section had the other taxpayer not sold the manufacturing 4575  
facility or equipment. 4576

(c) New manufacturing machinery and equipment is not 4577  
considered sold if a pass-through entity transfers to another 4578  
pass-through entity substantially all of its assets as part of a 4579  
plan of reorganization under which substantially all gain and 4580  
loss is not recognized by the pass-through entity that is 4581  
transferring the new manufacturing machinery and equipment to 4582  
the transferee and under which the transferee's basis in the new 4583  
manufacturing machinery and equipment is determined, in whole or 4584  
in part, by reference to the basis of the pass-through entity 4585  
that transferred the new manufacturing machinery and equipment 4586  
to the transferee. 4587

(d) Division (C) (5) of this section applies only if the 4588  
acquiring taxpayer or transferee does not sell the new 4589  
manufacturing machinery and equipment or transfer the new 4590  
manufacturing machinery and equipment out of the county before 4591  
the end of the seven-year period to which division (C) (4) of 4592  
this section refers. 4593

(e) Division (C) (5) (b) of this section applies only to the 4594  
extent that the taxpayer that sold the manufacturing machinery 4595  
or equipment, upon request, timely provides to the tax 4596  
commissioner any information that the tax commissioner considers 4597  
to be necessary to ascertain any remaining or carried-forward 4598  
amounts to which the taxpayer that sold the facility would have 4599  
been entitled under this section had the taxpayer not sold the 4600  
manufacturing machinery or equipment. Nothing in division (C) (5) 4601  
(b) or (e) of this section shall be construed to allow a 4602  
taxpayer to claim any grant amount with respect to the acquired 4603  
manufacturing machinery or equipment that is greater than the 4604  
amount that would have been available to the other taxpayer that 4605  
sold the manufacturing machinery or equipment had the other 4606  
taxpayer not sold the manufacturing machinery or equipment. 4607

(D) The taxpayer shall claim the grant allowed by this 4608  
section in the manner provided by section 122.172 of the Revised 4609  
Code. Any portion of the grant in excess of the taxpayer's tax 4610  
liability for the taxable year shall not be refundable but may 4611  
be carried forward for the next three consecutive taxable years. 4612

(E) A taxpayer purchasing new manufacturing machinery and 4613  
equipment and intending to claim the grant shall file, with the 4614  
director of housing and development, a notice of intent to claim 4615  
the grant on a form prescribed by the director of housing and 4616  
development. The director of housing and development shall 4617

inform the tax commissioner of the notice of intent to claim the 4618  
grant. No grant may be claimed under this section for any 4619  
manufacturing machinery and equipment with respect to which a 4620  
notice was not filed by the date of a timely filed return, 4621  
including extensions, for the taxable year that includes 4622  
September 30, 2005, but a notice filed on or before such date 4623  
under division (E) of section 5733.33 of the Revised Code of the 4624  
intent to claim the credit under that section also shall be 4625  
considered a notice of the intent to claim a grant under this 4626  
section. 4627

(F) The director of housing and development shall annually 4628  
certify, by the first day of January of each year during the 4629  
qualifying period, the eligible areas for the tax grant for the 4630  
calendar year that includes that first day of January. The 4631  
director shall send a copy of the certification to the tax 4632  
commissioner. 4633

(G) New manufacturing machinery and equipment for which a 4634  
taxpayer claims the credit under section 5733.31 or 5733.311 of 4635  
the Revised Code shall not be considered new manufacturing 4636  
machinery and equipment for purposes of the grant under this 4637  
section. 4638

(H) (1) Notwithstanding sections 5733.11 and 5747.13 of the 4639  
Revised Code, but subject to division (H) (2) of this section, 4640  
the tax commissioner may issue an assessment against a person 4641  
with respect to a grant claimed under this section for new 4642  
manufacturing machinery and equipment described in division (A) 4643  
(1) (b) or (2) (b) of this section, if the machinery or equipment 4644  
subsequently does not qualify for the grant. 4645

(2) Division (H) (1) of this section shall not apply after 4646  
the twenty-fourth month following the last day of the period 4647

described in divisions (A) (1) (b) and (2) (b) of this section. 4648

(I) Notwithstanding any other provision of this section to 4649  
the contrary, in the case of a qualifying controlled group, the 4650  
grant available under this section to a taxpayer or taxpayers in 4651  
the qualifying controlled group shall be computed as if all 4652  
corporations in the group were a single corporation. The grant 4653  
shall be allocated to such a taxpayer or taxpayers in the group 4654  
in any amount elected for the taxable year by the group. The 4655  
election shall be revocable and amendable during the period 4656  
described in division (B) of section 5733.12 of the Revised 4657  
Code. 4658

This division applies to all purchases of new 4659  
manufacturing machinery and equipment made on or after January 4660  
1, 2001, and to all baseline years used to compute any grant 4661  
attributable to such purchases; provided, that this division may 4662  
be applied solely at the election of the qualifying controlled 4663  
group with respect to all purchases of new manufacturing 4664  
machinery and equipment made before that date, and to all 4665  
baseline years used to compute any grant attributable to such 4666  
purchases. The qualifying controlled group at any time may elect 4667  
to apply this division to purchases made prior to January 1, 4668  
2001, subject to the following: 4669

(1) The election is irrevocable; 4670

(2) The election need not accompany a timely filed report, 4671  
but the election may accompany a subsequently filed but timely 4672  
application for refund, a subsequently filed but timely amended 4673  
report, or a subsequently filed but timely petition for 4674  
reassessment. 4675

(J) Except as provided in division (B) of section 122.172 4676



of the Revised Code, no grant under this section may be claimed 4677  
for any taxable year for which a credit is allowed under section 4678  
5733.33 of the Revised Code. If the tax imposed by section 4679  
5733.06 of the Revised Code for which a grant is allowed under 4680  
this section has been prorated under division (G) (2) of section 4681  
5733.01 of the Revised Code, the grant shall be prorated by the 4682  
same percentage as the tax. 4683

**Sec. 122.174.** There is hereby created in the state 4684  
treasury the tax incentives operating fund. The fund shall 4685  
consist of any amounts appropriated to it and money credited to 4686  
the fund pursuant to section 122.151, 122.154, 122.17, 122.171, 4687  
122.175, 122.85, 122.86, 3735.672, 5709.68, or 5725.33 of the 4688  
Revised Code. The director of housing and development services 4689  
shall use money in the fund to pay expenses related to the 4690  
administration of (A) the business services division of the 4691  
department of housing and development services ~~agency~~ and (B) 4692  
the programs described in those sections. 4693

**Sec. 122.175.** (A) As used in this section: 4694

(1) "Capital investment project" means a plan of 4695  
investment at a project site for the acquisition, construction, 4696  
renovation, expansion, replacement, or repair of a computer data 4697  
center or of computer data center equipment, but does not 4698  
include any of the following: 4699

(a) Project costs paid before a date determined by the tax 4700  
credit authority for each capital investment project; 4701

(b) Payments made to a related member as defined in 4702  
section 5733.042 of the Revised Code or to a consolidated 4703  
elected taxpayer or a combined taxpayer as defined in section 4704  
5751.01 of the Revised Code. 4705

(2) "Computer data center" means a facility used or to be 4706  
used primarily to house computer data center equipment used or 4707  
to be used in conducting one or more computer data center 4708  
businesses, as determined by the tax credit authority. 4709

(3) "Computer data center business" means, as may be 4710  
further determined by the tax credit authority, a business that 4711  
provides electronic information services as defined in division 4712  
(Y) (1) (c) of section 5739.01 of the Revised Code, or that leases 4713  
a facility to one or more such businesses. "Computer data center 4714  
business" does not include providing electronic publishing as 4715  
defined in that section. 4716

(4) "Computer data center equipment" means tangible 4717  
personal property used or to be used for any of the following: 4718

(a) To conduct a computer data center business, including 4719  
equipment cooling systems to manage the performance of computer 4720  
data center equipment; 4721

(b) To generate, transform, transmit, distribute, or 4722  
manage electricity necessary to operate the tangible personal 4723  
property used or to be used in conducting a computer data center 4724  
business; 4725

(c) As building and construction materials sold to 4726  
construction contractors for incorporation into a computer data 4727  
center. 4728

(5) "Eligible computer data center" means a computer data 4729  
center that satisfies all of the following requirements: 4730

(a) One or more taxpayers operating a computer data center 4731  
business at the project site will, in the aggregate, make 4732  
payments for a capital investment project of at least one 4733  
hundred million dollars at the project site during one of the 4734

following cumulative periods: 4735

(i) For projects beginning in 2013, six consecutive 4736  
calendar years; 4737

(ii) For projects beginning in 2014, four consecutive 4738  
calendar years; 4739

(iii) For projects beginning in or after 2015, three 4740  
consecutive calendar years. 4741

(b) One or more taxpayers operating a computer data center 4742  
business at the project site will, in the aggregate, pay annual 4743  
compensation that is subject to the withholding obligation 4744  
imposed under section 5747.06 of the Revised Code of at least 4745  
one million five hundred thousand dollars to employees employed 4746  
at the project site for each year of the agreement beginning on 4747  
or after the first day of the twenty-fifth month after the 4748  
agreement was entered into under this section. 4749

(6) "Person" has the same meaning as in section 5701.01 of 4750  
the Revised Code. 4751

(7) "Project site," "related member," and "tax credit 4752  
authority" have the same meanings as in sections 122.17 and 4753  
122.171 of the Revised Code. 4754

(8) "Taxpayer" means any person subject to the taxes 4755  
imposed under Chapters 5739. and 5741. of the Revised Code. 4756

(B) The tax credit authority may completely or partially 4757  
exempt from the taxes levied under Chapters 5739. and 5741. of 4758  
the Revised Code the sale, storage, use, or other consumption of 4759  
computer data center equipment used or to be used at an eligible 4760  
computer data center. Any such exemption shall extend to charges 4761  
for the delivery, installation, or repair of the computer data 4762

center equipment subject to the exemption under this section. 4763

(C) A taxpayer that proposes a capital improvement project 4764  
for an eligible computer data center in this state may apply to 4765  
the tax credit authority to enter into an agreement under this 4766  
section authorizing a complete or partial exemption from the 4767  
taxes imposed under Chapters 5739. and 5741. of the Revised Code 4768  
on computer data center equipment purchased by the applicant or 4769  
any other taxpayer that operates a computer data center business 4770  
at the project site and used or to be used at the eligible 4771  
computer data center. The director of housing and development 4772  
~~services~~ shall prescribe the form of the application. After 4773  
receipt of an application, the authority shall forward copies of 4774  
the application to the director of budget and management and the 4775  
tax commissioner, each of whom shall review the application to 4776  
determine the economic impact that the proposed eligible 4777  
computer data center would have on the state and any affected 4778  
political subdivisions and submit to the authority a summary of 4779  
their determinations. The authority shall also forward a copy of 4780  
the application to the director of housing and development 4781  
~~services~~ who shall review the application to determine the 4782  
economic impact that the proposed eligible computer data center 4783  
would have on the state and the affected political subdivisions 4784  
and shall submit a summary of their determinations and 4785  
recommendations to the authority. 4786

(D) Upon review and consideration of such determinations 4787  
and recommendations, the tax credit authority may enter into an 4788  
agreement with the applicant and any other taxpayer that 4789  
operates a computer data center business at the project site for 4790  
a complete or partial exemption from the taxes imposed under 4791  
Chapters 5739. and 5741. of the Revised Code on computer data 4792  
center equipment used or to be used at an eligible computer data 4793

center if the authority determines all of the following: 4794

(1) The capital investment project for the eligible 4795  
computer data center will increase payroll and the amount of 4796  
income taxes to be withheld from employee compensation pursuant 4797  
to section 5747.06 of the Revised Code. 4798

(2) The applicant is economically sound and has the 4799  
ability to complete or effect the completion of the proposed 4800  
capital investment project. 4801

(3) The applicant intends to and has the ability to 4802  
maintain operations at the project site for the term of the 4803  
agreement. 4804

(4) Receiving the exemption is a major factor in the 4805  
applicant's decision to begin, continue with, or complete the 4806  
capital investment project. 4807

(E) An agreement entered into under this section shall 4808  
include all of the following: 4809

(1) A detailed description of the capital investment 4810  
project that is the subject of the agreement, including the 4811  
amount of the investment, the period over which the investment 4812  
has been or is being made, the annual compensation to be paid by 4813  
each taxpayer subject to the agreement to its employees at the 4814  
project site, and the anticipated amount of income taxes to be 4815  
withheld from employee compensation pursuant to section 5747.06 4816  
of the Revised Code. 4817

(2) The percentage of the exemption from the taxes imposed 4818  
under Chapters 5739. and 5741. of the Revised Code for the 4819  
computer data center equipment used or to be used at the 4820  
eligible computer data center, the length of time the computer 4821  
data center equipment will be exempted, and the first date on 4822

which the exemption applies. 4823

(3) A requirement that the computer data center remain an 4824  
eligible computer data center during the term of the agreement 4825  
and that the applicant maintain operations at the eligible 4826  
computer data center during that term. An applicant does not 4827  
violate the requirement described in division (E)(3) of this 4828  
section if the applicant ceases operations at the eligible 4829  
computer data center during the term of the agreement but 4830  
resumes those operations within eighteen months after the date 4831  
of cessation. The agreement shall provide that, in such a case, 4832  
the applicant and any other taxpayer that operates a computer 4833  
data center business at the project site shall not claim the tax 4834  
exemption authorized in the agreement for any purchase of 4835  
computer data center equipment made during the period in which 4836  
the applicant did not maintain operations at the eligible 4837  
computer data center. 4838

(4) A requirement that, for each year of the term of the 4839  
agreement beginning on or after the first day of the twenty- 4840  
fifth month after the date the agreement was entered into, one 4841  
or more taxpayers operating a computer data center business at 4842  
the project site will, in the aggregate, pay annual compensation 4843  
that is subject to the withholding obligation imposed under 4844  
section 5747.06 of the Revised Code of at least one million five 4845  
hundred thousand dollars to employees at the eligible computer 4846  
data center. 4847

(5) A requirement that each taxpayer subject to the 4848  
agreement annually report to the director of housing and 4849  
development ~~services~~ employment, tax withholding, capital 4850  
investment, and other information required by the director to 4851  
perform the director's duties under this section. 4852

(6) A requirement that the director of housing and 4853  
development ~~services~~ annually review the annual reports of each 4854  
taxpayer subject to the agreement to verify the information 4855  
reported under division (E) (5) of this section and compliance 4856  
with the agreement. Upon verification, the director shall issue 4857  
a certificate to each such taxpayer stating that the information 4858  
has been verified and that the taxpayer remains eligible for the 4859  
exemption specified in the agreement. 4860

(7) A provision providing that the taxpayers subject to 4861  
the agreement may not relocate a substantial number of 4862  
employment positions from elsewhere in this state to the project 4863  
site unless the director of housing and development ~~services~~ 4864  
determines that the appropriate taxpayer notified the 4865  
legislative authority of the county, township, or municipal 4866  
corporation from which the employment positions would be 4867  
relocated. For purposes of this paragraph, the movement of an 4868  
employment position from one political subdivision to another 4869  
political subdivision shall be considered a relocation of an 4870  
employment position unless the movement is confined to the 4871  
project site. The transfer of an employment position from one 4872  
political subdivision to another political subdivision shall not 4873  
be considered a relocation of an employment position if the 4874  
employment position in the first political subdivision is 4875  
replaced by another employment position. 4876

(8) A waiver by each taxpayer subject to the agreement of 4877  
any limitations periods relating to assessments or adjustments 4878  
resulting from the taxpayer's failure to comply with the 4879  
agreement. 4880

(F) The term of an agreement under this section shall be 4881  
determined by the tax credit authority, and the amount of the 4882

exemption shall not exceed one hundred per cent of such taxes 4883  
that would otherwise be owed in respect to the exempted computer 4884  
data center equipment. 4885

(G) If any taxpayer subject to an agreement under this 4886  
section fails to meet or comply with any condition or 4887  
requirement set forth in the agreement, the tax credit authority 4888  
may amend the agreement to reduce the percentage of the 4889  
exemption or term during which the exemption applies to the 4890  
computer data center equipment used or to be used by the 4891  
noncompliant taxpayer at an eligible computer data center. The 4892  
reduction of the percentage or term may take effect in the 4893  
current calendar year. 4894

(H) Financial statements and other information submitted 4895  
to the department of housing and development ~~services~~ or the tax 4896  
credit authority by an applicant for or recipient of an 4897  
exemption under this section, and any information taken for any 4898  
purpose from such statements or information, are not public 4899  
records subject to section 149.43 of the Revised Code. However, 4900  
the chairperson of the authority may make use of the statements 4901  
and other information for purposes of issuing public reports or 4902  
in connection with court proceedings concerning tax exemption 4903  
agreements under this section. Upon the request of the tax 4904  
commissioner, the chairperson of the authority shall provide to 4905  
the tax commissioner any statement or other information 4906  
submitted by an applicant for or recipient of an exemption under 4907  
this section. The tax commissioner shall preserve the 4908  
confidentiality of the statement or other information. 4909

(I) The tax commissioner shall issue a direct payment 4910  
permit under section 5739.031 of the Revised Code to each 4911  
taxpayer subject to an agreement under this section. Such direct 4912



payment permit shall authorize the taxpayer to pay any sales and 4913  
use taxes due on purchases of computer data center equipment 4914  
used or to be used in an eligible computer data center and to 4915  
pay any sales and use taxes due on purchases of tangible 4916  
personal property or taxable services other than computer data 4917  
center equipment used or to be used in an eligible computer data 4918  
center directly to the tax commissioner. Each such taxpayer 4919  
shall pay pursuant to such direct payment permit all sales tax 4920  
levied on such purchases under sections 5739.02, 5739.021, 4921  
5739.023, and 5739.026 of the Revised Code and all use tax 4922  
levied on such purchases under sections 5741.02, 5741.021, 4923  
5741.022, and 5741.023 of the Revised Code, consistent with the 4924  
terms of the agreement entered into under this section. 4925

During the term of an agreement under this section each 4926  
taxpayer subject to the agreement shall submit to the tax 4927  
commissioner a return that shows the amount of computer data 4928  
center equipment purchased for use at the eligible computer data 4929  
center, the amount of tangible personal property and taxable 4930  
services other than computer data center equipment purchased for 4931  
use at the eligible computer data center, the amount of tax 4932  
under Chapter 5739. or 5741. of the Revised Code that would be 4933  
due in the absence of the agreement under this section, the 4934  
exemption percentage for computer data center equipment 4935  
specified in the agreement, and the amount of tax due under 4936  
Chapter 5739. or 5741. of the Revised Code as a result of the 4937  
agreement under this section. Each such taxpayer shall pay the 4938  
tax shown on the return to be due in the manner and at the times 4939  
as may be further prescribed by the tax commissioner. Each such 4940  
taxpayer shall include a copy of the director of ~~development-~~ 4941  
~~services'~~ housing and development's certificate of verification 4942  
issued under division (E) (6) of this section. Failure to submit 4943

a copy of the certificate with the return does not invalidate 4944  
the claim for exemption if the taxpayer submits a copy of the 4945  
certificate to the tax commissioner within the time prescribed 4946  
by section 5703.0510 of the Revised Code. 4947

(J) If the director of housing and development services— 4948  
determines that one or more taxpayers received an exemption from 4949  
taxes due on the purchase of computer data center equipment 4950  
purchased for use at a computer data center that no longer 4951  
complies with the requirement under division (E) (3) of this 4952  
section, the director shall notify the tax credit authority and, 4953  
if applicable, the taxpayer that applied to enter the agreement 4954  
for the exemption under division (C) of this section of the 4955  
noncompliance. After receiving such a notice, and after giving 4956  
each taxpayer subject to the agreement an opportunity to explain 4957  
the noncompliance, the authority may terminate the agreement and 4958  
require each such taxpayer to pay to the state all or a portion 4959  
of the taxes that would have been owed in regards to the exempt 4960  
equipment in previous years, all as determined under rules 4961  
adopted pursuant to division (K) of this section. In determining 4962  
the portion of the taxes that would have been owed on the 4963  
previously exempted equipment to be paid to this state by a 4964  
taxpayer, the authority shall consider the effect of market 4965  
conditions on the eligible computer data center, whether the 4966  
taxpayer continues to maintain other operations in this state, 4967  
and, with respect to agreements involving multiple taxpayers, 4968  
the taxpayer's level of responsibility for the noncompliance. 4969  
After making the determination, the authority shall certify to 4970  
the tax commissioner the amount to be paid by each taxpayer 4971  
subject to the agreement. The tax commissioner shall make an 4972  
assessment for that amount against each such taxpayer under 4973  
Chapter 5739. or 5741. of the Revised Code. The time limitations 4974

on assessments under those chapters do not apply to an 4975  
assessment under this division, but the tax commissioner shall 4976  
make the assessment within one year after the date the authority 4977  
certifies to the tax commissioner the amount to be paid by the 4978  
taxpayer. 4979

(K) The director of housing and development~~services~~, 4980  
after consultation with the tax commissioner and in accordance 4981  
with Chapter 119. of the Revised Code, shall adopt rules 4982  
necessary to implement this section. The rules may provide for 4983  
recipients of tax exemptions under this section to be charged 4984  
fees to cover administrative costs incurred in the 4985  
administration of this section. The fees collected shall be 4986  
credited to the tax incentives operating fund created in section 4987  
122.174 of the Revised Code. At the time the director gives 4988  
public notice under division (A) of section 119.03 of the 4989  
Revised Code of the adoption of the rules, the director shall 4990  
submit copies of the proposed rules to the chairpersons of the 4991  
standing committees on economic development in the senate and 4992  
the house of representatives. 4993

(L) On or before the first day of August of each year, the 4994  
director of housing and development ~~services~~ shall submit a 4995  
report to the governor, the president of the senate, and the 4996  
speaker of the house of representatives on the tax exemption 4997  
authorized under this section. The report shall include 4998  
information on the number of agreements that were entered into 4999  
under this section during the preceding calendar year, a 5000  
description of the eligible computer data center that is the 5001  
subject of each such agreement, and an update on the status of 5002  
eligible computer data centers under agreements entered into 5003  
before the preceding calendar year. 5004

(M) A taxpayer may be made a party to an existing 5005  
agreement entered into under this section by the tax credit 5006  
authority and another taxpayer or group of taxpayers. In such a 5007  
case, the taxpayer shall be entitled to all benefits and bound 5008  
by all obligations contained in the agreement and all 5009  
requirements described in this section. When an agreement 5010  
includes multiple taxpayers, each taxpayer shall be entitled to 5011  
a direct payment permit as authorized in division (I) of this 5012  
section. 5013

**Sec. 122.176.** (A) For purposes of this section: 5014

(1) "Vacant commercial space" means space that has been 5015  
unoccupied and available for use in a trade or business for the 5016  
twelve months immediately preceding the lease or purchase date 5017  
described in division (B) of this section, located in either of 5018  
the following: 5019

(a) A building, seventy-five per cent or more of the 5020  
square footage of which has been unoccupied and available for 5021  
use in a trade or business for the twelve months immediately 5022  
preceding the initial lease or purchase date described in 5023  
division (B) of this section; 5024

(b) A business park, seventy-five per cent or more of the 5025  
square footage of which has been unoccupied and available for 5026  
use in a trade or business for the twelve months immediately 5027  
preceding the initial lease or purchase date described in 5028  
division (B) of this section. 5029

For the purpose of determining whether a building, the 5030  
construction of which is not complete, has been unoccupied for 5031  
the required length of time, the building first becomes 5032  
"unoccupied" when its construction discontinues as determined by 5033

the person who owned the property at that time. 5034

(2) "Business park" means two or more buildings located on 5035  
the same or adjacent parcels held under common ownership. 5036

(3) "Building" means a building as defined in section 5037  
3781.06 of the Revised Code the construction of which is at 5038  
least eighty-five per cent complete and that may be lawfully 5039  
occupied. 5040

(4) "Qualifying employee" means an employee employed by an 5041  
employer, provided the employee is employed at the vacant 5042  
commercial space for a minimum of forty hours per week and has 5043  
been so employed for at least one year, the employer pays the 5044  
employee at a wage rate equal to or greater than the minimum 5045  
wage rate applicable under Chapter 4111. of the Revised Code, 5046  
employment of the employee increases the employer's payroll 5047  
above the employer's base employment threshold, and the employee 5048  
had not been employed by the employer within sixty days before 5049  
the date the employer purchases or enters into a lease for a 5050  
vacant commercial space. 5051

(5) "Base employment threshold" means the total payroll of 5052  
the employer on the date the employer purchases or enters into a 5053  
lease for a vacant commercial space. 5054

(B) This section does not apply to the federal government, 5055  
the state, the state's political subdivisions, or nonprofit 5056  
organizations. 5057

An employer required to deduct and withhold income tax 5058  
from an employee's compensation under section 5747.06 and remit 5059  
such amounts under section 5747.07 of the Revised Code may apply 5060  
to the director of housing and development for a grant from the 5061  
vacant facilities grant fund, provided that, on or after ~~the~~ 5062

~~effective date of this section as enacted by H.B. 18 of the~~ 5063  
~~129th general assembly~~ August 6, 2012, the employer occupies 5064  
under a lease or purchases vacant commercial space at which the 5065  
employer employs at least fifty employees or at least fifty per 5066  
cent of its employees who are employed in this state. An 5067  
employer may qualify for the grant only once. The amount of the 5068  
grant awarded under this section shall be five hundred dollars 5069  
for each qualifying employee. No grant application shall be 5070  
accepted by the director three years or later after ~~the~~ 5071  
~~effective date of this section~~ August 6, 2012. 5072

An employer does not qualify for a grant under this 5073  
section if, during the year of the employer's application, the 5074  
employer is eligible to claim a tax credit or other incentive 5075  
under an agreement with the tax credit authority. 5076

The director shall prescribe application materials and 5077  
explanations. An employer applying for a grant under this 5078  
section shall submit the following with the employer's 5079  
application to the director: 5080

(1) An affidavit from the person who, in the case of a 5081  
lease of vacant commercial space, owns the property or, in the 5082  
case of a purchase, is the most recent owner of the property 5083  
indicating that the building meets the requirements of a vacant 5084  
commercial space; 5085

(2) Payroll records indicating, for each qualifying 5086  
employee, that the employee was employed for one year or longer 5087  
at the vacant commercial space; 5088

(3) Quarterly reports of wage information submitted by the 5089  
employer to the department of job and family services pursuant 5090  
to section 4141.20 of the Revised Code indicating the employer's 5091

qualifying employees and the employer's base employment 5092  
threshold; 5093

(4) A statement that the employer agrees to provide to the 5094  
director any receipts, invoices, or similar documents 5095  
demonstrating that the employer used the grant for the 5096  
activities described in division (C) of this section. 5097

Upon receipt of an application, the director shall review 5098  
the application and attached materials and approve the 5099  
application if, to the director's satisfaction, the employer 5100  
fulfills all the grant requirements of this section, and if, in 5101  
the judgment of the director, the unencumbered balance in the 5102  
vacant facilities grant fund is sufficient to fund the amount of 5103  
the grant. Upon approval of a grant application, the director 5104  
shall authorize the award of the grant from the vacant 5105  
facilities grant fund to the employer. 5106

(C) An employer receiving a grant under this section from 5107  
the vacant facilities grant fund must use the grant for the 5108  
acquisition, construction, enlargement, improvement, or 5109  
equipment of property, structures, equipment, and facilities 5110  
used by the employer in business at the vacant commercial space 5111  
occupied by the employer. 5112

(D) An employer may claim a grant under this section with 5113  
respect to a building, the construction of which is not 5114  
complete, only if the employer submits both of the following 5115  
with the employer's application: 5116

(1) A copy of a certificate of occupancy from the 5117  
appropriate building authority indicating that the building may 5118  
lawfully be occupied pursuant to ~~chapters~~ Chapters 3781. and 5119  
3791. of the Revised Code; 5120

(2) An affidavit from the person who owned the property at 5121  
the time construction discontinued indicating the date 5122  
construction discontinued. 5123

(E) There is hereby created in the state treasury the 5124  
vacant facilities grant fund, which shall consist of money 5125  
appropriated to the fund by the general assembly. Money in the 5126  
fund shall be used solely for the purposes of this section. 5127

**Sec. 122.177.** (A) As used in this section: 5128

(1) "Business" means a sole proprietorship, a corporation 5129  
for profit, or a pass-through entity as defined in section 5130  
5733.04 of the Revised Code. 5131

(2) "Career exploration internship" means a paid 5132  
employment relationship between a student intern and a business 5133  
in which the student intern acquires education, instruction, and 5134  
experience relevant to the student intern's career aspirations. 5135

(3) "Student intern" means an individual who, at the time 5136  
the business applies for a grant under division (B) of this 5137  
section, meets both of the following criteria: 5138

(a) The individual is entitled to attend school in this 5139  
state. 5140

(b) The individual is either between sixteen and eighteen 5141  
years of age or is enrolled in grade eleven or twelve. 5142

(B) There is hereby created in the department of housing 5143  
and development ~~services agency~~ the career exploration 5144  
internship program to award grants to businesses that employ a 5145  
student intern in a career exploration internship. To qualify 5146  
for a grant under the program, the career exploration internship 5147  
shall be at least twenty weeks in duration and include at least 5148



two hundred hours of paid work and instruction in this state. To 5149  
obtain a grant, the business shall apply to the department of 5150  
housing and development ~~services agency~~ before the starting date 5151  
of the career exploration internship. The application shall 5152  
include all of the following: 5153

(1) A brief description of the career exploration 5154  
internship; 5155

(2) A signed statement by the student intern briefly 5156  
describing the student intern's career aspirations and how the 5157  
student intern believes this career exploration internship may 5158  
help achieve those aspirations; 5159

(3) A signed statement by a principal or guidance 5160  
counselor at the student intern's school or, in the case of a 5161  
home schooled student, an individual responsible for 5162  
administering instruction to the student intern, acknowledging 5163  
that the employment opportunity qualifies as a career 5164  
exploration internship and expressing intent to advise the 5165  
student intern as provided in division (E) of this section; 5166

(4) The name, address, and telephone number of the 5167  
business; 5168

(5) Any other information required by the department of 5169  
housing and development ~~services agency~~. 5170

(C) (1) The department of housing and development ~~services~~ 5171  
~~agency~~ shall review and make a determination with respect to 5172  
each application submitted under division (B) of this section in 5173  
the order in which the application is received. The ~~agency~~ 5174  
department shall not approve any application under this section 5175  
that is received by the ~~agency~~ department later than June 25, 5176  
2017, or that was submitted by a business that does not have 5177

substantial operations in this state. The ~~agency~~ department may 5178  
not otherwise deny an application unless the application is 5179  
incomplete, the proposed employment relationship does not 5180  
qualify as a career exploration internship for which a grant may 5181  
be awarded under this section, the business is ineligible to 5182  
receive a grant under division (D) (1) of this section, or the 5183  
~~agency~~ department determines that approving the application 5184  
would cause the amount that could be awarded to exceed the 5185  
amount of money in the career exploration internship fund. 5186

(2) The ~~agency~~ department shall send written notice of its 5187  
determination to the applicant within thirty days after 5188  
receiving the application. If the ~~agency~~ department determines 5189  
that the application shall not be approved, the notice shall 5190  
include the reasons for such determination. 5191

(3) The ~~agency's~~ department's determination is final and 5192  
may not be appealed for any reason. A business may submit a new 5193  
or amended application under division (B) of this section at any 5194  
time before or after receiving notice under division (C) (2) of 5195  
this section. 5196

(D) (1) In any calendar year, the department of housing and 5197  
development ~~services~~ ~~agency~~ shall not award grants under this 5198  
section to any business that has received grants for three 5199  
career exploration internships in that calendar year. The ~~agency~~ 5200  
department shall not award a grant to a business unless the 5201  
~~agency~~ department receives a report from the business within 5202  
thirty days after the end of the career exploration internship 5203  
or thirteen months after the approval of the application, 5204  
whichever comes first, that includes all of the following: 5205

(a) The date the student intern began the internship; 5206

(b) The date the internship ended or a statement that the student will continue to be employed by the business;

(c) The total number of hours during the internship that the student intern was employed by the business;

(d) The total wages paid by the business to the student intern during the internship;

(e) A signed statement by the student intern briefly describing the duties performed during the internship and the skills and experiences gained throughout the internship;

(f) Any other information required by the agency~~department~~.

(2) If the agency~~department~~ receives the report and determines that it contains all of the information and the statement required by division (D) (1) of this section and that the career exploration internship described in the report complies with all the provisions of this section, the agency~~department~~ shall award a grant to the business. The amount of the grant shall equal the lesser of the following:

(a) Fifty per cent of the wages paid by the business to the student intern for the first twelve months following the date the application was approved;

(b) Five thousand dollars.

(E) The student intern and the principal, guidance counselor, or other qualified individual who signed the statement described in division (B) (3) of this section shall meet at least once in the thirty days following the end of the career exploration internship or in the thirteenth month following the start of the career exploration internship,

whichever comes first. The purpose of the meeting is to discuss 5235  
the student intern's experiences during the career exploration 5236  
internship, consider the practical applications of these 5237  
experiences to the student intern's career aspirations, and to 5238  
establish or confirm goals for the student intern. If 5239  
practicable, the meeting shall be in person. Otherwise, the 5240  
meeting may be conducted over the telephone. 5241

(F) A business that receives a grant under this section 5242  
may submit a new application under division (B) of this section 5243  
for another career exploration internship with the same student 5244  
intern. Such an application does not have to include the 5245  
statements otherwise required by divisions (B)(2) and (3) of 5246  
this section. 5247

(G) Annually, on the first day of August until August 5248  
2017, the department of housing and development ~~services agency~~ 5249  
shall compile a report indicating the number of career 5250  
exploration internships approved by the ~~agency~~ department under 5251  
this section, the statements issued by the student interns under 5252  
divisions (B)(2) and (D)(1)(e) of this section, the number of 5253  
student interns that continued employment with the business 5254  
after the termination of the career exploration internship, and 5255  
the total amount of grants awarded under this section. The 5256  
report shall not disclose any student interns' personally 5257  
identifiable information. The ~~agency~~ department shall provide 5258  
copies of the report to the governor, the speaker and minority 5259  
leader of the house of representatives, and the president and 5260  
minority leader of the senate. 5261

(H) The department of housing and development ~~services~~ 5262  
~~agency~~ may adopt rules necessary to administer this section in 5263  
accordance with Chapter 119. of the Revised Code. 5264

(I) The career exploration internship fund is hereby 5265  
created in the state treasury. The fund shall consist of a 5266  
portion of the proceeds from the upfront license fees paid for 5267  
the casino facilities authorized under Section 6(C) of Article 5268  
XV, Ohio Constitution. Money in the fund shall be used by the 5269  
department of housing and development ~~services agency~~ to provide 5270  
grants under this section. 5271

**Sec. 122.178.** (A) As used in this section, 5272  
"microcredential" means an industry-recognized credential or 5273  
certificate that an applicant may complete in not more than one 5274  
year and that is approved by the chancellor of higher education. 5275

(B) There is hereby created the TechCred program to 5276  
reimburse employers from appropriations made for that purpose 5277  
for training costs for prospective and incumbent employees to 5278  
earn a microcredential. The department of housing and 5279  
development, in consultation with the governor's office of 5280  
workforce transformation and the department of higher education, 5281  
shall develop the program. 5282

(C) (1) An employer seeking to participate in the program 5283  
shall submit an application to the director of housing and 5284  
development during an application period established by the 5285  
director. The employer shall include in the application all of 5286  
the following information: 5287

(a) Proof that the employer is registered to do business 5288  
in this state; 5289

(b) Proof that the employer is current on all tax 5290  
obligations to the state; 5291

(c) Proof that the employer is in compliance with all 5292  
environmental regulations applicable to the employer; 5293

(d) The name of the training provider from which a 5294  
prospective or incumbent employee will receive the training and 5295  
earn the microcredential; 5296

(e) The cost of the training; 5297

(f) The positions for which earning the microcredential 5298  
will make a prospective or incumbent employee qualified or the 5299  
occupational skill set that the prospective or incumbent 5300  
employee will acquire on completing the training; 5301

(g) The address of the facility or location at which the 5302  
prospective or incumbent employee is expected to be employed 5303  
after completing the training; 5304

(h) Any other information the director requires. 5305

(2) In addition to the information required under division 5306  
(C) (1) of this section, an employer seeking to participate in 5307  
the program also may submit any of the following information the 5308  
employer wishes to provide to the director: 5309

(a) The estimated wage after completing the training and 5310  
earning the microcredential; 5311

(b) The employer's certification as a minority business 5312  
enterprise under section 122.921 of the Revised Code or 5313  
certification as an EDGE business enterprise under section 5314  
122.922 of the Revised Code if applicable; 5315

(c) The demographic information of the employer, including 5316  
race and gender; 5317

(d) Any demographic information of a prospective or 5318  
incumbent employee that the employee provides to the employer, 5319  
including race and gender; 5320

(e) Any other information the employer wishes to provide 5321  
to the director. 5322

(D) (1) The director shall consider all applications 5323  
submitted during an application period after the application 5324  
period ends. The director shall consider the following factors 5325  
in determining whether to approve an application: 5326

(a) The duration of the training program; 5327

(b) The cost of the training; 5328

(c) A prospective or incumbent employee's estimated wage 5329  
after completing the training and earning the microcredential; 5330

(d) Whether approving an application will promote regional 5331  
diversity in apportioning reimbursements uniformly across the 5332  
state; 5333

(e) Any other factors the director considers relevant in 5334  
determining whether to approve an application. 5335

(2) The chancellor of higher education shall establish a 5336  
list of approved microcredentials. The director shall not 5337  
approve an application submitted under division (C) of this 5338  
section unless the microcredentials identified in the 5339  
application are included in the chancellor's list. Not later 5340  
than ninety days after April 14, 2020, the director shall create 5341  
a list of training providers that offer a microcredential 5342  
included in the chancellor's list. Thereafter, the director 5343  
shall annually update the list of training providers. 5344

(3) If the director approves an employer's application for 5345  
participation in the program, the approval is valid as long as 5346  
the employer maintains accurate application information under 5347  
division (C) (1) of this section with the director. The employer 5348

shall submit the updated information to the director at the 5349  
beginning of the third fiscal year the employer participates in 5350  
the program and every other subsequent fiscal year thereafter. 5351

(4) The director shall not approve an application for 5352  
participation in the program if the employer has violated 5353  
Chapter 4111. of the Revised Code within the four fiscal years 5354  
immediately preceding the date of application. 5355

(E) (1) Each participating employer seeking reimbursement 5356  
for training costs for a prospective or incumbent employee shall 5357  
submit an application to the director that includes all of the 5358  
following information for each prospective or incumbent 5359  
employee: 5360

(a) The prospective or incumbent employee's name and 5361  
position, if applicable, at the time of submitting the 5362  
application; 5363

(b) The actual amount the employer paid to the training 5364  
provider for the training; 5365

(c) Evidence that the prospective or incumbent employee 5366  
earned a microcredential; 5367

(d) Evidence that the prospective or incumbent employee is 5368  
a resident of this state. 5369

(2) The amount of the reimbursement shall be not more than 5370  
two thousand dollars for each microcredential a prospective or 5371  
incumbent employee receives. 5372

(F) No participating employer shall require a prospective 5373  
or incumbent employee who receives a microcredential because the 5374  
employer participated in and received a reimbursement through 5375  
the employer's participation in the TechCred program to accept 5376



or continue employment with the employer. 5377

(G) For the purposes of determining regional diversity 5378  
under this section, the following constitute the regions of the 5379  
state: 5380

(1) The counties of Allen, Crawford, Defiance, Fulton, 5381  
Hancock, Hardin, Henry, Lucas, Ottawa, Paulding, Putnam, 5382  
Sandusky, Seneca, Van Wert, Williams, Wood, and Wyandot are one 5383  
region; 5384

(2) The counties of Ashland, Ashtabula, Columbiana, 5385  
Cuyahoga, Erie, Geauga, Huron, Lake, Lorain, Mahoning, Medina, 5386  
Portage, Richland, Stark, Summit, Trumbull, Tuscarawas, and 5387  
Wayne are one region; 5388

(3) The counties of Auglaize, Champaign, Clark, Clinton, 5389  
Darke, Fayette, Greene, Mercer, Miami, Montgomery, Preble, and 5390  
Shelby are one region; 5391

(4) The counties of Delaware, Fairfield, Franklin, Knox, 5392  
Licking, Logan, Madison, Marion, Morrow, Pickaway, and Union are 5393  
one region; 5394

(5) The counties of Adams, Athens, Gallia, Highland, 5395  
Hocking, Jackson, Lawrence, Meigs, Pike, Ross, Scioto, and 5396  
Vinton are one region; 5397

(6) The counties of Belmont, Carroll, Coshocton, Guernsey, 5398  
Harrison, Holmes, Jefferson, Monroe, Morgan, Muskingum, Noble, 5399  
Perry, and Washington are one region; 5400

(7) The counties of Brown, Butler, Clermont, Hamilton, and 5401  
Warren are one region. 5402

(H) (1) The director shall do both of the following 5403  
regarding the operation of the program: 5404

(a) Create an application to participate in the program 5405  
and an application for reimbursement; 5406

(b) Create an internet web site with the applications for 5407  
and information regarding the program created in this section. 5408

(2) The governor's office of workforce transformation 5409  
shall include on the office's internet web site either of the 5410  
following: 5411

(a) The applications for and information regarding the 5412  
program created in this section; 5413

(b) An internet link to the internet web site created 5414  
under division (H) (1) (b) of this section. 5415

(I) The director may adopt rules in accordance with 5416  
Chapter 119. of the Revised Code regarding the operation of the 5417  
program as the director considers necessary to administer the 5418  
program, including establishing priority guidelines for 5419  
approving applications under division (D) of this section. 5420

**Sec. 122.179.** (A) As used in this section: 5421

"Charitable organization" has the same meaning as in 5422  
section 1716.01 of the Revised Code. 5423

"Independent college or university" means a nonprofit 5424  
institution of higher education that has a certificate of 5425  
authorization under Chapter 1713. of the Revised Code. 5426

"Industry sector partnership" means a workforce 5427  
collaborative that organizes key leaders and stakeholders of an 5428  
industry cluster into a working group that focuses on achieving 5429  
a shared goal of meeting the industry cluster's human resources 5430  
needs. 5431

"Ohio technical center" has the same meaning as in section 5432  
3333.94 of the Revised Code. 5433

"Sector partnership network" means a regional or statewide 5434  
workforce collaborative that organizes multiple industry sector 5435  
partnerships into a working group that focuses on achieving a 5436  
shared goal of meeting the human resources needs of a region or 5437  
statewide. 5438

"State board" and "local board" have the same meanings as 5439  
in section 6301.01 of the Revised Code. 5440

"State institution of higher education" has the same 5441  
meaning as in section 3345.011 of the Revised Code. 5442

(B) A collaboration of multiple employers of an industry 5443  
cluster may organize and lead an industry sector partnership by 5444  
convening or acting in partnership with representatives of 5445  
businesses, employers, or other institutions of an industry 5446  
cluster, including small- and medium-sized employers where 5447  
practicable, and a collaboration of multiple industry sector 5448  
partnerships may convene or act in partnership together as a 5449  
sector partnership network. An industry sector partnership may 5450  
include representatives of one or more of the following: 5451

- (1) A school district; 5452
- (2) A state institution of higher education; 5453
- (3) An Ohio technical center; 5454
- (4) An independent college or university; 5455
- (5) The state or a local government; 5456
- (6) A state or local economic or workforce development 5457  
agency; 5458

- (7) A state board or local board; 5459
- (8) The department of job and family services; 5460
- (9) A business, trade, or industry association; 5461
- (10) A charitable organization; 5462
- (11) An economic development organization; 5463
- (12) A nonprofit or community-based organization or  
intermediary; 5464  
5465
- (13) The Ohio state university extension division 5466  
established under section 3335.16 of the Revised Code or the 5467  
central state university extension program; 5468
- (14) Any other organization that the industry sector 5469  
partnership considers necessary to further the shared goal of 5470  
meeting the industry cluster's human resources needs. 5471
- (C) The director of housing and development~~services~~, in 5472  
consultation with the governor's office of workforce 5473  
transformation, shall develop a grant program to support 5474  
industry sector partnerships and sector partnership networks. An 5475  
industry sector partnership or sector partnership network may 5476  
use a grant awarded under this section to do any of the 5477  
following: 5478
- (1) Hire employees to coordinate industry sector 5479  
partnership or sector partnership network activities; 5480
- (2) Develop curricula or other educational resources to 5481  
support the industry sector partnership or sector partnership 5482  
network; 5483
- (3) Market the industry sector partnership or sector 5484  
partnership network and opportunities the industry sector 5485

partnership or sector partnership network creates for workforce 5486  
development activities; 5487

(4) Any other activity the director has approved in rules 5488  
adopted under division (E) of this section. 5489

(D) The director shall do both of the following: 5490

(1) Establish a system for evaluating and scoring grant 5491  
applications, which prioritizes collaborative community-based 5492  
solutions, including sector partnership networks; 5493

(2) Award a grant to an industry sector partnership or a 5494  
sector partnership network that submits a complete application 5495  
for funding describing the activities in division (C) of this 5496  
section the partnership or network will use the funds to support 5497  
and meets the scoring criteria established under division (D) (1) 5498  
of this section. 5499

(E) The director may adopt rules in accordance with 5500  
Chapter 119. of the Revised Code as the director considers 5501  
necessary to administer the grant program. 5502

**Sec. 122.1710.** (A) As used in this section: 5503

(1) "Low-income individual" has the same meaning as "low- 5504  
income person" in section 122.66 of the Revised Code. 5505

(2) "Microcredential" has the same meaning as in section 5506  
122.178 of the Revised Code. 5507

(3) "OhioMeansJobs web site" has the same meaning as in 5508  
section 6301.01 of the Revised Code. 5509

(4) "Partially unemployed" and "totally unemployed" have 5510  
the same meanings as in section 4141.01 of the Revised Code. 5511

(5) "Training provider" means all of the following: 5512

(a) A state institution of higher education as defined in 5513  
section 3345.011 of the Revised Code; 5514

(b) An Ohio technical center as defined in section 3333.94 5515  
of the Revised Code; 5516

(c) A private business or institution that offers training 5517  
to allow an individual to earn one or more microcredentials. 5518

(B) There is hereby created the individual microcredential 5519  
assistance program to reimburse training providers for training 5520  
costs for individuals to earn a microcredential. The department 5521  
of housing and development, in consultation with the governor's 5522  
office of workforce transformation, shall administer the 5523  
program. 5524

(C) A training provider seeking to participate in the 5525  
program shall submit an application to the director of housing 5526  
and development. The training provider shall include in the 5527  
application all of the following information: 5528

(1) The number of microcredentials the training provider 5529  
will seek a reimbursement for and the names of the 5530  
microcredentials; 5531

(2) The cost of the training for each microcredential; 5532

(3) The total amount of the reimbursement the training 5533  
provider will seek; 5534

(4) The training provider's plan to provide opportunities 5535  
for individuals who are low income, partially unemployed, or 5536  
totally unemployed to participate in a training program and 5537  
receive a microcredential; 5538

(5) Any other information the director requires. 5539

(D) (1) The director shall consider the following factors 5540  
in determining whether to approve an application submitted under 5541  
division (C) of this section: 5542

(a) The duration of the training program; 5543

(b) The cost of the training; 5544

(c) Whether approving an application will promote regional 5545  
diversity in apportioning reimbursements uniformly across the 5546  
state; 5547

(d) The training provider's commitment to providing 5548  
opportunities for individuals who are low income, partially 5549  
unemployed, or totally unemployed to participate in a training 5550  
program and receive a microcredential. 5551

(2) In determining regional diversity under division (D) 5552  
(1) (c) of this section, the director shall use the regions 5553  
established under division (G) of section 122.178 of the Revised 5554  
Code. 5555

(3) The director shall not approve an application 5556  
submitted under this section if either of the following apply: 5557

(a) The microcredentials identified in the application are 5558  
not included in the list the chancellor of higher education 5559  
establishes under section 122.178 of the Revised Code. 5560

(b) The training provider has violated Chapter 4111. of 5561  
the Revised Code within the four fiscal years immediately 5562  
preceding the date of application. 5563

(4) The director shall notify a training provider in 5564  
writing of the director's decision to approve or deny the 5565  
training provider's application to participate in the program. 5566

(E) A participating training provider shall not charge an individual participating in a training program to earn a microcredential for which the training provider is seeking a reimbursement for either of the following:

(1) Any costs associated with the individual's participation in the training program;

(2) Any costs to the training provider resulting from an individual not completing the training program.

(F) (1) Each participating training provider seeking reimbursement for training costs for one or more microcredentials earned by one or more individuals in a training program shall submit an application to the director after the individual or individuals have earned a microcredential. The training provider shall include in the reimbursement application all of the following information:

(a) The actual cost for the training provider to provide each individual with the training;

(b) Evidence that each individual earned a microcredential;

(c) Any demographic information of each individual that the individual provides to the training provider, including race and gender.

(2) The amount of the reimbursement shall be not more than three thousand dollars for each microcredential an individual receives. A participating training provider may not receive a reimbursement for any additional individual who earns a microcredential beyond the number of microcredentials included in the application under division (C) of this section. A participating training provider may receive a total



reimbursement of five hundred thousand dollars in a fiscal year. 5596

(3) A training provider may request that an individual 5597  
participating in the training provider's program provide 5598  
demographic information to the training provider, including race 5599  
and gender. An individual is not required to provide that 5600  
information. 5601

(G) The director shall do both of the following regarding 5602  
the operation of the program: 5603

(1) Create an application to participate in the program 5604  
and an application for reimbursement; 5605

(2) Create and distribute a survey to each individual who 5606  
successfully earned a microcredential because of a reimbursement 5607  
to a training provider under this section inquiring as to the 5608  
individual's occupation and wages at the time of completing the 5609  
survey. 5610

(H) The director shall include on the internet web site 5611  
maintained by the department, and the governor's office of 5612  
workforce transformation shall include on the office's internet 5613  
web site and the OhioMeansJobs web site, all of the content 5614  
created under division (G) of this section. 5615

(I) The director may adopt rules in accordance with 5616  
Chapter 119. of the Revised Code as the director considers 5617  
necessary to implement this section, including establishing 5618  
priority guidelines for approving applications under division 5619  
(D) of this section. 5620

(J) Any personal information of an individual the director 5621  
receives in connection with the individual microcredential 5622  
assistance program created under this section is not a public 5623  
record for purposes of section 149.43 of the Revised Code. 5624

However, the director may use the information as necessary to 5625  
complete the reports required under section 122.1711 of the 5626  
Revised Code. 5627

**Sec. 122.1711.** (A) Beginning on the first day of August 5628  
immediately following ~~the effective date of this section~~ April 5629  
14, 2020, and every August first thereafter, the director of 5630  
housing and development services shall submit to the general 5631  
assembly a written report that compiles and includes information 5632  
required in this section regarding the programs created under 5633  
sections 122.178, 122.179, and 122.1710 of the Revised Code. 5634

(1) For the TechCred program created under section 122.178 5635  
of the Revised Code, the director shall include in the report 5636  
required under division (A) of this section all of the following 5637  
information: 5638

(a) The average per cent rate change of wages during the 5639  
previous year, if any, for prospective or incumbent employees 5640  
who earned a microcredential categorized by microcredentials 5641  
earned in each region and statewide; 5642

(b) The average per cent rate change of wages during the 5643  
previous years, if any, for prospective or incumbent employees 5644  
who earned a microcredential categorized by the region in which 5645  
employees reside and statewide; 5646

(c) The average annual wages paid to positions for which 5647  
holding a microcredential or having the occupational skills 5648  
acquired through obtaining a microcredential is required, 5649  
categorized by each region and statewide; 5650

(d) The rate of change during the previous year of 5651  
unemployment categorized by each region and statewide; 5652

(e) A list of the microcredentials established by the 5653

chancellor of higher education under section 122.178 of the 5654  
Revised Code categorized by each region and statewide; 5655

(f) A demographic analysis of employees who earned a 5656  
microcredential under the TechCred program based on the race and 5657  
gender of each employee; 5658

(g) A demographic analysis of employers who received a 5659  
reimbursement through the TechCred program based on the race and 5660  
gender of each employer; 5661

(h) Any other information the director wishes to include. 5662

(2) For the individual microcredential assistance program 5663  
created under section 122.1710 of the Revised Code, the director 5664  
shall include in the report required under division (A) of this 5665  
section all of the following information: 5666

(a) The information required under divisions (A) (1) (a) to 5667  
(c) of this section, except that the information shall represent 5668  
the individuals who successfully earned a microcredential 5669  
because of a reimbursement to a training provider under the 5670  
individual microcredential assistance program; 5671

(b) A demographic analysis of individuals who earned a 5672  
microcredential under the individual microcredential assistance 5673  
program based on the race and gender of each individual; 5674

(c) An analysis of the results of the surveys the director 5675  
distributed under division (G) of section 122.1710 of the 5676  
Revised Code categorized by each region and statewide; 5677

(d) The rate of completion for each approved 5678  
microcredential categorized by region and statewide; 5679

(e) Any other information the director wishes to include. 5680

(3) For the grant program to support industry sector 5681  
partnerships and sector partnership networks created under 5682  
section 122.179 of the Revised Code, the director shall include 5683  
in the report required under division (A) of this section all of 5684  
the following information: 5685

(a) A list, categorized by region and statewide, of each 5686  
industry sector partnership and sector partnership network to 5687  
which a grant was awarded under section 122.179 of the Revised 5688  
Code; 5689

(b) A list detailing the member composition of each 5690  
industry sector partnership and sector partnership network to 5691  
which a grant was awarded under section 122.179 of the Revised 5692  
Code, including each employer and representative of an industry 5693  
cluster; 5694

(c) Information regarding the activities described in 5695  
division (C) of section 122.179 of the Revised Code for which 5696  
industry sector partnerships and sector partnership networks 5697  
used grants awarded under that section. 5698

(B) In reporting on regional information under this 5699  
section, the director shall use the regions established under 5700  
section 122.178 of the Revised Code. 5701

(C) The director shall include in the report under 5702  
division (A) of this section any information the director 5703  
receives under division (C) (2) (b), (c), or (d) of section 5704  
122.178 of the Revised Code or division (F) (1) (c) of section 5705  
122.1710 of the Revised Code. 5706

(D) The director shall market the programs created under 5707  
sections 122.178, 122.179, and 122.1710 of the Revised Code. 5708

**Sec. 122.18.** (A) As used in this section: 5709

- (1) "Facility" means all real property and interests in 5710  
real property owned by either of the following: 5711
- (a) A landlord and leased to a tenant pursuant to a 5712  
project that is the subject of an agreement under this section; 5713
- (b) The United States or any department, agency, or 5714  
instrumentality of the United States. 5715
- (2) "Full-time employee" has the same meaning as under 5716  
section 122.17 of the Revised Code. 5717
- (3) "Landlord" means a county or municipal corporation, or 5718  
a corporate entity that is an instrumentality of a county or 5719  
municipal corporation and that is not subject to the tax imposed 5720  
by section 5733.06 or 5747.02 of the Revised Code. 5721
- (4) "New employee" means a full-time employee first 5722  
employed by, or under or pursuant to a contract with, the tenant 5723  
in the project that is the subject of the agreement after a 5724  
landlord enters into an agreement with the tax credit authority 5725  
under this section. 5726
- (5) "New income tax revenue" means the total amount 5727  
withheld under section 5747.06 of the Revised Code by the tenant 5728  
or tenants at a facility during a year from the compensation of 5729  
new employees for the tax levied under Chapter 5747. of the 5730  
Revised Code. 5731
- (6) "Retained income tax revenue" means the total amount 5732  
withheld under section 5747.06 of the Revised Code from 5733  
employees retained at an existing facility recommended for 5734  
closure to the base realignment and closure commission in the 5735  
United States department of defense. 5736
- (7) "Tenant" means the United States, any department, 5737

agency, or instrumentality of the United States, or any person 5738  
under contract with the United States or any department, agency, 5739  
or instrumentality of the United States. 5740

(B) The tax credit authority may enter into an agreement 5741  
with a landlord under which an annual payment equal to the new 5742  
income tax revenue or retained income tax revenue, as 5743  
applicable, or the amount called for under division (D) (3) or 5744  
(4) of this section shall be made to the landlord from moneys of 5745  
this state that were not raised by taxation, and shall be 5746  
credited by the landlord to the rental owing from the tenant to 5747  
the landlord for a facility. 5748

(C) A landlord that proposes a project to create new jobs 5749  
in this state or retain jobs in this state at an existing 5750  
facility recommended for closure or realignment to the base 5751  
realignment and closure commission in the United States 5752  
department of defense may apply to the tax credit authority to 5753  
enter into an agreement for annual payments under this section. 5754  
The director of housing and development shall prescribe the form 5755  
of the application. After receipt of an application, the 5756  
authority may enter into an agreement with the landlord for 5757  
annual payments under this section if it determines all of the 5758  
following: 5759

(1) The project will create new jobs in this state or 5760  
retain jobs at a facility recommended for closure or realignment 5761  
to the base realignment and closure commission in the United 5762  
States department of defense. 5763

(2) The project is economically sound and will benefit the 5764  
people of this state by increasing opportunities for employment 5765  
and strengthening the economy of this state. 5766

(3) Receiving the annual payments will be a major factor 5767  
in the decision of the landlord and tenant to go forward with 5768  
the project. 5769

(D) An agreement with a landlord for annual payments shall 5770  
include all of the following: 5771

(1) A description of the project that is the subject of 5772  
the agreement; 5773

(2) The term of the agreement, which shall not exceed 5774  
twenty years; 5775

(3) Based on the estimated new income tax revenue or 5776  
retained income tax revenue, as applicable, to be derived from 5777  
the facility at the time the agreement is entered into, 5778  
provision for a guaranteed payment to the landlord commencing 5779  
with the issuance by the landlord of any bonds or other forms of 5780  
financing for the construction of the facility and continuing 5781  
for the term approved by the authority; 5782

(4) Provision for offsets to this state of the annual 5783  
payment in years in which such annual payment is greater than 5784  
the guaranteed payment of amounts previously paid by this state 5785  
to the landlord in excess of the new income tax revenue or 5786  
retained income tax revenue, as applicable, by reason of the 5787  
guaranteed payment; 5788

(5) A specific method for determining how many new 5789  
employees are employed during a year; 5790

(6) A requirement that the landlord annually shall obtain 5791  
from the tenant and report to the director of housing and 5792  
development the number of new employees and the new income tax 5793  
revenue withheld in connection with the new employees, or the 5794  
number of retained employees and the retained income tax revenue 5795

withheld in connection with the retained employees, as 5796  
applicable, and any other information the director needs to 5797  
perform the director's duties under this section; 5798

(7) A requirement that the director of housing and 5799  
development annually shall verify the amounts reported under 5800  
division (D) (6) of this section, and after doing so shall issue 5801  
a certificate to the landlord stating that the amounts have been 5802  
verified. 5803

(E) The director of housing and development, in accordance 5804  
with Chapter 119. of the Revised Code, shall adopt rules 5805  
necessary to implement this section. 5806

**Sec. 122.19.** As used in sections 122.19 to 122.22 of the 5807  
Revised Code: 5808

(A) "Distressed area" has the same meaning as in section 5809  
122.16 of the Revised Code. 5810

(B) "Eligible applicant" means any of the following that 5811  
are designated by the legislative authority of a county, 5812  
township, or municipal corporation as provided in division (B) 5813  
(1) of section 122.22 of the Revised Code: 5814

(1) A port authority as defined in division (A) of section 5815  
4582.01 or division (A) of section 4582.21 of the Revised Code; 5816

(2) A community improvement corporation as described in 5817  
section 1724.01 of the Revised Code; 5818

(3) A community-based organization or action group that 5819  
provides social services and has experience in economic 5820  
development; 5821

(4) Any other nonprofit economic development entity; 5822



(5) A county, township, or municipal corporation if it 5823  
designates itself. 5824

(C) "Eligible area" means a distressed area, a labor 5825  
surplus area, an inner city area, or a situational distress 5826  
area, as designated annually by the director of housing and 5827  
development under division (A) of section 122.21 of the Revised 5828  
Code. 5829

(D) "Governing body" means, in the case of a county, the 5830  
board of county commissioners; in the case of a municipal 5831  
corporation, the legislative authority; and in the case of a 5832  
township, the board of township trustees. 5833

(E) "Infrastructure improvements" includes site 5834  
preparation, including building demolition and removal; 5835  
retention ponds and flood and drainage improvements; streets, 5836  
roads, bridges, and traffic control devices; parking lots and 5837  
facilities; water and sewer lines and treatment plants; gas, 5838  
electric, and telecommunications hook-ups; and waterway and 5839  
railway access improvements. 5840

(F) "Inner city area" means, in a municipal corporation 5841  
that has a population of at least one hundred thousand and does 5842  
not meet the criteria of a labor surplus area or a distressed 5843  
area, targeted investment areas established by the municipal 5844  
corporation within its boundaries that are comprised of the most 5845  
recent census block tracts that individually have at least 5846  
twenty per cent of their population at or below the state 5847  
poverty level, or other census block tracts contiguous to such 5848  
census block tracts. 5849

(G) "Labor surplus area" means an area designated as a 5850  
labor surplus area by the United States department of labor. 5851

(H) "Official poverty line" has the same meaning as in 5852  
division (A) of section 3923.51 of the Revised Code. 5853

(I) "Redevelopment plan" means a plan that includes all of 5854  
the following: a plat; a land use description; identification of 5855  
all utilities and infrastructure needed to develop the property, 5856  
including street connections; highway, rail, air, or water 5857  
access; utility connections; water and sewer treatment 5858  
facilities; storm drainage; and parking, and any other elements 5859  
required by a rule adopted by the director of housing and 5860  
development under division (B) of section 122.21 of the Revised 5861  
Code. 5862

(J) "Situational distress area" means a county or a 5863  
municipal corporation that has experienced or is experiencing a 5864  
closing or downsizing of a major employer that will adversely 5865  
affect the county's or municipal corporation's economy. In order 5866  
to be designated as a situational distress area for a period not 5867  
to exceed thirty-six months, the county or municipal corporation 5868  
may petition the director of housing and development. The 5869  
petition shall include documentation that demonstrates all of 5870  
the following: 5871

(1) The number of jobs lost by the closing or downsizing; 5872

(2) The impact that the job loss has on the county's or 5873  
municipal corporation's unemployment rate as measured by the 5874  
Ohio department of job and family services; 5875

(3) The annual payroll associated with the job loss; 5876

(4) The amount of state and local taxes associated with 5877  
the job loss; 5878

(5) The impact that the closing or downsizing has on the 5879  
suppliers located in the county or municipal corporation. 5880

**Sec. 122.20.** (A) The urban and rural initiative grant 5881  
program is hereby created to promote economic development and 5882  
improve the economic welfare of the people of the state, which 5883  
shall be accomplished by the department of housing and 5884  
development awarding grants to eligible applicants for use in an 5885  
eligible area for any of the following purposes: 5886

(1) Land acquisition; 5887

(2) Infrastructure improvements; 5888

(3) Voluntary actions undertaken on property eligible for 5889  
the voluntary action program created under Chapter 3746. of the 5890  
Revised Code; 5891

(4) Renovation of existing structures. 5892

(B) The total amount of grants awarded under the program 5893  
shall not exceed two million dollars. No grant shall be awarded 5894  
without the prior approval of the controlling board. 5895

(C) As a condition of receiving a grant under this 5896  
section, and except as provided in division (D) of this section, 5897  
an applicant shall agree not to permit the use of a site that is 5898  
developed or improved with such grant moneys to cause the 5899  
relocation of jobs to that site from elsewhere in this state. 5900

(D) A site developed or improved with grant moneys awarded 5901  
under this section may be the site of jobs relocated from 5902  
elsewhere in this state if the director of housing and 5903  
development does all of the following: 5904

(1) Makes a written determination that the site from which 5905  
the jobs would be relocated is inadequate to meet market or 5906  
industry conditions, expansion plans, consolidation plans, or 5907  
other business considerations affecting the relocating employer; 5908

(2) Provides a copy of the determination required by 5909  
division (D)(1) of this section to the members of the general 5910  
assembly whose legislative districts include the site from which 5911  
the jobs would be relocated, and to the joint legislative 5912  
committee on tax incentives; 5913

(3) Determines that the governing body of the area from 5914  
which the jobs would be relocated has been notified in writing 5915  
by the relocating company of the possible relocation. 5916

(E) No eligible applicant that receives from the program 5917  
any grant of money for land acquisition, infrastructure 5918  
improvements, or renovation of existing structures in order to 5919  
develop an industrial park site for a distressed area, labor 5920  
surplus area, or situational distress area as defined in section 5921  
122.19 of the Revised Code that also is a distressed area, labor 5922  
surplus area, or situational distress area as defined in section 5923  
122.23 of the Revised Code shall use the money to compete 5924  
against any existing Ohio industrial parks. 5925

(F) An eligible applicant that receives a grant from the 5926  
program shall not be precluded from being considered for or 5927  
participating in other financial assistance programs offered by 5928  
the department of housing and development, the Ohio 5929  
environmental protection agency, or the Ohio water development 5930  
authority. 5931

**Sec. 122.21.** In administering the urban and rural 5932  
initiative grant program created under section 122.20 of the 5933  
Revised Code, the director of housing and development shall do 5934  
all of the following: 5935

(A) Designate, within three months after the publication 5936  
of each decennial census by the United States census bureau, the 5937

entities that constitute the eligible areas in this state; 5938

(B) Adopt rules in accordance with Chapter 119. of the 5939  
Revised Code establishing procedures and forms by which eligible 5940  
applicants in eligible areas may apply for a grant, which 5941  
procedures shall include a requirement that the applicant file a 5942  
redevelopment plan; standards and procedures for reviewing 5943  
applications and awarding grants; procedures for distributing 5944  
grants to recipients; procedures for monitoring the use of 5945  
grants by recipients; requirements, procedures, and forms by 5946  
which recipients who have received grants shall report their use 5947  
of that assistance; and standards and procedures for terminating 5948  
and requiring repayment of grants in the event of their improper 5949  
use. The rules adopted under this division shall comply with 5950  
sections 122.19 to 122.22 of the Revised Code and shall include 5951  
a rule requiring that an eligible applicant who receives a grant 5952  
from the program provide a matching contribution of at least 5953  
twenty-five per cent of the amount of the grant awarded to the 5954  
eligible applicant. 5955

The rules shall require that any eligible applicant for a 5956  
grant for land acquisition demonstrate to the director that the 5957  
property to be acquired meets all state environmental 5958  
requirements and that utilities for that property are available 5959  
and adequate. The rules shall require that any eligible 5960  
applicant for a grant for property eligible for the voluntary 5961  
action program created under Chapter 3746. of the Revised Code 5962  
receive disbursement of grant moneys only after receiving a 5963  
covenant not to sue from the director of environmental 5964  
protection under section 3746.12 of the Revised Code and shall 5965  
require that those moneys be disbursed only as reimbursement of 5966  
actual expenses incurred in the undertaking of the voluntary 5967  
action. The rules shall require that whenever any money is 5968

granted for land acquisition, infrastructure improvements, or 5969  
renovation of existing structures in order to develop an 5970  
industrial park site for a distressed area, labor surplus area, 5971  
or situational distress area as defined in section 122.19 of the 5972  
Revised Code that also is a distressed area, labor surplus area, 5973  
or situational distress area as defined in section 122.23 of the 5974  
Revised Code, a substantial portion of the site be used for 5975  
manufacturing, distribution, high technology, research and 5976  
development, or other businesses in which a majority of the 5977  
product or service produced is exported out of the state. Any 5978  
retail use at the site shall not constitute a primary use but 5979  
only a use incidental to other eligible uses. The rules shall 5980  
require that whenever any money is granted for land acquisition, 5981  
infrastructure improvements, and renovation of existing 5982  
structures in order to develop an industrial park site for a 5983  
distressed area, labor surplus area, or situational distress 5984  
area as defined in section 122.19 of the Revised Code that also 5985  
is a distressed area, labor surplus area, or situational 5986  
distress area as defined in section 122.23 of the Revised Code, 5987  
the applicant for the grant shall verify to the department of 5988  
housing and development the existence of a local economic 5989  
development planning committee in a municipal corporation, 5990  
county, or township whose territory includes the eligible area. 5991  
The committee shall consist of members of the public and private 5992  
sectors who live in that municipal corporation, county, or 5993  
township. The local economic development planning committee 5994  
shall prepare and submit to the department a five-year economic 5995  
development plan for that municipal corporation, county, or 5996  
township that identifies, for the five-year period covered by 5997  
the plan, the economic development strategies of a municipal 5998  
corporation, county, or township whose territory includes the 5999  
proposed industrial park site. The economic development plan 6000

shall describe in detail how the proposed industrial park would 6001  
complement other current or planned economic development 6002  
programs for that municipal corporation, county, or township, 6003  
including, but not limited to, workforce development 6004  
initiatives, business retention and expansion efforts, small 6005  
business development programs, and technology modernization 6006  
programs. 6007

(C) Report to the governor, president of the senate, 6008  
speaker of the house of representatives, and minority leaders of 6009  
the senate and the house of representatives by the first day of 6010  
August of each year on the activities carried out under the 6011  
program during the preceding calendar year. The report shall 6012  
include the total number of grants made that year, and, for each 6013  
individual grant awarded, the following: the amount and 6014  
recipient, the eligible applicant, the purpose for awarding the 6015  
grant, the number of firms or businesses operating at the 6016  
awarded site, the number of employees employed by each firm or 6017  
business, any excess capacity at an industrial park site, and 6018  
any additional information the director declares to be relevant. 6019

(D) Inform local governments and others in the state of 6020  
the availability of grants under section 122.20 of the Revised 6021  
Code; 6022

(E) Annually compile, pursuant to rules adopted by the 6023  
director of housing and development in accordance with Chapter 6024  
119. of the Revised Code, using pertinent information submitted 6025  
by any municipal corporation, county, or township, a list of 6026  
industrial parks located in the state. The list shall include 6027  
the following information, expressed if possible in terms 6028  
specified in the director's rules adopted under this division: 6029  
location of each industrial park site, total acreage of each 6030

park site, total occupancy of each park site, total capacity for 6031  
new business at each park site, total capacity of each park site 6032  
for sewer, water, and electricity, a contact person for each 6033  
park site, and any additional information the director declares 6034  
to be relevant. Once the list is compiled, the director shall 6035  
make it available to the governor, president of the senate, 6036  
speaker of the house of representatives, and minority leaders of 6037  
the senate and the house of representatives. 6038

**Sec. 122.22.** (A) In order to be eligible for a grant under 6039  
section 122.20 of the Revised Code, the applicant shall 6040  
demonstrate both of the following to the director of housing and 6041  
development: 6042

(1) That the applicant is proposing to carry out the 6043  
purposes described in section 122.20 of the Revised Code in an 6044  
entity that has been designated as an eligible area by the 6045  
director of housing and development under division (A) of 6046  
section 122.21 of the Revised Code; 6047

(2) The applicant's capacity to undertake and oversee the 6048  
project, as evidenced by documentation of the applicant's past 6049  
performance in economic development projects. 6050

(B) In order for an applicant to be eligible for a grant 6051  
under section 122.20 of the Revised Code, the governing body of 6052  
the entity that has been designated as an eligible area by the 6053  
director of housing and development in accordance with division 6054  
(A) of section 122.21 of the Revised Code shall, by resolution 6055  
or ordinance, do all of the following: 6056

(1) Designate the applicant that will carry out the 6057  
purposes described in section 122.20 of the Revised Code and 6058  
that qualifies as one of the five categories of eligible 6059



applicant listed in division (B) of section 122.19 of the 6060  
Revised Code; 6061

(2) Specify the eligible area's financial participation in 6062  
the project; 6063

(3) Include a marketing strategy to be utilized in 6064  
administering the project that includes details used in past 6065  
successful projects; 6066

(4) Identify a management plan for the project. 6067

(C) A governing body may designate the political 6068  
subdivision it governs to be an eligible applicant. 6069

(D) In order to be eligible for a grant under section 6070  
122.20 of the Revised Code for land acquisition, infrastructure 6071  
improvements, or renovation of existing structures in order to 6072  
develop an industrial park site for a distressed area, labor 6073  
surplus area, or situational distress area as defined in section 6074  
122.19 of the Revised Code that also is a distressed area, labor 6075  
surplus area, or situational distress area as defined in section 6076  
122.23 of the Revised Code, an applicant must be approved as a 6077  
grant applicant by resolution of the legislative authority of 6078  
each county containing any area that has been designated as an 6079  
eligible area by the director of housing and development under 6080  
division (A) of section 122.21 of the Revised Code and whose 6081  
governing body has designated the applicant to seek a grant for 6082  
any of these purposes on behalf of the eligible area. The 6083  
director shall adopt rules in accordance with Chapter 119. of 6084  
the Revised Code establishing criteria for the legislative 6085  
authority to use in determining whether to approve a qualified 6086  
applicant. 6087

**Sec. 122.23.** As used in sections 122.23 to 122.27 of the 6088

Revised Code: 6089

(A) "Distressed area" means a county with a population of 6090  
less than one hundred twenty-five thousand according to the most 6091  
recent federal decennial census published by the United States 6092  
census bureau that meets at least two of the following criteria: 6093

(1) Its average rate of unemployment, during the most 6094  
recent five-year period for which local area unemployment 6095  
statistics published by the United States bureau of labor 6096  
statistics are available, as of the date the most recent federal 6097  
decennial census was published, is equal to or greater than one 6098  
hundred twenty-five per cent of the average rate of unemployment 6099  
for the United States for the same period. 6100

(2) It has a per capita personal income equal to or less 6101  
than eighty per cent of the per capita personal income of the 6102  
United States as determined by the most recently available data 6103  
from the United States department of commerce, bureau of 6104  
economic analysis as of the date the most recent federal 6105  
decennial census was published. 6106

(3) Its ratio of personal current transfer receipts to 6107  
total personal income is equal to or greater than twenty-five 6108  
per cent, as determined by the most recently available data from 6109  
the United States department of commerce, bureau of economic 6110  
analysis as of the date the most recent federally decennial 6111  
census was published. 6112

If a federal agency ceases to publish the applicable data 6113  
described in division (A) of this section, the director of 6114  
housing and development shall designate, on the department of 6115  
housing and development's web site, an alternative source of the 6116  
applicable data published by a federal agency or, if no such 6117

source is available, another reliable source. 6118

(B) "Eligible applicant" means any of the following that 6119  
is designated by the governing body of an eligible area as 6120  
provided in division (B)(1) of section 122.27 of the Revised 6121  
Code: 6122

(1) A port authority as defined in division (A) of section 6123  
4582.01 or division (A) of section 4582.21 of the Revised Code; 6124

(2) A community improvement corporation as defined in 6125  
section 1724.01 of the Revised Code; 6126

(3) A community-based organization or action group that 6127  
provides social services and has experience in economic 6128  
development; 6129

(4) Any other nonprofit economic development entity; 6130

(5) A private developer that previously has not received 6131  
financial assistance under section 122.24 of the Revised Code in 6132  
the current biennium and that has experience and a successful 6133  
history in industrial development. 6134

(C) "Eligible area" means a distressed area, a labor 6135  
surplus area, a rural area, or a situational distress area, as 6136  
designated by the director of housing and development pursuant 6137  
to division (A) of section 122.25 of the Revised Code. 6138

(D) "Labor surplus area" means an area designated as a 6139  
labor surplus area by the United States department of labor. 6140

(E) "Official poverty line" has the same meaning as in 6141  
division (A) of section 3923.51 of the Revised Code. 6142

(F) "Situational distress area" means a county that has a 6143  
population of less than one hundred twenty-five thousand, or a 6144

municipal corporation in such a county, that has experienced or 6145  
is experiencing a closing or downsizing of a major employer that 6146  
will adversely affect the county's or municipal corporation's 6147  
economy. In order to be designated as a situational distress 6148  
area for a period not to exceed thirty-six months, the county or 6149  
municipal corporation may petition the director of housing and 6150  
development. The petition shall include documentation that 6151  
demonstrates all of the following: 6152

(1) The number of jobs lost by the closing or downsizing; 6153

(2) The impact that the job loss has on the county's or 6154  
municipal corporation's unemployment rate as measured by the 6155  
director of job and family services; 6156

(3) The annual payroll associated with the job loss; 6157

(4) The amount of state and local taxes associated with 6158  
the job loss; 6159

(5) The impact that the closing or downsizing has on the 6160  
suppliers located in the rural county or municipal corporation. 6161

(G) "Governing body" means, in the case of a county, the 6162  
board of county commissioners; in the case of a municipal 6163  
corporation, the legislative authority; and in the case of a 6164  
township, the board of township trustees. 6165

(H) "Infrastructure improvements" includes site 6166  
preparation, including building demolition and removal; 6167  
retention ponds and flood and drainage improvements; streets, 6168  
roads, bridges, and traffic control devices; parking lots and 6169  
facilities; water and sewer lines and treatment plants; gas, 6170  
electric, and telecommunications hook-ups; and waterway and 6171  
railway access improvements. 6172

(I) "Private developer" means any individual, firm, 6173  
corporation, or entity, other than a nonprofit entity, limited 6174  
profit entity, or governmental entity. 6175

(J) "Rural area" means any Ohio county that was an 6176  
eligible area immediately prior to September 30, 2021, and any 6177  
other Ohio county that is not designated as part of a 6178  
metropolitan statistical area by the United States office of 6179  
management and budget. 6180

**Sec. 122.24.** To promote economic development in rural 6181  
areas and to improve the economic welfare of the people of the 6182  
state, the director of housing and development shall administer 6183  
the rural industrial park loan program, which is hereby 6184  
established in accordance with Ohio Constitution, Article VIII, 6185  
Section 13, to assist eligible applicants in financing the 6186  
development and improvement of industrial parks by providing 6187  
financial assistance in the form of loans and loan guarantees 6188  
for land acquisition; constructing, reconstructing, 6189  
rehabilitating, remodeling, renovating, enlarging, or improving 6190  
industrial park buildings; and infrastructure improvements. 6191

This program shall not be used to compete against existing 6192  
Ohio industrial parks. 6193

An eligible applicant receiving assistance under the rural 6194  
industrial park program is not precluded from further 6195  
participation in this or any other department of housing and 6196  
development financial program, except that a private developer 6197  
that previously has received financial assistance under this 6198  
section is precluded from further participation in the rural 6199  
industrial park loan program. 6200

**Sec. 122.25.** (A) In administering the program established 6201

under section 122.24 of the Revised Code, the director of 6202  
housing and development shall do all of the following: 6203

(1) Designate, within three months after the publication 6204  
of each decennial census by the United States census bureau, the 6205  
entities that constitute the eligible areas in this state as 6206  
defined in section 122.23 of the Revised Code; 6207

(2) Inform local governments and others in the state of 6208  
the availability of the program and financial assistance 6209  
established under sections 122.23 to 122.27 of the Revised Code; 6210

(3) Report to the governor, president of the senate, 6211  
speaker of the house of representatives, and minority leaders of 6212  
the senate and the house of representatives by the first day of 6213  
August of each year on the activities carried out under the 6214  
program during the preceding calendar year. The report shall 6215  
include the number of loans made that year and the amount and 6216  
recipient of each loan. 6217

(4) Work in conjunction with conventional lending 6218  
institutions, local revolving loan funds, private investors, and 6219  
other private and public financing sources to provide loans or 6220  
loan guarantees to eligible applicants; 6221

(5) Establish fees, charges, interest rates, payment 6222  
schedules, local match requirements, and other terms and 6223  
conditions for loans and loan guarantees provided under the 6224  
program; 6225

(6) Require each applicant to demonstrate the suitability 6226  
of any site for the assistance sought; that the site has been 6227  
surveyed, that the site has adequate or available utilities, and 6228  
that there are no zoning restrictions, environmental 6229  
regulations, or other matters impairing the use of the site for 6230

the purpose intended; 6231

(7) Require each applicant to provide a marketing plan and 6232  
management strategy for the project; 6233

(8) Adopt rules establishing all of the following: 6234

(a) Forms and procedures by which eligible applicants may 6235  
apply for assistance; 6236

(b) Criteria for reviewing, evaluating, and ranking 6237  
applications, and for approving applications that best serve the 6238  
goals of the program; 6239

(c) Reporting requirements and monitoring procedures; 6240

(d) Guidelines regarding situations in which industrial 6241  
parks would be considered to compete against one another for the 6242  
purposes of division (B) (2) of section 122.27 of the Revised 6243  
Code; 6244

(e) Any other rules necessary to implement and administer 6245  
the program. 6246

(B) The director may adopt rules establishing requirements 6247  
governing the use of any industrial park site receiving 6248  
assistance under section 122.24 of the Revised Code, such that a 6249  
certain portion of the site must be used for manufacturing, 6250  
distribution, high technology, research and development, or 6251  
other businesses wherein a majority of the product or service 6252  
produced is exported out of the state. 6253

(C) As a condition of receiving assistance under section 6254  
122.24 of the Revised Code, and except as provided in division 6255  
(D) of this section, an applicant shall agree, for a period of 6256  
five years, not to permit the use of a site that is developed or 6257  
improved with such assistance to cause the relocation of jobs to 6258

that site from elsewhere in the state. 6259

(D) A site developed or improved with assistance under 6260  
section 122.24 of the Revised Code may be the site of jobs 6261  
relocated from elsewhere in the state if the director does all 6262  
of the following: 6263

(1) Makes a written determination that the site from which 6264  
the jobs would be relocated is inadequate to meet market or 6265  
industry conditions, expansion plans, consolidation plans, or 6266  
other business considerations affecting the relocating employer; 6267

(2) Provides a copy of the determination required by 6268  
division (D)(1) of this section to the members of the general 6269  
assembly whose legislative districts include the site from which 6270  
the jobs would be relocated; 6271

(3) Determines that the governing body of the area from 6272  
which the jobs would be relocated has been notified in writing 6273  
by the relocating company of the possible relocation. 6274

(E) The director shall obtain the approval of the 6275  
controlling board for any loan or loan guarantee provided under 6276  
sections 122.23 to 122.27 of the Revised Code. 6277

**Sec. 122.26.** The rural industrial park loan fund is hereby 6278  
created in the state treasury for the purposes of the program 6279  
established under section 122.24 of the Revised Code. The 6280  
director of housing and development ~~services~~ shall deposit money 6281  
received for the purposes of that section to the credit of the 6282  
fund. 6283

**Sec. 122.27.** (A) In order to be eligible for financial 6284  
assistance under section 122.24 of the Revised Code, an 6285  
applicant shall demonstrate to the director of housing and 6286  
development the applicant's capacity to undertake and oversee 6287



the project, as evidenced by documentation of the applicant's 6288  
past performance in economic development projects. 6289

(B) In order for an applicant to be eligible for financial 6290  
assistance under section 122.24 of the Revised Code, both of the 6291  
following apply: 6292

(1) The governing body of the entity that has been 6293  
designated as an eligible area by the director of housing and 6294  
development under division (A) of section 122.25 of the Revised 6295  
Code, by resolution or ordinance, shall designate the applicant 6296  
that will carry out the project for the purposes described in 6297  
section 122.24 of the Revised Code and specify the eligible 6298  
area's financial participation in the project. 6299

(2) The board of county commissioners of a county that has 6300  
been designated as an eligible area by the director of housing 6301  
and development under division (A) (1) of section 122.25 of the 6302  
Revised Code shall certify, by resolution, that no existing 6303  
industrial park is located in the county that would compete 6304  
against an industrial park that would be developed and improved 6305  
in the county through the use of financial assistance provided 6306  
to the applicant under the rural industrial park loan program. 6307  
Guidelines regarding situations in which industrial parks would 6308  
be considered to compete against one another shall be 6309  
established by rule in accordance with division (A) (8) (d) of 6310  
section 122.25 of the Revised Code. However, an existing 6311  
industrial park owner's consent to the new industrial park is 6312  
sufficient to demonstrate noncompetition. 6313

(C) Solely for the purpose of applying for assistance for 6314  
infrastructure improvements, a governing body may designate 6315  
itself as an eligible applicant. 6316

**Sec. 122.29.** (A) The Ohio river commission is created 6317  
within the department of housing and development to develop and 6318  
promote economic development, marine cargo terminal operations, 6319  
and travel and tourism on the Ohio river and its tributaries. 6320  
The commission consists of the following members: 6321

(1) The director of housing and development, or the 6322  
director's designee, who shall serve as chairperson of the 6323  
commission; 6324

(2) The director of transportation, or the director's 6325  
designee; 6326

(3) The director of natural resources, or the director's 6327  
designee; 6328

(4) Six members representing the general public, three of 6329  
whom shall be appointed by the president of the senate and three 6330  
of whom shall be appointed by the speaker of the house of 6331  
representatives. 6332

The appointed members may represent private industry 6333  
associated or affiliated with marine cargo terminal operations 6334  
on the Ohio river and private industry possessing experience in 6335  
marine cargo terminal operations or travel and tourism on the 6336  
Ohio river. 6337

(B) (1) Each appointed member of the commission shall be a 6338  
resident of this state or a designee of a business licensed or 6339  
registered in this state. 6340

(2) All members shall be reimbursed for actual expenses 6341  
incurred in the performance of their duties. 6342

(C) (1) Within sixty days after ~~the effective date of this~~ 6343  
~~section~~ April 3, 2025, the speaker of the house of 6344

representatives and the senate president shall make initial 6345  
appointments to the commission. 6346

(2) Terms of office for appointed members shall be for 6347  
four years. 6348

(3) Vacancies shall be filled in the manner provided for 6349  
original appointments. 6350

(4) Each term shall end on the same day of the same month 6351  
as did the term that it succeeds. Each appointed member shall 6352  
hold office from the date of the member's appointment until the 6353  
end of the term for which the member was appointed. Any member 6354  
appointed to fill a vacancy before the expiration of the term 6355  
for which the member's predecessor was appointed shall hold 6356  
office for the remainder of that term. Any appointed member 6357  
shall continue in office subsequent to the expiration date of 6358  
the member's term until the member's successor takes office, or 6359  
for a period of sixty days, whichever occurs first. All members 6360  
are eligible for reappointment. 6361

(D) Five members of the commission constitute a quorum. 6362  
The affirmative vote of a majority of the quorum is necessary 6363  
for any action taken by the commission. No vacancy in the 6364  
membership of the commission impairs the rights of a quorum to 6365  
exercise all the rights and perform all the duties of the 6366  
commission. 6367

(E) All members of the commission are subject to Chapter 6368  
102. of the Revised Code. 6369

(F) The department of housing and development may assist 6370  
the commission in furtherance of the commission's purposes. The 6371  
department of housing and development and the department of 6372  
transportation, upon the request of the commission, shall 6373

cooperate in the implementation of this section. The department 6374  
of housing and development shall provide meeting and office 6375  
space for the commission. 6376

(G) Expenditures by the department of housing and 6377  
development, the commission, or any other state agency for 6378  
capital improvements to promote economic development, marine 6379  
cargo terminal operations, and travel and tourism on the Ohio 6380  
river and its tributaries are subject to the approval of the 6381  
controlling board. 6382

**Sec. 122.291.** (A) The Ohio river commission may do all of 6383  
the following, subject to available funding through 6384  
appropriations made directly by the general assembly or the 6385  
controlling board to the commission: 6386

(1) Employ an executive director who shall have 6387  
appropriate experience as determined by the commission, and a 6388  
secretary-treasurer and other employees that the commission 6389  
considers appropriate. The commission may fix the compensation 6390  
of the employees. 6391

(2) Adopt and, from time to time, ratify, amend, and 6392  
repeal bylaws necessary and proper for the regulation of its 6393  
affairs and the conduct of its business and rules to implement 6394  
and make effective its powers and duties; 6395

(3) Receive, promote, support, and consider 6396  
recommendations, from public or private planning organizations, 6397  
and develop a master plan for Ohio river infrastructure and 6398  
transportation projects; 6399

(4) Coordinate with port authorities, private port 6400  
operators, metropolitan planning organizations, regional 6401  
transportation planning organizations, local development 6402

districts, Ohio river service entities, utility service 6403  
providers, and agricultural, tourism, and recreational 6404  
interests, regarding Ohio river infrastructure and 6405  
transportation; 6406

(5) In conjunction with applicable state agencies, 6407  
coordinate with state agencies, local governments and 6408  
communities, other states, and the federal government regarding 6409  
Ohio river issues; 6410

(6) Collect, track, and maintain key statistics and data 6411  
regarding commerce on the Ohio river and make an annual report 6412  
to the general assembly; 6413

(7) Ensure the monitoring of federal, state, and local 6414  
policies, programs, and priorities pertaining to the development 6415  
and operation of marine cargo terminals and travel and tourism 6416  
on the Ohio river; 6417

(8) Prioritize policies, programs, and issues identified 6418  
in the Ohio maritime strategy prepared by the department of 6419  
transportation and in the department's "Economic Impact of the 6420  
Ohio River Maritime Activity" study, as those or similar 6421  
documents or reports are published and updated from time to time 6422  
by the department; 6423

(9) Evaluate policies, programs, programs of research, and 6424  
priorities to offset the continued decline in coal production 6425  
and consumption within the Ohio river basin and promote 6426  
prosperity in the Appalachian region of this state; 6427

(10) Administer development funds and seek, support, and 6428  
assist the Ohio river industry in the utilization of available 6429  
grants, loans, and other finance mechanisms in support of Ohio 6430  
river projects; 6431

(11) Represent the interests of this state in regional, 6432  
national, and international forums pertaining to economic 6433  
development, marine cargo terminals, and travel and tourism on 6434  
the Ohio river and its tributaries; 6435

(12) Coordinate, for dissemination and publication, 6436  
information regarding the commission and its related activities 6437  
in connection with the Ohio river; 6438

(13) Raise funds through direct solicitation or other 6439  
fundraising events alone, or with other groups, and accept 6440  
gifts, grants, and bequests from individuals, corporations, 6441  
foundations, governmental agencies, and public and private 6442  
organizations and institutions. The funds, gifts, grants, or 6443  
bequests received pursuant to this section shall be deposited to 6444  
the Ohio river commission fund created in section 122.292 of the 6445  
Revised Code. 6446

(B) The commission, or the department of housing and 6447  
development, on behalf of the commission, may apply for and 6448  
receive from the United States government grants in accordance 6449  
with any federal law or program, for the benefit of Ohio river 6450  
infrastructure, transportation, or recreation and tourism. 6451

**Sec. 122.30.** The director of housing and development 6452  
~~services~~ is vested with the powers and duties provided in 6453  
sections 122.28 and 122.30 to 122.36 of the Revised Code, to 6454  
promote the welfare of the people of the state through the 6455  
interaction of the business and industrial community and 6456  
educational institutions in the development of new technology 6457  
and enterprise. 6458

(A) It is necessary for the state to establish the 6459  
programs created pursuant to sections 122.28 and 122.30 to 6460

122.36 of the Revised Code to accomplish the following purposes 6461  
which are determined to be essential: 6462

(1) Improve the existing industrial and agricultural base 6463  
of the state; 6464

(2) Improve the economy of the state by providing 6465  
employment, increasing productivity, and slowing the rate of 6466  
inflation; 6467

(3) Develop markets worldwide for the products of the 6468  
state's natural resources and agricultural and manufacturing 6469  
industries; 6470

(4) Maintain a high standard of living for the people of 6471  
the state. 6472

(B) The director shall do all of the following: 6473

(1) Receive applications for assistance under sections 6474  
122.28 and 122.30 to 122.36 of the Revised Code; 6475

(2) Make a determination whether to approve the 6476  
application for assistance; 6477

(3) Transmit determinations to approve assistance 6478  
exceeding forty thousand dollars to the controlling board, 6479  
together with any information the controlling board requires, 6480  
for the board's review and decision as to whether to approve the 6481  
assistance; 6482

(4) Gather and disseminate information and conduct 6483  
hearings, conferences, seminars, investigations, and special 6484  
studies on problems and programs concerning industrial research 6485  
and new technology and their commercial applications in the 6486  
state; 6487

- (5) Establish an annual program to recognize the 6488  
accomplishments and contributions of individuals and 6489  
organizations in the development of industrial research and new 6490  
technology in the state; 6491
- (6) Stimulate both public and industrial awareness and 6492  
interest in industrial research and development of new 6493  
technology primarily in the areas of industrial processes, 6494  
implementation, energy, agribusiness, medical technology, 6495  
avionics, and food processing; 6496
- (7) Develop and implement comprehensive and coordinated 6497  
policies, programs, and procedures promoting industrial research 6498  
and new technology; 6499
- (8) Propose appropriate legislation or executive actions 6500  
to stimulate the development of industrial research and new 6501  
technology by enterprises and individuals; 6502
- (9) Encourage and facilitate contracts between industry, 6503  
agriculture, educational institutions, federal agencies, and 6504  
state agencies, with special emphasis on industrial research and 6505  
new technology by small businesses and agribusiness; 6506
- (10) Participate with any state agency in developing 6507  
specific programs and goals to assist in the development of 6508  
industrial research and new technology and monitor performance; 6509
- (11) Assist enterprises in obtaining alternative forms of 6510  
governmental or commercial financing for industrial research and 6511  
new technology; 6512
- (12) Assist enterprises or individuals in the 6513  
implementation of new programs and policies and the expansion of 6514  
existing programs to provide an atmosphere conducive to 6515  
increased cooperation among and participation by individuals, 6516



enterprises, and educational institutions engaged in industrial 6517  
research and the development of new technology; 6518

(13) Advertise, prepare, print, and distribute books, 6519  
maps, pamphlets, and other information; 6520

(14) Include in the director's annual report to the 6521  
governor and the general assembly a report on the activities for 6522  
the preceding calendar year under sections 122.28 and 122.30 to 6523  
122.36 of the Revised Code; 6524

(15) Approve the expenditure of money appropriated by the 6525  
general assembly for the purpose of sections 122.28 and 122.30 6526  
to 122.36 of the Revised Code; 6527

(16) Identify and implement federal research and 6528  
development programs which would link Ohio's industrial base, 6529  
research facilities, and natural resources; 6530

(17) Employ and fix the compensation of technical and 6531  
professional personnel, who shall be in the unclassified civil 6532  
service, and employ other personnel, who shall be in the 6533  
classified civil service, as necessary to carry out the 6534  
provisions of sections 122.28 and 122.30 to 122.36 of the 6535  
Revised Code. 6536

**Sec. 122.31.** All expenses and obligations incurred by the 6537  
director of housing and development services in carrying out the 6538  
director's powers and duties under sections 122.28 and 122.30 to 6539  
122.36 of the Revised Code, are payable from revenues or other 6540  
receipts or income from grants, gifts, contributions, 6541  
compensation, reimbursement, and funds established in accordance 6542  
with those sections or general revenue funds appropriated by the 6543  
general assembly for operating expenses of the director. 6544

**Sec. 122.32.** The director of housing and development— 6545

~~services~~, on behalf of the programs authorized pursuant to 6546  
sections 122.28 and 122.30 to 122.36 of the Revised Code, may 6547  
receive and accept grants, gifts, and contributions of money, 6548  
property, labor, and other things of value to be held, used, and 6549  
applied only for the purpose for which the grants, gifts, and 6550  
contributions are made, from individuals, private and public 6551  
corporations, from the United States or any agency of the United 6552  
States, and from any political subdivision of the state. The 6553  
director may agree to repay any contribution of money or to 6554  
return any property contributed or its value at times, in 6555  
amounts, and on terms and conditions excluding the payment of 6556  
interest as the director determines at the time the contribution 6557  
is made. The director may evidence the obligation by written 6558  
contracts, subject to section 122.31 of the Revised Code, 6559  
provided that the director shall not thereby incur indebtedness 6560  
of or impose liability upon the state or any political 6561  
subdivision. 6562

**Sec. 122.33.** The director of housing and development 6563  
~~services~~ shall administer the following programs: 6564

(A) The industrial technology and enterprise development 6565  
grant program, to provide capital to acquire, construct, 6566  
enlarge, improve, or equip and to sell, lease, exchange, and 6567  
otherwise dispose of property, structures, equipment, and 6568  
facilities within the state. 6569

Such funding may be made to enterprises that propose to 6570  
develop new products or technologies when the director finds all 6571  
of the following factors to be present: 6572

(1) The undertaking will benefit the people of the state 6573  
by creating or preserving jobs and employment opportunities or 6574  
improving the economic welfare of the people of the state, and 6575

promoting the development of new technology. 6576

(2) There is reasonable assurance that the potential 6577  
royalties to be derived from the sale of the product or process 6578  
described in the proposal will be sufficient to repay the 6579  
funding pursuant to sections 122.28 and 122.30 to 122.36 of the 6580  
Revised Code and that, in making the agreement, as it relates to 6581  
patents, copyrights, and other ownership rights, there is 6582  
reasonable assurance that the resulting new technology will be 6583  
utilized to the maximum extent possible in facilities located in 6584  
Ohio. 6585

(3) The technology and research to be undertaken will 6586  
allow enterprises to compete more effectively in the 6587  
marketplace. Grants of capital may be in such form and 6588  
conditioned upon such terms as the director deems appropriate. 6589

(B) The industrial technology and enterprise resources 6590  
program to provide for the collection, dissemination, and 6591  
exchange of information regarding equipment, facilities, and 6592  
business planning consultation resources available in business, 6593  
industry, and educational institutions and to establish methods 6594  
by which small businesses may use available facilities and 6595  
resources. The methods may include, but need not be limited to, 6596  
leases reimbursing the educational institutions for their actual 6597  
costs incurred in maintaining the facilities and agreements 6598  
assigning royalties from development of successful products or 6599  
processes through the use of the facilities and resources. The 6600  
director shall operate this program in conjunction with the 6601  
board of regents. 6602

(C) The Thomas Alva Edison grant program to provide grants 6603  
to foster research, development, or technology transfer efforts 6604  
involving enterprises and educational institutions that will 6605

lead to the creation of jobs. 6606

(1) Grants may be made to a nonprofit organization or a 6607  
public or private educational institution, department, college, 6608  
institute, faculty member, or other administrative subdivision 6609  
or related entity of an educational institution when the 6610  
director finds that the undertaking will benefit the people of 6611  
the state by supporting research in advanced technology areas 6612  
likely to improve the economic welfare of the people of the 6613  
state through promoting the development of new commercial 6614  
technology. 6615

(2) Grants may be made in a form and conditioned upon 6616  
terms as the director considers appropriate. 6617

(3) Grants made under this program shall in all instances 6618  
be in conjunction with a contribution to the project by a 6619  
cooperating enterprise which maintains or proposes to maintain a 6620  
relevant research, development, or manufacturing facility in the 6621  
state, by a nonprofit organization, or by an educational 6622  
institution or related entity; however, funding provided by an 6623  
educational institution or related entity shall not be from 6624  
general revenue funds appropriated by the Ohio general assembly. 6625  
No grant made under this program shall exceed the contribution 6626  
made by the cooperating enterprise, nonprofit organization, or 6627  
educational institution or related entity. The director may 6628  
consider cooperating contributions in the form of state of the 6629  
art new equipment or in other forms provided the director 6630  
determines that the contribution is essential to the successful 6631  
implementation of the project. The director may adopt rules or 6632  
guidelines for the valuation of contributions of equipment or 6633  
other property. 6634

(4) The director may determine fields of research from 6635

which grant applications will be accepted under this program. 6636

**Sec. 122.35.** All moneys received under sections 122.28 and 6637  
122.30 to 122.36 of the Revised Code are trust funds to be held 6638  
and applied solely as provided in those sections and section 6639  
166.03 of the Revised Code. All moneys, except when deposited 6640  
with the treasurer of the state, shall be kept and secured in 6641  
depositories as selected by the director of housing and 6642  
development services—in the manner provided in sections 135.01 6643  
to 135.21 of the Revised Code, insofar as those sections are 6644  
applicable. All moneys held by the director in trust to carry 6645  
out the purposes of sections 122.28 and 122.30 to 122.36 of the 6646  
Revised Code shall be used as provided in sections 122.28 and 6647  
122.30 to 122.36 of the Revised Code and at no time be part of 6648  
other public funds. 6649

**Sec. 122.36.** Any materials or data submitted to, made 6650  
available to, or received by the director of housing and 6651  
development services—or the controlling board, to the extent 6652  
that the material or data consist of trade secrets, as defined 6653  
in section 1333.61 of the Revised Code, or commercial or 6654  
financial information, regarding projects are not public records 6655  
for the purposes of section 149.43 of the Revised Code. 6656

**Sec. 122.37.** (A) There is hereby created in the department 6657  
of housing and development services—~~agency~~—the steel futures 6658  
program, for the purpose of preserving and improving the 6659  
existing industrial base of the state, improving the economy of 6660  
the state by providing employment, increased productivity, and 6661  
ensuring continued technological development consistent with 6662  
these goals, and maintaining a high standard of living for the 6663  
people of this state. The steel futures program may be 6664  
supplemental to any other enterprise assistance program 6665

administered by the director of housing and development- 6666  
~~services~~, and shall be administered so as to provide financial 6667  
and technical assistance to increase the competitiveness of 6668  
existing steel and steel-related industries in this state, and 6669  
to encourage establishment and development of new industries of 6670  
this type within the state. 6671

The director shall develop a strategy for financial and 6672  
technical assistance to steel and steel-related industries in 6673  
the state, which shall include investment policies with regard 6674  
to these industries. 6675

(B) In administering the program, the director may consult 6676  
with appropriate representatives of steel and steel-related 6677  
industries, appropriate representatives of any union that 6678  
represents workers in these industries, and other persons with 6679  
expert knowledge in these industries. 6680

(C) The director of housing and development ~~services~~ shall 6681  
consult with the chairperson of the public utilities commission 6682  
to foster development of public and private cooperative efforts 6683  
that result in energy savings and reduced energy costs for steel 6684  
and steel-related industries. 6685

(D) Assistance may be made available to steel and steel- 6686  
related industries undertaking projects the director determines 6687  
to have long-term implications for and broad applicability to 6688  
the economy of this state when the director finds: 6689

(1) The undertaking of projects by the industries will 6690  
benefit the people of the state by creating or preserving jobs 6691  
and employment opportunities or improving the economic welfare 6692  
of the people of this state, and promoting development of new 6693  
technology or improving application of existing steel and steel- 6694

related technology. 6695

(2) The undertaking of projects by the industries will 6696  
allow them to compete more effectively in the marketplace. 6697

(E) Projects eligible to receive assistance under the 6698  
steel futures program may include, but are not limited to, the 6699  
following areas: 6700

(1) Research and development specifically related to steel 6701  
and steel-related industries and feasibility studies for 6702  
business development within these industries; 6703

(2) Employee training; 6704

(3) Labor and management relations; and 6705

(4) Technology-driven capital investment. 6706

(F) Financial and technical assistance may be in the form 6707  
and conditioned upon terms as the director considers 6708  
appropriate. 6709

(G) No later than the first day of August of each year, 6710  
the director shall submit a report to the general assembly 6711  
describing projects of the steel futures program, results 6712  
obtained from completed projects of the program, and program 6713  
projects for the next fiscal year. 6714

**Sec. 122.38.** (A) As used in this section: 6715

(1) "Small business enterprise" means any person with a 6716  
principal place of business or research in the state, who meets 6717  
the definition of a "small business concern" as defined in 13 6718  
C.F.R. 121.7 (a), as amended. 6719

(2) "Eligible educational institution" means any 6720  
educational institution that disseminates information, conducts 6721

educational or technical seminars and meetings, or provides 6722  
other services of value or interest to small business 6723  
enterprises. 6724

(3) "Eligible organization" means any organization, 6725  
representing the interest of small business enterprises or areas 6726  
of technological research, that disseminates information, 6727  
conducts educational or technical seminars and meetings, or 6728  
provides other services of value or interest to small business 6729  
enterprises. 6730

(B) There is hereby created in the department of housing 6731  
and development the small business innovation research grant 6732  
program for the purpose of providing educational, technical, and 6733  
financial assistance to: 6734

(1) Any small business enterprise engaging in or intending 6735  
to engage in technological research that the director of housing 6736  
and development determines to be innovative and in the broad and 6737  
long-term interest of the economy of the state; 6738

(2) Any eligible educational institution; 6739

(3) Any eligible organization. 6740

(C) The director may provide educational, technical, and 6741  
financial assistance to small business enterprises, eligible 6742  
educational institutions, and eligible organizations. Any 6743  
assistance shall be in the form and conditioned upon terms the 6744  
director considers appropriate. 6745

(D) The director shall: 6746

(1) Establish the procedures by which small business 6747  
enterprises, eligible educational institutions, and eligible 6748  
organizations may apply for assistance under this section; 6749



(2) Collect, prepare, and disseminate information, 6750  
describing the types of assistance offered under the program and 6751  
describing relevant federal programs and services to small 6752  
business enterprises, eligible educational institutions, and 6753  
eligible organizations as the director considers appropriate; 6754

(3) Adopt rules for the administration of this section, in 6755  
accordance with Chapter 119. of the Revised Code. 6756

**Sec. 122.401.** There is hereby established the Ohio 6757  
residential broadband expansion grant program within the 6758  
department of housing and development~~services agency~~. The 6759  
~~agency department~~ shall administer and provide staff assistance 6760  
for the program. The ~~agency department~~ shall be responsible for 6761  
receiving and reviewing applications for program grants and for 6762  
sending completed applications to the broadband expansion 6763  
program authority for final review and award of program grants. 6764

**Sec. 122.403.** (A) (1) There is hereby created, within the 6765  
department of housing and development, the broadband expansion 6766  
program authority, which shall consist of the director of 6767  
housing and development or the director's designee, the director 6768  
of the office of InnovateOhio or the director's designee, and 6769  
three other members as follows: one member appointed by the 6770  
president of the senate, one member appointed by the speaker of 6771  
the house of representatives, and one member appointed by the 6772  
governor. 6773

(2) Appointed members shall have expertise in broadband 6774  
infrastructure and technology. Appointed members may not be 6775  
affiliated with or employed by the broadband industry or in a 6776  
position to benefit from a program grant. 6777

(B) Appointed members shall serve four year terms and are 6778

eligible for reappointment. 6779

(C) Vacancies shall be filled in the same manner as 6780  
provided for original appointments. Any member appointed to fill 6781  
a vacancy occurring prior to the expiration of the term for 6782  
which the member's predecessor was appointed shall hold office 6783  
for the remainder of that term. 6784

(D) (1) (a) Beginning on January 1, 2022, and ending on 6785  
December 31, 2025, appointed members shall receive a monthly 6786  
stipend as calculated under section 145.016 of the Revised Code 6787  
in an amount that will qualify each member for one year of 6788  
retirement service credit under the Ohio public employees 6789  
retirement system for each year of service as a member of the 6790  
authority during that period. 6791

(b) Notwithstanding the requirement of section 145.58 of 6792  
the Revised Code that eligibility for health care coverage 6793  
provided under that section be based on years and types of 6794  
service credit in accordance with rules adopted by the public 6795  
employees retirement board, if the board provides health care 6796  
coverage under that section, no service credit earned for 6797  
service as a member of the authority shall be considered for 6798  
purposes of determining eligibility for coverage under that 6799  
section. 6800

(c) Members shall receive reimbursement for their 6801  
necessary and actual expenses incurred in performing the 6802  
business of the authority. The reimbursements constitute, as 6803  
applicable, administrative costs of the Ohio residential 6804  
broadband expansion grant program. 6805

(2) An appointed member of the authority who is currently 6806  
serving as an administrative department head under section 6807

121.03 of the Revised Code is not eligible to receive a stipend 6808  
under division (A) of this section. 6809

(3) The ~~agency~~department of housing and development shall 6810  
be responsible for paying all reimbursements for meals and 6811  
expenses under this section and, for the period beginning on 6812  
January 1, 2022, and ending on December 31, 2025, all stipends 6813  
under this section. 6814

(E) The director of housing and development, or the 6815  
director's designee, shall serve as chairperson of the 6816  
authority. The members of the authority annually shall elect a 6817  
vice-chairperson from the members of the authority. Three 6818  
members of the authority constitute a quorum to transact and 6819  
vote on the business of the authority. An affirmative vote of 6820  
three members is necessary to approve any business, including 6821  
the election of the vice-chairperson. 6822

(F) The assignment of designees by the director of housing 6823  
and development and the director of InnovateOhio shall be made 6824  
in writing. If the director of housing and development assigns a 6825  
designee to serve on the authority, the director shall appoint a 6826  
professional employee of the department of housing and 6827  
development to serve as the director's designee at authority 6828  
meetings. In the absence of the director of housing and 6829  
development or the director's designee, the vice-chairperson of 6830  
the authority shall serve as chairperson of authority meetings. 6831

(G) The authority is not an agency for purposes of 6832  
sections 101.82 to 101.87 of the Revised Code. 6833

**Sec. 122.406.** The broadband expansion program authority 6834  
shall consider each application for a program grant that the 6835  
department of housing and development ~~services agency~~ has 6836

reviewed and sent to it. The authority shall score all 6837  
applications according to the scoring system established under 6838  
section 122.4040 of the Revised Code and award program grants 6839  
based on that system according to sections 122.4043 and 122.4044 6840  
of the Revised Code. 6841

**Sec. 122.4017.** (A) The broadband expansion program 6842  
authority shall award program grants under the Ohio residential 6843  
broadband expansion grant program using funds from the Ohio 6844  
residential broadband expansion grant program fund created in 6845  
section 122.4037 of the Revised Code and other funds 6846  
appropriated by the general assembly. 6847

(B) If an appropriation for the program includes funds 6848  
that are not state funds or if the director of housing and 6849  
development receives funds that are in the form of a gift, 6850  
grant, or contribution to the broadband expansion grant program 6851  
fund, the broadband expansion program authority shall award 6852  
those funds as described in sections 122.40 to 122.4077 of the 6853  
Revised Code, except as provided in division (C) of this 6854  
section. 6855

(C) If the use of the funds described in division (B) of 6856  
this section is contingent upon meeting application, scoring, or 6857  
other requirements that are different from program requirements 6858  
under sections 122.40 to 122.4077 of the Revised Code, the 6859  
department of housing and development shall adopt the 6860  
requirements and publish a description of the different 6861  
requirements with the program application as required under 6862  
section 122.4040 of the Revised Code. 6863

**Sec. 122.4018.** (A) Each fiscal year, the department of 6864  
housing and development ~~services agency~~ shall fund program 6865  
grants until funds for that fiscal year are no longer available. 6866

(B) Any application pending at the end of the fiscal year 6867  
shall be deemed denied, but may be refiled in a subsequent 6868  
fiscal year provided that all information in the application is 6869  
still current or has been updated. 6870

**Sec. 122.4019.** (A) (1) Each fiscal year, the department of 6871  
housing and development shall accept applications for program 6872  
grants. 6873

(2) To apply for a program grant, a broadband provider 6874  
shall submit an application to the department on a form 6875  
prescribed by the department and shall provide the information 6876  
required under section 122.4020 of the Revised Code. The form 6877  
shall include a statement informing the applicant that failure 6878  
to comply with the program or to meet the required tier two 6879  
broadband service proposed in the application may require the 6880  
refund of all or a portion of the program grant awarded for the 6881  
project. 6882

(3) Applications may be submitted in person or by 6883  
certified mail or electronic mail, or uploaded to a designated 6884  
department web site for applications. 6885

(B) Applications shall be accepted during a submission 6886  
period specified by the broadband expansion program authority. 6887  
Each submission period shall be at least sixty but not more than 6888  
ninety days. Each fiscal year there shall be not more than two 6889  
submission periods. 6890

(C) The department shall publish information from 6891  
submitted applications on the department's web site as follows: 6892

(1) Not later than five days after the close of the 6893  
submission period in which the application is made, the 6894  
department shall publish, for each completed application, the 6895

list of eligible addresses included with the completed 6896  
applications under division (A) (1) (a) of section 122.4020 of the 6897  
Revised Code. 6898

(2) Not later than thirty-five days after the close of the 6899  
submission period in which the application is made, the 6900  
department shall publish all information from each completed 6901  
application that it determines is not confidential under section 6902  
122.4023 of the Revised Code. 6903

(D) If an application is incomplete, the department shall 6904  
notify the broadband provider that submitted the application. 6905  
The notification shall list what information is incomplete and 6906  
shall describe the procedure for refiling a completed 6907  
application. 6908

(E) The department shall review an application determined 6909  
incomplete under division (D) of this section as provided in 6910  
sections 122.4019 to 122.4036 of the Revised Code if the 6911  
application is completed and refiled: 6912

(1) Before the end of the submission period described 6913  
under division (B) of this section; or 6914

(2) Not later than fourteen days after the end of the 6915  
submission period described under division (B) of this section, 6916  
if the department, for good cause shown, has granted the 6917  
broadband provider an extension period of not more than fourteen 6918  
days in which to file the completed application. 6919

(F) The department shall deny an incomplete application if 6920  
the broadband provider fails to complete and refile it within 6921  
the applicable submission period or extension period. 6922  
Applications that are denied shall not be published on the 6923  
department's web site. 6924

(G) To facilitate the challenge process, after publication 6925  
of all applications, the department shall publish a provisional 6926  
scoring for applications based on the scoring criteria in 6927  
section 122.4041 of the Revised Code. The department shall 6928  
publish the provisional scoring on its web site not later than 6929  
fifteen business days after all applications have been accepted 6930  
as complete under this section. The authority shall neither vote 6931  
on, nor make awards based on, the provisional scoring. 6932

**Sec. 122.4020.** (A) An application for a program grant 6933  
under the Ohio residential broadband expansion grant program 6934  
shall include, at a minimum, the following information for an 6935  
eligible project: 6936

(1) The location and description of the project, 6937  
including: 6938

(a) The residential addresses in the unserved or tier one 6939  
areas where tier two broadband service will be available 6940  
following completion of the project; 6941

(b) A notarized letter of intent that the broadband 6942  
provider will provide access to tier two broadband service to 6943  
all of the residential addresses listed in the project; 6944

(c) A notarized letter of intent by the broadband provider 6945  
that none of the funds provided by the program grant will be 6946  
used to extend or deploy facilities to any residential addresses 6947  
other than those in the unserved or tier one areas that are part 6948  
of the project. 6949

(2) The amount of the broadband funding gap and the amount 6950  
of state funds requested; 6951

(3) The amount of any financial or in-kind contributions 6952  
to be used towards the broadband funding gap and identification 6953

of the contribution sources, which may include, but are not 6954  
limited to, any combination of the following: 6955

(a) Funds that the broadband provider is willing to 6956  
contribute to the broadband funding gap; 6957

(b) Funds received or approved under any other federal or 6958  
state government grant or loan program; 6959

(c) General revenue funds of a municipal corporation, 6960  
township, or county comprising the area of the eligible project; 6961

(d) Other discretionary funds of the municipal 6962  
corporation, township, or county comprising the area of the 6963  
eligible project; 6964

(e) Any alternate payment terms that the broadband 6965  
provider and any legislative authority in which the project is 6966  
located have negotiated and agreed to pursuant to section 6967  
122.4025 of the Revised Code; 6968

(f) Contributions or grants from individuals, 6969  
organizations, or companies; 6970

(g) Property tax assessments made by the municipal 6971  
corporation under Chapter 727. of the Revised Code, township 6972  
under section 505.881 of the Revised Code, or county under 6973  
section 303.251 of the Revised Code. 6974

(4) The source and amount of any financial or in-kind 6975  
contributions received or approved for any part of the overall 6976  
eligible project cost, but not applied to the broadband funding 6977  
gap; 6978

(5) A description of, or documentation demonstrating, the 6979  
broadband provider's managerial and technical expertise and 6980  
experience with broadband service projects; 6981



- (6) Whether the broadband provider plans to use wired, 6982  
wireless, or satellite technology to complete the project; 6983
- (7) A description of the scalability of the project; 6984
- (8) The megabit-per-second broadband download and upload 6985  
speeds planned for the project; 6986
- (9) A description of the broadband provider's customer 6987  
service capabilities, including any locally based call centers 6988  
or customer service offices; 6989
- (10) A copy of the broadband provider's general customer 6990  
service policies, including any policy to credit customers for 6991  
service outages or the provider's failure to keep scheduled 6992  
appointments for service; 6993
- (11) The length of time that the broadband provider has 6994  
been operating in the state; 6995
- (12) Proof that the broadband provider has the financial 6996  
stability to complete the project; 6997
- (13) A projected construction timetable, including the 6998  
anticipated date of the provision of tier two broadband service 6999  
access within the project; 7000
- (14) A description of anticipated or preliminary 7001  
government authorizations, permits, and other approvals required 7002  
in connection with the project, and an estimated timetable for 7003  
the acquisition of such approvals; 7004
- (15) A notification from the broadband provider informing 7005  
the department of housing and development of any information 7006  
contained in the application, or within related documents 7007  
submitted with it, that the provider considers proprietary or a 7008  
trade secret; 7009

(16) A notarized statement that the broadband provider 7010  
accepts the condition that noncompliance with Ohio residential 7011  
broadband expansion grant program requirements may require the 7012  
provider to refund all or part of any program grant the provider 7013  
receives; 7014

(17) A brief description of any arrangements, including 7015  
any subleases of infrastructure or joint ownership arrangements 7016  
that the broadband provider that submitted the application has 7017  
entered into, or plans to enter into, with another broadband 7018  
provider, an electric cooperative, or an electric distribution 7019  
utility, to enable the offering of tier two broadband service 7020  
under the project; 7021

(18) Other relevant information that the department 7022  
determines is necessary and prescribes by rule; 7023

(19) Any other information the broadband provider 7024  
considers necessary. 7025

(B) To meet the requirement to provide proof of financial 7026  
responsibility in the application, the broadband provider may 7027  
submit publicly available financial statements with its 7028  
application. 7029

**Sec. 122.4023.** Pursuant to rules adopted under section 7030  
122.4077 of the Revised Code, the department of housing and 7031  
development ~~services agency~~ shall evaluate the information and 7032  
documents submitted by a broadband provider in an application 7033  
under section 122.4013 of the Revised Code or by a challenging 7034  
provider under section 122.4030 of the Revised Code. The 7035  
evaluation shall determine whether the information and documents 7036  
are proprietary or constitute a trade secret. Upon receipt of 7037  
the information and documents, the ~~agency~~ department shall keep 7038

them confidential and shall not publish them on the ~~agency's~~ 7039  
department's web site, unless the ~~agency~~-department finds that 7040  
any information or document is not proprietary or a trade 7041  
secret. Any information or document found not to be proprietary 7042  
or a trade secret under this section shall not be considered 7043  
confidential and shall be published on the ~~agency~~-department web 7044  
site as is required for an application under division (C) (2) of 7045  
section 122.4019 of the Revised Code. 7046

**Sec. 122.4024.** The department of housing and development 7047  
~~services agency~~ shall establish an automatic notification 7048  
process through which interested parties may receive electronic 7049  
mail notifications when the ~~agency~~-department publishes 7050  
application and other information on its web site pursuant to 7051  
sections 122.40 to 122.4077 of the Revised Code. 7052

**Sec. 122.4030.** (A) As used in section 122.4023 and 7053  
sections 122.4030 to 122.4035 of the Revised Code, "challenging 7054  
provider" means either of the following: 7055

(1) A broadband provider that provides tier two broadband 7056  
service within or directly adjacent to an eligible project; 7057

(2) A municipal electric utility that provides tier two 7058  
broadband service to an area within the eligible project that is 7059  
within the geographic area served by the municipal electric 7060  
utility. 7061

(B) (1) (a) A challenging provider may challenge, in 7062  
writing, all or part of a completed application for a program 7063  
grant for the project not later than sixty-five days after the 7064  
provisional application scoring has been published on the web 7065  
site as required under section 122.4019 of the Revised Code. 7066

(b) The department of housing and development, for good 7067

cause shown, may grant the broadband provider an extension of 7068  
not more than fourteen days in which to submit a challenge. 7069

(2) The challenging provider shall provide its complete 7070  
challenge to the department, by electronic mail or such other 7071  
means as may be established by the department. Within ten 7072  
business days of its receipt of a challenge, the department 7073  
shall provide, by electronic mail or such other means as may be 7074  
established by the department, a complete copy of such challenge 7075  
to the applicant whose application is the subject of a 7076  
challenge. 7077

(C) No challenge to an application may be accepted before 7078  
the completed application is published in its entirety on the 7079  
department's web site pursuant to division (C) (2) of section 7080  
122.4019 of the Revised Code. 7081

**Sec. 122.4031.** (A) To successfully challenge an 7082  
application, a challenging provider shall provide sufficient 7083  
evidence to the department of housing and development 7084  
demonstrating that all or part of a project under the 7085  
application is ineligible for a grant. The challenge shall, at 7086  
minimum, include the following information: 7087

(1) Sufficient evidence disputing the notarized letter of 7088  
intent submitted with the application that the eligible project 7089  
contains eligible addresses; 7090

(2) Sufficient evidence attesting to the challenging 7091  
provider's existing or planned offering of tier two broadband 7092  
service to all or part of the eligible project, which evidence 7093  
shall include the following: 7094

(a) With regard to existing tier two broadband service, a 7095  
signed, notarized statement submitted by the challenging 7096

provider that sufficiently identifies the part of the eligible 7097  
project to which the challenging provider offers broadband 7098  
service and the aggregate number of eligible addresses to which 7099  
the challenging provider offers tier two broadband service; 7100

(b) With regard to the planned provision of tier two 7101  
broadband service by a challenging provider as described in 7102  
division (B) of section 122.4016 of the Revised Code, both of 7103  
the following: 7104

(i) A signed, notarized statement submitted by the 7105  
challenging provider that sufficiently identifies the part of 7106  
the eligible project to which the challenging provider will 7107  
offer tier two broadband service; 7108

(ii) A summary of the construction efforts that includes 7109  
the dates when tier two broadband construction is expected to be 7110  
completed and when tier two broadband service will first be 7111  
offered to the part of the eligible project being challenged. 7112

(B) To demonstrate that all or part of a project under the 7113  
application is ineligible for a grant, a challenging provider 7114  
shall present shapefile data and residential addresses 7115  
identifying each challenged residential address and the basis 7116  
for such challenge. Census block or census tract level data 7117  
shall not be acceptable as evidence of ineligibility of all or 7118  
part of a project. 7119

(C) The department shall reject any challenge regarding a 7120  
residential address where the provision of tier two broadband 7121  
service is planned to be provided if the challenging provider 7122  
has also submitted an application for funding for the same 7123  
residential address. 7124

**Sec. 122.4032.** If an application filed during an 7125

application submission period established by the department of 7126  
housing and development under section 122.4019 of the Revised 7127  
Code is not challenged pursuant to sections 122.4030 to 122.4035 7128  
of the Revised Code, the lack of a challenge does not do either 7129  
of the following: 7130

(A) Create a presumption that residential addresses 7131  
included in an application submitted in a subsequent submission 7132  
period are eligible addresses under the Ohio residential 7133  
broadband expansion grant program; 7134

(B) Prohibit a challenging provider from filing a 7135  
challenge to an application that is being refiled during a 7136  
subsequent submission period. 7137

**Sec. 122.4033.** (A) Not later than thirty days after 7138  
receipt of a challenge under sections 122.4030 to 122.4035 of 7139  
the Revised Code, the broadband expansion program authority may 7140  
do either of the following: 7141

(1) Suspend, subject to division (B) of this section, all 7142  
or part of the application; 7143

(2) Reject the challenge, approve the application, and 7144  
proceed with the application process. 7145

(B) The authority shall allow the broadband provider that 7146  
submitted the application being challenged to revise the 7147  
application consistent with sections 122.40 to 122.4077 of the 7148  
Revised Code, if the authority upholds a challenge to all or 7149  
part of the application. 7150

(C) The authority shall notify both the broadband provider 7151  
that submitted the application and the challenging provider of 7152  
any decision made under this section by providing a copy of the 7153  
decision by certified mail or electronic mail. The authority 7154

shall update the status of the application on the department of 7155  
housing and development ~~services agency~~ web site. 7156

**Sec. 122.4034.** (A) If the broadband expansion program 7157  
authority suspends all or part of an application, the broadband 7158  
provider that submitted the application may revise and resubmit 7159  
the application not later than fourteen days after receiving the 7160  
suspension notification sent by the authority pursuant to 7161  
section 122.4033 of the Revised Code. The broadband provider may 7162  
request, and the authority may grant for good cause shown, an 7163  
extension period of not more than fourteen days in which the 7164  
broadband provider may resubmit the application. 7165

(B) When revising the application, the broadband provider 7166  
shall not expand the scope or impact of the original 7167  
application, nor shall the provider add any new residential 7168  
addresses to the eligible project. 7169

(C) The broadband provider shall provide a copy of the 7170  
revised application to the authority by electronic mail or by 7171  
uploading it to the department of housing and development's 7172  
designated web site for applications. The department shall 7173  
publish the revised application on the department's public web 7174  
site and provide the application to the challenging provider by 7175  
electronic mail or such other means as may be established by the 7176  
department, provided that any information determined to be 7177  
proprietary or a trade secret under section 122.4023 of the 7178  
Revised Code is redacted. 7179

(D) Any failure to respond to the notification or properly 7180  
revise the application to the authority's satisfaction shall be 7181  
considered a withdrawal of the application. 7182

**Sec. 122.4035.** Upon receipt of a revised application under 7183

section 122.4034 of the Revised Code, the broadband expansion 7184  
program authority shall review the revised application and 7185  
decide whether to accept it or uphold the challenge under 7186  
sections 122.4030 to 122.4035 of the Revised Code within 7187  
fourteen days. The authority shall provide a copy of its 7188  
decision to both the broadband provider that submitted the 7189  
revised application and the challenging provider by certified 7190  
mail or electronic mail and shall update the status of the 7191  
application on the ~~development services agency's~~ department of 7192  
housing and development's web site. The decision shall be 7193  
considered final, and further challenges to the revised 7194  
application are prohibited. 7195

**Sec. 122.4036.** If the broadband expansion program 7196  
authority upholds a challenge to an application under sections 7197  
122.4030 to 122.4035 of the Revised Code and the challenging 7198  
provider fails to provide tier two broadband service as 7199  
described in the challenge, the challenging provider, after a 7200  
reasonable opportunity to be heard, may be required to do either 7201  
or both of the following, in addition to being subject to other 7202  
remedies available under the law: 7203

(A) Pay to the department of housing and development 7204  
~~services agency~~ the amount of the original broadband funding gap 7205  
described in section 122.4020 of the Revised Code for the 7206  
application that was challenged; 7207

(B) Comply with the requirements of any other penalties 7208  
prescribed by ~~agency~~ department rule and imposed after 7209  
consultation with the authority. 7210

**Sec. 122.4037.** Any gift, grant, and contribution received 7211  
by the director of housing and development for the Ohio 7212  
residential broadband expansion grant program and any money 7213



collected under section 122.4036 of the Revised Code shall be 7214  
deposited into the Ohio residential broadband expansion grant 7215  
program fund, which is hereby created in the state treasury. All 7216  
amounts in the fund, including interest earned on those amounts, 7217  
shall be used by the department of housing and development 7218  
exclusively for grants under sections 122.40 to 122.4077 of the 7219  
Revised Code. 7220

**Sec. 122.4040.** The department of housing and development, 7221  
in consultation with the broadband expansion program authority, 7222  
shall establish a scoring system to evaluate and select 7223  
applications for program grants. The scoring system shall be 7224  
available on the department's web site at least thirty days 7225  
before the beginning of the application submission period set by 7226  
the department by rule. A description of any differences in 7227  
application, scoring system, or other program requirements 7228  
adopted under division (C) of section 122.4017 of the Revised 7229  
Code shall be available with the application on the department's 7230  
web site at least thirty days before the beginning of the 7231  
application submission period. 7232

**Sec. 122.4043.** (A) The broadband expansion program 7233  
authority shall award program grants under the Ohio residential 7234  
broadband expansion grant program after reviewing applications 7235  
sent to the authority by the department of housing and 7236  
~~development-services-agency~~. Awards shall be granted after the 7237  
authority scores applications based on the scoring system under 7238  
sections 122.4040 and 122.4041 of the Revised Code. 7239

(B) In awarding program grants, the authority shall 7240  
consider all regulatory obligations under applicable law. The 7241  
authority may not consider any of the following: 7242

(1) Proposed project conditions that require open access 7243

networks or that establish a specific rate, service, or other 7244  
obligation not specified for the Ohio residential broadband 7245  
expansion grant program; 7246

(2) Factors that would constrain a broadband provider that 7247  
receives a grant from offering or providing tier two broadband 7248  
service in the same manner as the service is offered by 7249  
broadband providers in other areas of the state without funding 7250  
from the Ohio residential broadband expansion grant program. 7251

(C) Upon making the program grant awards, the authority 7252  
shall notify the broadband providers that submitted applications 7253  
of the award decisions. The authority shall publish the program 7254  
grant awards on the ~~agency's~~ department's web site. 7255

**Sec. 122.4044.** After the broadband expansion program 7256  
authority awards a program grant under section 122.4043 of the 7257  
Revised Code, the department of housing and development ~~services~~ 7258  
~~agency~~ shall disburse the program grant as follows: 7259

(A) A portion of the program grant, not to exceed thirty 7260  
per cent, shall be disbursed before construction of the project 7261  
begins. 7262

(B) A portion of the program grant, not to exceed sixty 7263  
per cent, shall be disbursed through periodic payments over the 7264  
course of construction of the eligible project as determined by 7265  
the ~~agency~~ department by rules adopted under section 122.4077 of 7266  
the Revised Code. 7267

(C) The remaining portion shall be disbursed not later 7268  
than sixty days after the broadband provider notifies the 7269  
authority that it has completed construction of the project. 7270

**Sec. 122.4045.** (A) The department of housing and 7271  
development may, through an independent third party, conduct 7272

speed verification tests of an eligible project that receives a 7273  
program grant. Such tests shall occur as follows: 7274

(1) After the construction is complete, but prior to the 7275  
final disbursement made under division (C) of section 122.4044 7276  
of the Revised Code to verify that tier two broadband service is 7277  
being offered; 7278

(2) At any time during the reporting period required under 7279  
division (B) of section 122.4070 of the Revised Code, after 7280  
receiving a complaint concerning a residential address that is 7281  
part of the eligible project. 7282

(B) To evaluate compliance with tier two broadband service 7283  
standards, speed verification tests conducted under this section 7284  
shall be conducted on at least two different days and at two 7285  
different times on each of those days. 7286

(C) The ~~agency~~ department may withhold payments under this 7287  
section for failure to meet at least the minimum speeds required 7288  
under division (A) (8) of section 122.4020 of the Revised Code. 7289  
Payments may be held until such speeds are achieved. 7290

**Sec. 122.4046.** (A) If the department of housing and 7291  
development ~~services~~ ~~agency~~ determines that a broadband provider 7292  
that has been awarded a program grant under the Ohio residential 7293  
broadband expansion grant program has not complied with the 7294  
requirements of the program, the ~~agency~~ department shall notify 7295  
the provider of the noncompliance. In accordance with rules 7296  
adopted by the ~~agency~~ department under section 122.4077 of the 7297  
Revised Code, the ~~agency~~ department shall give the provider an 7298  
opportunity to explain or cure the noncompliance. 7299

(B) After reviewing the broadband provider's explanation 7300  
or effort to cure the noncompliance, the following shall apply: 7301

(1) The ~~agency~~ department may require the provider to 7302  
refund an amount equal to all, or a portion of, the amount of 7303  
the program grant awarded to the provider, as determined by the 7304  
~~agency~~ department. 7305

(2) The ~~agency~~ department may require the broadband 7306  
provider to refund to the appropriate municipal corporation, 7307  
township, or county the entire amount of general revenue funds 7308  
or other discretionary funds that it contributed toward the 7309  
broadband funding gap under division (A) (3) (c) or (d) of section 7310  
122.4020 of the Revised Code. 7311

(C) Not more than thirty days after the ~~agency's~~ 7312  
department's decision requiring a refund for program 7313  
noncompliance or a failure to explain or cure it, the broadband 7314  
provider shall pay the refund required under division (B) of 7315  
this section. Payments shall be made directly to the municipal 7316  
corporation, township, or county that contributed funds toward 7317  
the broadband funding gap. 7318

**Sec. 122.4050.** Upon adoption of a resolution, a board of 7319  
county commissioners may request the department of housing and 7320  
~~development services agency~~ to solicit applications from 7321  
broadband providers for program grants under the Ohio 7322  
residential broadband expansion grant program for eligible 7323  
projects in the municipal corporations and townships of the 7324  
county. 7325

A request made by a county shall identify, to the extent 7326  
possible, the residential addresses in unserved or tier one 7327  
areas of the county and provide a point of contact at the county 7328  
and the municipal corporations and townships in which the 7329  
addresses are located. The request may include any relevant 7330  
information, documents, or materials that may be helpful for an 7331

application. 7332

**Sec. 122.4051.** Upon receipt of a request from a board of 7333  
county commissioners pursuant to section 122.4050 of the Revised 7334  
Code, the department of housing and development ~~services agency~~ 7335  
shall solicit, on behalf of the county, applications for program 7336  
grants for eligible projects under the Ohio residential 7337  
broadband expansion grant program. Not later than seven days 7338  
after receipt of the request, the ~~agency~~ department shall make 7339  
the request, and any accompanying information submitted with the 7340  
request, available for review on the ~~agency's~~ department's web 7341  
site. The request shall remain available on the web site for a 7342  
period not to exceed two years. 7343

**Sec. 122.4055.** The department of housing and development 7344  
~~services agency~~ shall not be responsible for any failure by a 7345  
broadband provider to respond to a request made by the ~~agency~~ 7346  
department pursuant to section 122.4051 of the Revised Code or 7347  
to submit an application for a program grant under the Ohio 7348  
residential broadband expansion grant program. 7349

**Sec. 122.4063.** (A) Nothing in sections 122.40 to 122.4077 7350  
of the Revised Code entitles the state of Ohio, the department 7351  
of housing and development ~~services agency~~, the broadband 7352  
expansion program authority, or any other governmental entity to 7353  
any ownership or other rights to broadband infrastructure 7354  
constructed by a broadband provider pursuant to a program grant 7355  
awarded to an eligible project. 7356

(B) Nothing in sections 122.40 to 122.4077 of the Revised 7357  
Code prevents an assignment, sale, change in ownership, or other 7358  
similar transaction associated with broadband infrastructure 7359  
constructed by a broadband provider pursuant to a program grant 7360  
awarded to an eligible project. No assignment, sale, change in 7361

ownership, or other similar transaction relieves the successor 7362  
of any obligation under sections 122.40 to 122.4077 of the 7363  
Revised Code. 7364

**Sec. 122.4070.** (A) Each broadband provider that receives a 7365  
program grant shall submit to the department of housing and 7366  
~~development services agency~~ an annual progress report on the 7367  
status of the deployment of the broadband network described in 7368  
the eligible project for which the program grant award was made. 7369

(B) The broadband provider shall submit an operational 7370  
report with the ~~agency~~ department not later than sixty days 7371  
after the completion of the project and annually thereafter for 7372  
a period of four years. 7373

**Sec. 122.4071.** (A) The reports required under section 7374  
122.4070 of the Revised Code and except as provided in section 7375  
122.4075 of the Revised Code, all information and documents in 7376  
them shall be in a format specified by the department of housing 7377  
and development and shall be publicly available on the 7378  
department's web site. 7379

(B) In each report, the broadband provider shall include 7380  
an account of how program grant funds have been used and the 7381  
project's progress toward fulfilling the objectives for which 7382  
the program grant was awarded. The reports, at a minimum, shall 7383  
include the following: 7384

(1) The number of residential addresses that have access 7385  
to tier two broadband services as a result of the eligible 7386  
project; 7387

(2) The number of residential addresses that are not 7388  
funded directly by the grant program but have access to tier two 7389  
broadband service as a result of the eligible project; 7390

(3) The upstream and downstream speed of the broadband service provided; 7391  
7392

(4) The average price of broadband service; 7393

(5) The number of broadband service subscriptions attributable to the program grant. 7394  
7395

**Sec. 122.4073.** The department of housing and development 7396  
~~services agency~~ may set a due date for the reports required 7397  
under section 122.4070 of the Revised Code and, for good cause 7398  
shown, may grant extensions of the report due dates. 7399

**Sec. 122.4075.** Reports required under section 122.4070 of 7400  
the Revised Code, and all information and documents in them, 7401  
shall be maintained on a confidential basis by the department of 7402  
housing and development ~~services agency~~ and shall not be 7403  
published on the ~~agency's~~ department's web site until the ~~agency~~ 7404  
department determines what information or documents are not 7405  
confidential pursuant to section 122.4023 of the Revised Code. 7406

**Sec. 122.4076.** (A) The broadband expansion program 7407  
authority shall complete an annual report for the Ohio 7408  
residential broadband expansion grant program. The report shall 7409  
evaluate the success of the program grants awarded under section 7410  
122.4043 of the Revised Code in making tier two broadband 7411  
services available to unserved and tier one areas. The report 7412  
shall include the following information: 7413

(1) The number of applications received; 7414

(2) The number of applications that received program 7415  
grants; 7416

(3) The amount of broadband infrastructure constructed for 7417  
eligible projects; 7418

(4) The number of residential addresses receiving, for 7419  
that year, tier two broadband service for the first time under 7420  
the program; 7421

(5) Findings and recommendations that have been agreed to 7422  
by a majority of the authority members. 7423

(B) The report shall be published on the department of 7424  
housing and development's web site and shall be included as part 7425  
of the department's annual report filed under section 121.18 of 7426  
the Revised Code. The authority shall present the report 7427  
annually to the governor and the general assembly not later than 7428  
the first of December of each calendar year. 7429

**Sec. 122.4077.** (A) The department of housing and 7430  
development ~~services agency~~ shall adopt rules for the Ohio 7431  
residential broadband expansion grant program. The rules shall 7432  
establish an application form and application procedures for the 7433  
program and procedures for periodic program grant disbursements. 7434

(B) The rules may include the following: 7435

(1) Requirements for a program application in addition to 7436  
the requirements described in section 122.4020 of the Revised 7437  
Code; 7438

(2) Procedures for and circumstances under which partial 7439  
funding of applications is permitted; 7440

(3) Procedures for broadband expansion program authority 7441  
meetings, extension periods for applications and application 7442  
challenges, hearings, and opportunities for public comment. 7443

(C) The ~~agency~~ department may adopt rules and procedures 7444  
to implement sections 122.4051, 122.4053, and 122.4055 of the 7445  
Revised Code. 7446



(D) Rules adopted under this section are not subject to 7447  
section 121.95 of the Revised Code. 7448

(E) The ~~agency~~department and the authority are not 7449  
subject to division (F) of section 121.95 of the Revised Code 7450  
regarding the development and adoption of rules pursuant to this 7451  
section. 7452

**Sec. 122.41.** The director of housing and development 7453  
~~services~~ is invested with the powers and duties provided in 7454  
Chapter 122. of the Revised Code, in order to promote the 7455  
welfare of the people of the state, to stabilize the economy, to 7456  
provide employment, to assist in the development within the 7457  
state of industrial, commercial, distribution, and research 7458  
activities required for the people of the state, and for their 7459  
gainful employment, or otherwise to create or preserve jobs and 7460  
employment opportunities, or improve the economic welfare of the 7461  
people of the state, and also to assist in the financing of air, 7462  
water, or thermal pollution control facilities and solid waste 7463  
disposal facilities by mortgage insurance as provided in section 7464  
122.451 of the Revised Code. It is hereby determined that the 7465  
accomplishment of such purposes is essential so that the people 7466  
of the state may maintain their present high standards in 7467  
comparison with the people of other states and so that 7468  
opportunities for employment and for favorable markets for the 7469  
products of the state's natural resources, agriculture, and 7470  
manufacturing shall be improved and that it is necessary for the 7471  
state to establish the programs authorized pursuant to Chapter 7472  
122. of the Revised Code and invest the director of housing and 7473  
~~development services~~ with the powers and duties provided in 7474  
Chapter 122. of the Revised Code. The powers granted to the 7475  
director by Chapter 165. of the Revised Code are independent of 7476  
and in addition and alternate to, and are not limited or 7477

restricted by, Chapter 122. of the Revised Code. 7478

**Sec. 122.42.** (A) The director of housing and development 7479  
shall do all of the following: 7480

(1) Receive applications for assistance under sections 7481  
122.39 and 122.41 to 122.62 of the Revised Code; 7482

(2) Make a final determination whether to approve the 7483  
application for assistance; 7484

(3) Transmit determinations to approve assistance to the 7485  
controlling board together with any information the controlling 7486  
board requires for the board's review and decision as to whether 7487  
to approve the assistance; 7488

(4) Issue revenue bonds of the state through the treasurer 7489  
of state, as necessary, payable solely from revenues and other 7490  
sources as provided in sections 122.39 and 122.41 to 122.62 of 7491  
the Revised Code. 7492

(B) The director may do all of the following: 7493

(1) Fix the rate of interest and charges to be made upon 7494  
or with respect to moneys loaned by the director and the terms 7495  
upon which mortgages and lease rentals may be guaranteed and the 7496  
rates of charges to be made for the loans and guarantees and to 7497  
make provisions for the operation of the funds established by 7498  
the director in accordance with this section and sections 7499  
122.54, 122.55, 122.56, and 122.57 of the Revised Code; 7500

(2) Loan moneys from the fund established in accordance 7501  
with section 122.54 of the Revised Code pursuant to and in 7502  
compliance with sections 122.39 and 122.41 to 122.62 of the 7503  
Revised Code; 7504

(3) Acquire in the name of the director any property of 7505

any kind or character in accordance with sections 122.39 and 7506  
122.41 to 122.62 of the Revised Code, by purchase, purchase at 7507  
foreclosure, or exchange on such terms and in such manner as the 7508  
director considers proper; 7509

(4) Make and enter into all contracts and agreements 7510  
necessary or incidental to the performance of the director's 7511  
duties and the exercise of the director's powers under sections 7512  
122.39 and 122.41 to 122.62 of the Revised Code; 7513

(5) Maintain, protect, repair, improve, and insure any 7514  
property which the director has acquired and dispose of the same 7515  
by sale, exchange, or lease for the consideration and on the 7516  
terms and in the manner as the director considers proper, but is 7517  
not authorized to operate any such property as a business except 7518  
as the lessor of the property; 7519

(6) (a) When the cost of any contract for the maintenance, 7520  
protection, repair, or improvement of any property held by the 7521  
director other than compensation for personal services involves 7522  
an expenditure of more than one thousand dollars, the director 7523  
shall make a written contract with the lowest responsive and 7524  
responsible bidder in accordance with section 9.312 of the 7525  
Revised Code after advertisement for not less than two 7526  
consecutive weeks in a newspaper of general circulation in the 7527  
county where such contract, or some substantial part of it, is 7528  
to be performed, and in such other publications as the director 7529  
determines, which notice shall state the general character of 7530  
the work and the general character of the materials to be 7531  
furnished, the place where plans and specifications may be 7532  
examined, and the time and place of receiving bids. 7533

(b) Each bid for a contract for the construction, 7534  
demolition, alteration, repair, or reconstruction of an 7535

improvement shall contain the full name of every person 7536  
interested in it and meet the requirements of section 153.54 of 7537  
the Revised Code. 7538

(c) Each bid for a contract, except as provided in 7539  
division (B) (6) (b) of this section, shall contain the full name 7540  
of every person interested in it and shall be accompanied by 7541  
bond or certified check on a solvent bank, in such amount as the 7542  
director considers sufficient, that if the bid is accepted a 7543  
contract will be entered into and the performance of the 7544  
proposal secured. 7545

(d) The director may reject any and all bids. 7546

(e) A bond with good and sufficient surety, approved by 7547  
the director, shall be required of every contractor awarded a 7548  
contract except as provided in division (B) (6) (b) of this 7549  
section, in an amount equal to at least fifty per cent of the 7550  
contract price, conditioned upon faithful performance of the 7551  
contract. 7552

(7) Employ financial consultants, appraisers, consulting 7553  
engineers, superintendents, managers, construction and 7554  
accounting experts, attorneys, and other employees and agents as 7555  
are necessary in the director's judgment and fix their 7556  
compensation; 7557

(8) Assist qualified persons in the coordination and 7558  
formation of a small business development company, having a 7559  
statewide area of operation, conditional upon the company's 7560  
agreeing to seek to obtain certification from the federal small 7561  
business administration as a certified statewide development 7562  
company and participation in the guaranteed loan program 7563  
administered by the small business administration pursuant to 7564

the Act of July 2, 1980, 94 Stat. 837, 15 U.S.C.A. 697. During 7565  
the initial period of formation of the statewide small business 7566  
development company, the director shall provide technical and 7567  
financial expertise, legal and managerial assistance, and other 7568  
services as are necessary and proper to enable the company to 7569  
obtain and maintain federal certification and participation in 7570  
the federal guaranteed loan program. The director may charge a 7571  
fee, in such amount and on such terms and conditions as the 7572  
director determines necessary and proper, for assistance and 7573  
services provided pursuant to division (B) (8) of this section. 7574

Persons chosen by the director to receive assistance in 7575  
the formation of a statewide small business development company 7576  
pursuant to division (B) (8) of this section shall make a special 7577  
effort to use their participation in the federal guaranteed loan 7578  
program to assist small businesses which are minority business 7579  
enterprises as defined in division (E) of section 122.71 of the 7580  
Revised Code. The director, with the assistance of the minority 7581  
business development division of the department of housing and 7582  
development, shall provide technical and financial expertise, 7583  
legal and managerial assistance, and other services in such a 7584  
manner to enable the development company to provide assistance 7585  
to small businesses which are minority business enterprises, and 7586  
shall make available to the development company information 7587  
pertaining to assistance available to minority business 7588  
enterprises under programs established pursuant to sections 7589  
122.71 to 122.83, 122.87 to 122.89, 122.92 to 122.94, 122.921, 7590  
and 125.081 of the Revised Code. 7591

(9) Receive and accept grants, gifts, and contributions of 7592  
money, property, labor, and other things of value to be held, 7593  
used, and applied only for the purpose for which such grants, 7594  
gifts, and contributions are made, from individuals, private and 7595

public corporations, from the United States or any agency of the 7596  
United States, from the state or any agency of the state, and 7597  
from any political subdivision of the state, and may agree to 7598  
repay any contribution of money or to return any property 7599  
contributed or the value of the property at such times, in such 7600  
amounts, and on such terms and conditions, excluding the payment 7601  
of interest, as the director determines at the time such 7602  
contribution is made, and may evidence such obligations by 7603  
notes, bonds, or other written instruments; 7604

(10) Establish with the treasurer of state the funds 7605  
provided in sections 122.54, 122.55, 122.56, and 122.57 of the 7606  
Revised Code, in addition to such funds as the director 7607  
determines are necessary or proper; 7608

(11) Do all acts and things necessary or proper to carry 7609  
out the powers expressly granted and the duties imposed in 7610  
sections 122.39 and 122.41 to 122.62 and Chapter 163. of the 7611  
Revised Code. 7612

(C) All expenses and obligations incurred by the director 7613  
in carrying out the director's powers and in exercising the 7614  
director's duties under sections 122.39 and 122.41 to 122.62 of 7615  
the Revised Code, shall be payable solely from the proceeds of 7616  
revenue bonds issued pursuant to those sections, from revenues 7617  
or other receipts or income of the director, from grants, gifts, 7618  
and contributions, or funds established in accordance with those 7619  
sections. Those sections do not authorize the director to incur 7620  
indebtedness or to impose liability on the state or any 7621  
political subdivision of the state. 7622

(D) Financial statements and financial data submitted to 7623  
the director by any corporation, partnership, or person in 7624  
connection with a loan application, or any information taken 7625

from such statements or data for any purpose, shall not be open 7626  
to public inspection. 7627

**Sec. 122.43.** The director of housing and development— 7628  
~~services~~, with controlling board approval, may lend funds which 7629  
are obtained from the sale of revenue bonds issued by the 7630  
treasurer of state pursuant to sections 122.39 and 122.41 to 7631  
122.62 of the Revised Code, from revenues or other receipts or 7632  
income of the director, or funds established in accordance with 7633  
sections 122.39 and 122.41 to 122.62 of the Revised Code, and 7634  
from grants, gifts, and contributions subject to any provisions 7635  
of resolutions authorizing the revenue bonds or of trust 7636  
agreements securing such bonds, to community improvement 7637  
corporations and Ohio development corporations and other 7638  
corporations, partnerships, and persons for the purpose of 7639  
procuring or improving real or personal property, or both, for 7640  
the establishment, location, or expansion of industrial, 7641  
distribution, commercial, or research facilities in the state, 7642  
and to community improvement corporations and Ohio development 7643  
corporations for the purpose of loaning funds to other 7644  
corporations, partnerships, and persons for the purpose of 7645  
procuring or improving real or personal property, or both, for 7646  
the establishment, location, or expansion of industrial, 7647  
distribution, commercial, or research facilities in the state, 7648  
if the director finds that: 7649

(A) The project is economically sound and will benefit the 7650  
people of the state by increasing opportunities for employment 7651  
and strengthening the economy of the state; 7652

(B) The proposed borrower, if other than a community 7653  
improvement corporation or an Ohio development corporation, is 7654  
unable to finance the proposed project through ordinary 7655

financial channels upon reasonable terms and at comparable 7656  
interest rates, or the borrower, if a community improvement 7657  
corporation or an Ohio development corporation, should not, in 7658  
the opinion of the director, be required to finance the proposed 7659  
project without a loan from the director; 7660

(C) The value of the project is, or upon completion 7661  
thereof will be, at least equal to the total amount of the money 7662  
expended in such procurement or improvement of which amount one 7663  
or more financial institutions have loaned or invested not less 7664  
than forty per cent; 7665

(D) The amount to be loaned by the director will not 7666  
exceed fifty per cent of the total amount expended in the 7667  
procurement or improvement of the project; 7668

(E) The amount to be loaned by the director will be 7669  
adequately secured by a first or second mortgage upon the 7670  
project, and by mortgages, leases, liens, assignments, or 7671  
pledges on or of such other property or contracts as the 7672  
director shall require and that such mortgage will not be 7673  
subordinate to any other liens or mortgages except the liens 7674  
securing loans or investments made by financial institutions 7675  
referred to in division (C) of this section, and the liens 7676  
securing loans previously made by any financial institution in 7677  
connection with the procurement or expansion of all or part of a 7678  
project. 7679

In no event may the director lend funds under the 7680  
authority of this section for the purpose of procuring or 7681  
improving motor vehicles, power driven vehicles, office 7682  
equipment, raw materials, small tools, supplies, inventories, or 7683  
accounts receivable. 7684



**Sec. 122.44.** Fees, charges, rates of interest, times of 7685  
payment of interest and principal, and other terms, conditions, 7686  
and provisions of the loans made by the director of housing and 7687  
development ~~services~~ pursuant to sections 122.39 and 122.41 to 7688  
122.62 of the Revised Code shall be such as the director 7689  
determines to be appropriate and in furtherance of the purpose 7690  
for which the loans are made, but the mortgage lien securing any 7691  
money loaned by the director may be subordinate to the mortgage 7692  
lien securing any money loaned or invested by a financial 7693  
institution, but shall be superior to that securing any money 7694  
loaned or expended by any other corporation or person. The funds 7695  
used in making such loans shall be disbursed upon order of the 7696  
director. 7697

**Sec. 122.45.** The director of housing and development, with 7698  
controlling board approval, may lend funds to any county, 7699  
municipal corporation, or township or any other political 7700  
subdivision of the state for the purpose of expediting the 7701  
creation, location, or expansion of industrial, distribution, 7702  
commercial, or research facilities in the state by the 7703  
construction or installation of streets, sidewalks, storm 7704  
sewers, sanitary sewers and sewage disposal works, water lines, 7705  
and water supply facilities which such subdivisions are 7706  
authorized by law to construct or install, and the acquisition 7707  
of lands or easements for such purposes, if the director finds 7708  
that: 7709

(A) A plan for the use of the money so loaned in 7710  
connection with the creation, location, or expansion of such a 7711  
facility is economically sound and will benefit the people of 7712  
the state by increasing opportunities for employment and 7713  
strengthening the economy; 7714

(B) The proposed borrower is unable to procure the money 7715  
for the aforesaid use within the time required in order to 7716  
secure the desired creation, location, or expansion of such 7717  
facilities; 7718

(C) An agreement for repayment of the money loaned with 7719  
interest thereon has been made by such subdivision evidenced by 7720  
its notes, bonds, or by written contract, payable, however, only 7721  
from moneys payable to such subdivision by a community 7722  
improvement corporation, an Ohio development corporation, or 7723  
other corporation, partnership, or person, or any combination 7724  
thereof; 7725

(D) There is adequate assurance that the moneys payable by 7726  
such corporation or person to such subdivision will be paid as 7727  
they fall due and will be payable at such times as are necessary 7728  
to provide such subdivision with moneys sufficient to pay its 7729  
loan to the director as it falls due. 7730

The rates of interest and times of payment of interest and 7731  
principal and other terms, conditions, and provisions of the 7732  
loans shall be such as the director determines to be appropriate 7733  
and in furtherance of the purpose for which the loans are made. 7734  
The funds used in making such loans shall be disbursed upon 7735  
order of the director. 7736

Any subdivision intending to borrow funds from the 7737  
director pursuant to this section may agree with a community 7738  
improvement corporation, an Ohio development corporation, 7739  
partnership, or other corporation or person, or any combination 7740  
thereof, to construct any one or more of the improvements for 7741  
which such funds are to be borrowed in return for a commitment, 7742  
satisfactory to both such subdivision and the director, to make 7743  
available to such subdivision sufficient moneys to discharge its 7744

loan from the director as it falls due. 7745

Any subdivision to which such a loan is made may issue to 7746  
the director its notes or bonds for the repayment of such loan, 7747  
or may by written contract agree to repay such loan provided 7748  
that the obligation to pay is limited to the moneys received by 7749  
the subdivision from such corporation, partnership, or person 7750  
and is not an obligation for which the faith or credit or taxing 7751  
power of the subdivision is pledged. 7752

Any subdivision ~~receiving~~ receiving such a loan may 7753  
construct or cause to be constructed the improvements for which 7754  
such loan is made in the manner provided by law or charter for 7755  
the making of contracts for such improvements, and may, if no 7756  
special assessments are to be levied against benefited 7757  
properties, dispense with all notices to the public or to 7758  
property owners and all hearings otherwise required with respect 7759  
to the making of such improvements, and in such case no 7760  
resolution or order determining to make the improvement shall be 7761  
subject to any appeal. 7762

**Sec. 122.451.** Upon application of any person, partnership, 7763  
or corporation, or upon application of any community improvement 7764  
corporation organized as provided in section 1724.01 of the 7765  
Revised Code, the director of housing and development, with 7766  
controlling board approval, may, pledging therefor moneys in the 7767  
mortgage insurance fund created by section 122.561 of the 7768  
Revised Code, insure or make advance commitments to insure not 7769  
more than ninety per cent of any mortgage payments required. 7770  
Before insuring any such mortgage payments the director shall 7771  
determine that: 7772

(A) The project, in accordance with Section 13 of Article 7773  
VIII, Ohio Constitution, will create or preserve jobs and 7774

employment opportunities, or improve the economic welfare of the 7775  
people of the state, or be an air quality facility, waste water 7776  
facility, or solid waste facility, as defined in section 7777  
3706.01, 6121.01, or 6123.01 of the Revised Code. 7778

(B) The principal obligation, including initial service 7779  
charges and appraisal, inspection, and other fees approved by 7780  
the director, does not exceed one hundred per cent of the cost 7781  
of the project. 7782

(C) The mortgage has a satisfactory maturity date in no 7783  
case later than twenty-five years from the date of the 7784  
insurance. 7785

(D) The mortgagor is responsible and able to meet the 7786  
payments under the mortgage. 7787

(E) The mortgage contains complete amortization provisions 7788  
satisfactory to the director requiring periodic payments by the 7789  
mortgagor which may include principal and interest payments, 7790  
cost of local property taxes and assessments, land lease 7791  
rentals, if any, and hazard insurance on the property and such 7792  
mortgage insurance premiums as are required under section 7793  
122.561 of the Revised Code, all as the director from time to 7794  
time prescribes or approves. 7795

(F) The mortgage is in such form and contains such terms 7796  
and provisions with respect to property insurance, repairs, 7797  
alterations, payment of taxes and assessments, default reserves, 7798  
delinquency charges, default remedies, anticipation of maturity, 7799  
additional and secondary liens, and other matters as the 7800  
director may prescribe. 7801

The director may take assignments of insured mortgages and 7802  
other forms of security and may take title by foreclosure or 7803

conveyance to any project when an insured mortgage loan thereon 7804  
is clearly in default and when in the opinion of the director 7805  
such acquisition is necessary to safeguard the mortgage 7806  
insurance fund, and may sell, or on a temporary basis lease or 7807  
rent, such project. 7808

**Sec. 122.46.** The director of housing and development may 7809  
purchase real property, and personal property in connection 7810  
therewith, in the state from funds available ~~to him~~ for that 7811  
purpose if ~~he~~ the director finds that: 7812

(A) Such property is owned by the United States, or an 7813  
agency or instrumentality thereof, or by the state or an agency, 7814  
instrumentality, or subdivision thereof; 7815

(B) Such property is, or after improvement will be, useful 7816  
for industrial, commercial, distribution, or research facilities 7817  
in the state; 7818

(C) Utilization of such property in the creation, 7819  
location, or expansion of such facilities is economically sound 7820  
and will benefit the people of the state by increasing 7821  
opportunities for employment and strengthening the economy. 7822

The conveyance of such property by an agency, 7823  
instrumentality, or subdivision of the state may be made without 7824  
advertising for bids and on the terms and in the manner 7825  
established by such agency, instrumentality, or subdivision and 7826  
provided further that if the property is to be conveyed by the 7827  
state of Ohio, the director of the department of the state 7828  
having jurisdiction or supervision of such property shall 7829  
determine if the property is required by such department and if 7830  
determined not to be required, shall, with the approval of the 7831  
governor and the controlling board, convey such property to the 7832

director of housing and development at its fair market value as 7833  
fixed by an appraisal by three disinterested persons appointed 7834  
by the director of administrative services and the deed therefor 7835  
shall be prepared and recorded pursuant to section 5301.13 of 7836  
the Revised Code and the proceeds from such sale shall be paid 7837  
into the state treasury to the credit of the appropriate fund. 7838  
Such a conveyance shall transfer all interest of the state in 7839  
the property. 7840

The director may improve any property acquired under this 7841  
section and may construct and equip buildings, structures, and 7842  
other facilities thereon for industrial, commercial, 7843  
distribution, or research facilities. It is not intended hereby 7844  
to authorize the director ~~himself~~ to operate any such 7845  
industrial, commercial, distribution, or research facilities. 7846

Such property, or parts thereof, may be sold by the 7847  
director or may be leased by ~~it~~ the director at such times and in 7848  
such manner as the director determines and at such price or on 7849  
such rentals as the director determines to be fair and 7850  
reasonable. 7851

Such lease may provide for improvements to be made by the 7852  
lessee at its expense, all of which shall immediately become the 7853  
property of the director. Movable personal property of the 7854  
lessee shall remain its property. 7855

The director shall determine the amount to be paid in the 7856  
acquisition and improvement of such property, the price and 7857  
terms of sale, and the rents and other terms of any lease 7858  
including an option to purchase the leased property. 7859  
Disbursement of funds shall be made upon order of the director. 7860  
All leases, contracts, agreements, and deeds shall be executed 7861  
by the director in the manner and by ~~his~~ the director's agents 7862

as ~~he~~ the director provides.

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**Sec. 122.47.** At the request of the director of housing and  
development, the treasurer of state shall issue revenue bonds of  
the state for the purpose of acquiring moneys for the purposes  
of this chapter, which moneys shall be credited by the treasurer  
of state as the director of housing and development shall  
determine to and among the funds established in accordance with  
or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56,  
122.561, and 122.57 of the Revised Code. The principal of and  
interest on such revenue bonds shall be payable solely from the  
sinking funds established in accordance with section 122.57 of  
the Revised Code at the times and in the order and manner  
provided in the bond issuing proceedings or in any trust  
agreements securing such bonds, and shall be secured by the  
revenue bond guaranty fund established in accordance with  
section 122.571 of the Revised Code and shall also be secured by  
moneys in the other funds established by the director to the  
extent and on the terms ~~he~~ the director specifies and by  
covenants of the director ~~that he will~~ to so manage the loans  
and leases and fix interest rates, charges, and rentals so as to  
assure receipt of net income and revenue sufficient to provide  
for the payment of the principal of and the interest on the  
revenue bonds.

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**Sec. 122.48.** Each issue of revenue bonds issued by the  
treasurer of state pursuant to sections 122.39 and 122.41 to  
122.62 of the Revised Code, shall be dated, shall bear interest  
at a rate or rates or at a variable rate, as provided in or  
authorized by the proceedings authorizing or providing for the  
terms and conditions of the revenue bonds, shall mature at such  
time or times, not to exceed forty years from date, as  
determined by the director of housing and development ~~services~~

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and may be made redeemable before maturity at the option of the 7894  
director at such price or prices and under such terms and 7895  
conditions as are fixed by the director prior to the issuance of 7896  
the bonds. The director shall determine the form of the bonds, 7897  
including any interest coupons to be attached thereto, and the 7898  
denomination or denominations of the bonds and the place or 7899  
places of payment of principal and interest, which may be at any 7900  
bank or trust company within or without the state. 7901

The bonds shall be executed by the signature or facsimile 7902  
signature of the treasurer of state, the official seal or a 7903  
facsimile thereof of the state shall be affixed thereto and 7904  
attested by the treasurer of state or designated treasurer of 7905  
state, and any coupons attached thereto shall bear the facsimile 7906  
signature of the treasurer of state. In case the person whose 7907  
signature, or a facsimile of whose signature, appears on any 7908  
bonds or coupons ceases to be such officer before delivery of 7909  
bonds or in case such person was not at the date of such bonds 7910  
or coupons such officer but at the actual date of execution of 7911  
such bonds or coupons was the proper officer, such signature or 7912  
facsimile shall nevertheless be valid and sufficient for all 7913  
purposes the same as if the person had remained in office until 7914  
such delivery. 7915

All revenue bonds issued under sections 122.39 and 122.41 7916  
to 122.62 of the Revised Code, shall be negotiable instruments. 7917  
The bonds may be issued in coupon or in registered form or both, 7918  
as the treasurer determines. Provision may be made for the 7919  
registration of any coupon bonds as to the principal alone and 7920  
also as to both principal and interest, and for the reconversion 7921  
into coupon bonds of any bonds registered as to both principal 7922  
and interest. The treasurer of state may sell such bonds in the 7923  
manner and for the price the treasurer of state determines to be 7924



for the best interest of the state. 7925

Prior to the preparation of definitive bonds, the 7926  
treasurer of state may, under like restrictions, issue interim 7927  
receipts or temporary bonds, with or without coupons, 7928  
exchangeable for definitive bonds when such bonds have been 7929  
executed and are available for delivery. The treasurer of state 7930  
may also provide for the replacement of any bonds which become 7931  
mutilated or are destroyed, stolen, or lost. Bonds may be issued 7932  
under sections 122.39 and 122.41 to 122.62 of the Revised Code, 7933  
without obtaining the consent of any department, division, 7934  
commission, board, bureau, or agency of the state, and without 7935  
any other proceeding or the happening of any other conditions or 7936  
things than those proceedings, conditions, or things which are 7937  
specifically required by such sections. 7938

**Sec. 122.49.** The proceeds of each issue of revenue bonds 7939  
issued pursuant to sections 122.39 and 122.41 to 122.62 of the 7940  
Revised Code shall be used for the making of loans authorized in 7941  
sections 122.43 and 122.45 of the Revised Code, for the purchase 7942  
and improvement of property authorized in section 122.46 of the 7943  
Revised Code, for insuring mortgage payments authorized in 7944  
section 122.451 of the Revised Code, and for the crediting into 7945  
and among the funds established in accordance with sections 7946  
122.35, 122.54, 122.55, 122.56, 122.561, and 122.57 of the 7947  
Revised Code, but subject to such conditions, limitations, and 7948  
covenants with the purchasers and holders of the bonds as shall 7949  
be provided for in the bond authorization proceedings and in the 7950  
trust agreement securing the same. 7951

Provision shall be made by the director of housing and 7952  
development ~~services~~ for the payment of the expenses of the 7953  
director in operating the assistance programs authorized under 7954

this chapter in such manner and to such extent as shall be 7955  
determined by the director. 7956

**Sec. 122.52.** The director of housing and development 7957  
~~services~~ may provide for the issuance of revenue refunding bonds 7958  
of the state by the treasurer of state, payable solely from the 7959  
sinking funds established in accordance with section 122.51 of 7960  
the Revised Code at the times and in the order and manner 7961  
provided by the director and in any trust agreement securing 7962  
such bonds and shall also be secured by moneys in the other 7963  
funds established pursuant to sections 122.39 and 122.41 to 7964  
122.62 of the Revised Code to the extent and on the terms 7965  
specified by the director, for the purpose of refunding any 7966  
revenue bonds then outstanding which have been issued under 7967  
sections 122.39 and 122.41 to 122.62 of the Revised Code, 7968  
including the payment of any redemption premium thereon and any 7969  
interest accrued or to accrue to the date of redemption of such 7970  
bonds. The issuance of such bonds, the maturities and other 7971  
details thereof, the rights of the holders thereof, and the 7972  
rights, duties, and obligations of the director and treasurer of 7973  
state in respect to such bonds shall be governed by such 7974  
sections insofar as they are applicable. 7975

**Sec. 122.53.** In the discretion of the treasurer of state, 7976  
any bonds issued under sections 122.39 and 122.41 to 122.62 of 7977  
the Revised Code, may be secured by a trust agreement between 7978  
the treasurer of state and a corporate trustee, which trustee 7979  
may be any trust company or bank having the powers of a trust 7980  
company within or without the state. 7981

Any such trust agreement may pledge or assign payments of 7982  
principal of and interest on loans, charges, fees, and other 7983  
revenue to be received by the director of housing and 7984

development~~services~~, all rentals received under leases made by 7985  
the director, and all proceeds of the sale or other disposition 7986  
of property held by the director, and may provide for the 7987  
holding in trust by the trustee to the extent provided for in 7988  
the proceedings authorizing such bonds, of all such moneys and 7989  
moneys otherwise payable into the mortgage guarantee fund 7990  
created by section 122.56 of the Revised Code, and all moneys 7991  
otherwise payable into the mortgage insurance fund created by 7992  
section 122.561 of the Revised Code, and of moneys payable into 7993  
the sinking fund or funds referred to in section 122.57 of the 7994  
Revised Code, but shall not convey or mortgage any of the real 7995  
or personal property held by the director or any part thereof. 7996  
Any such trust agreement, or any proceedings providing for the 7997  
issuance of such bonds, may contain such provisions for 7998  
protecting and enforcing the rights and remedies of the 7999  
bondholders as are reasonable and proper and not in violation of 8000  
law, including covenants setting forth the duties of the 8001  
director in relation to the acquisition of property, and the 8002  
construction, improvement, maintenance, repair, operation, and 8003  
insurance of facilities, the making of loans and leases and the 8004  
terms and provisions thereof, and the custody, safeguarding, 8005  
investment, and application of all moneys, and provisions for 8006  
the employment of consulting engineers or other consultants in 8007  
connection with the making of loans and leases and the 8008  
construction or operation of any facility. Any bank or trust 8009  
company incorporated under the laws of this state which may act 8010  
as trustee or as depository of the proceeds of bonds or of 8011  
revenue may furnish such indemnifying bonds or may pledge such 8012  
securities as are required by the treasurer of state. Any such 8013  
trust agreement may set forth the rights and remedies of the 8014  
bondholders and of the trustee, and may restrict the individual 8015  
right of action by bondholders as is customary in trust 8016

agreements or trust indentures securing bonds or debentures of 8017  
corporations. Such trust agreement may contain such other 8018  
provisions as the treasurer of state deems reasonable and proper 8019  
for the security of the bondholders. All expenses incurred by 8020  
the treasurer of state in carrying out the provisions of any 8021  
such trust agreement shall be treated as a part of the cost of 8022  
the operation of the assistance programs authorized pursuant to 8023  
Chapter 122. of the Revised Code. Any such trust agreement may 8024  
provide the method whereby general administrative overhead 8025  
expense of the director with respect to those assistance 8026  
programs shall be allocated among the funds established pursuant 8027  
to Chapter 122. of the Revised Code with respect to the 8028  
operating expenses of the director payable out of the income of 8029  
the assistance programs. 8030

**Sec. 122.54.** The direct loan program fund is hereby 8031  
created within the state treasury, to consist of money 8032  
appropriated for the purpose of making loans authorized under 8033  
sections 122.43 and 122.45 of the Revised Code, money from the 8034  
proceeds of the sale of any issue of its revenue bonds to the 8035  
extent and subject to the conditions provided in the proceedings 8036  
authorizing such bonds or in the trust agreement securing such 8037  
bonds, all grants, gifts, and contributions made to the director 8038  
of housing and development for such purpose, and all other 8039  
moneys designated by ~~him~~ the director for the purpose of making 8040  
loans or required to be used for such purpose by the provisions 8041  
of any proceedings authorizing an issue of revenue bonds or 8042  
trust agreement securing such bonds. All moneys received from 8043  
repayments of loans authorized pursuant to sections 122.43 and 8044  
122.45 of the Revised Code or received in the event of a default 8045  
on any such loans shall be deposited in the general revenue 8046  
fund. 8047

**Sec. 122.55.** The purchase fund of the director of housing 8048  
and development is hereby created to consist of all money 8049  
allocated by the director for the purchase and improvement of 8050  
property authorized to be purchased under section 122.46 of the 8051  
Revised Code from the proceeds of the sale of any issue of 8052  
revenue bonds to the extent and subject to the conditions 8053  
provided in the proceedings authorizing such bonds or in the 8054  
trust agreements securing such bonds, all grants, gifts, and 8055  
contributions made to the director for such purpose, and all 8056  
other moneys designated by ~~him~~ the director for the purpose of 8057  
the acquisition and improvement of property. 8058

**Sec. 122.56.** The mortgage guarantee fund of the director 8059  
of housing and development is hereby created to consist of all 8060  
grants, gifts, and contributions of moneys or rights to moneys 8061  
made to the director for such fund, all moneys and rights to 8062  
moneys lawfully designated for or deposited in such fund, all 8063  
guarantee fees charged and collected as provided in this 8064  
section, and all moneys and rights to moneys lawfully allocated 8065  
by the director to such fund from the proceeds of the sale of 8066  
any issue of revenue bonds. Moneys or rights to ~~money~~ moneys 8067  
shall be used for the guaranty of the payment of the loans made 8068  
under sections 122.43 and 122.45 of the Revised Code, or for the 8069  
guaranty of the payment of the rentals payable under the lease 8070  
made under the authority of section 122.46 of the Revised Code, 8071  
or for the guaranty of the payment of rentals payable under a 8072  
lease made under authority of section 165.02 of the Revised 8073  
Code, or of rentals payable under a lease made under authority 8074  
of section 761.02 of the Revised Code, or a sublease made 8075  
pursuant to such lease, to the extent and subject to the 8076  
conditions provided in the proceedings authorizing such guaranty 8077  
or the proceedings authorizing such bonds or in the trust 8078

agreement securing such bonds. The director shall fix charges 8079  
for the guaranty of payment of the loans made under sections 8080  
122.43 and 122.45 of the Revised Code and for the guaranty of 8081  
the payment of the rentals payable under the leases made by the 8082  
authority under section 122.46 of the Revised Code. Such charges 8083  
shall be payable at such times and place and in such manner as 8084  
may be prescribed by the director. In the event that the 8085  
principal obligation of any loan is paid in full prior to the 8086  
maturity date or in the event that purchase option of any lease 8087  
is exercised prior to the end of the term thereof, the director 8088  
may require the payment of an adjusted charge in such amount as— 8089  
~~he~~ the director determines to be equitable, and may refund from 8090  
the mortgage guarantee fund such portion of charges theretofore 8091  
paid as the director determines to be equal to the unearned 8092  
portion thereof. 8093

**Sec. 122.561.** The mortgage insurance fund of the director 8094  
of housing and development services ~~services~~ is hereby created to consist 8095  
of all money allocated by the director from the proceeds of the 8096  
sale of any issue of revenue bonds, to the extent and subject to 8097  
the conditions provided in the proceedings authorizing such 8098  
bonds or in the trust agreements securing such bonds, for the 8099  
purpose of insuring mortgage payments pursuant to section 8100  
122.451 of the Revised Code, all grants and contributions made 8101  
to the director for such purpose, all moneys deposited or 8102  
credited to the mortgage insurance fund pursuant to section 8103  
169.05 of the Revised Code, all other moneys and property 8104  
designated by the director and by law for such purpose, all 8105  
mortgage insurance premiums charged and collected as provided in 8106  
this section, and all receipts and proceeds from the sale, 8107  
disposal, lease, or rental of real or personal property which 8108  
the director may hold as a result of a default in an insured 8109

mortgage. The director shall fix mortgage insurance premiums for 8110  
the insurance of mortgage payments pursuant to section 122.451 8111  
of the Revised Code, to be computed as a percentage of the 8112  
principal obligation of the mortgage outstanding at the 8113  
beginning of each mortgage year. Such insurance premiums shall 8114  
not be more than three per cent per annum of the outstanding 8115  
principal obligation, and shall be calculated on the basis of 8116  
all pertinent available data. Such premiums shall be payable by 8117  
the mortgagors or the mortgagees in such manner as is prescribed 8118  
by the director. The amount of premium need not be uniform among 8119  
the various mortgages insured. The director may provide for the 8120  
custody, investment, and use of the unclaimed funds trust fund 8121  
created by section 169.05 of the Revised Code and all mortgage 8122  
insurance premiums, including the payment therefrom of the 8123  
expenses and costs of the director in insuring mortgage payments 8124  
pursuant to section 122.451 of the Revised Code. Any financial 8125  
statements or financial data submitted to the director or the 8126  
controlling board in connection with any application for the 8127  
insurance of mortgage payments, or any information taken from 8128  
such statements or data, is not open to public inspection. 8129

**Sec. 122.57.** All payments of principal of and interest on 8130  
the loans made by the director of housing and development- 8131  
~~services~~, all rentals received under leases made by the 8132  
director, and all proceeds of the sale or other disposition of 8133  
property held by the director shall be placed in separate 8134  
sinking funds to the extent provided in the proceedings 8135  
authorizing revenue bonds which are hereby pledged to and 8136  
charged with the payment of interest on, principal of and 8137  
redemption premium on, the revenue bonds issued pursuant to 8138  
sections 122.39 and 122.41 to 122.62 of the Revised Code to the 8139  
extent provided in the proceedings authorizing and the trust 8140

agreements securing such bonds. The moneys therein in excess of 8141  
the amounts required by the bond proceedings and trust 8142  
agreements and all payments not so required to be paid into such 8143  
sinking funds shall be retained or placed in such fund or in the 8144  
other funds provided for by sections 122.35, 122.42, 122.54, 8145  
~~122.42~~, 122.55, 122.56, 122.561, and 122.57 of the Revised Code 8146  
as the director shall determine, and shall be available for the 8147  
uses for which such funds are established. 8148

**Sec. 122.571.** In addition to the separate sinking funds 8149  
created under section 122.57 of the Revised Code, there is 8150  
hereby created the revenue bond guaranty fund to consist of all 8151  
money allocated by the director of housing and development to 8152  
guarantee payment of interest on, principal of and redemption 8153  
premium on, the revenue bonds issued by the director under 8154  
Chapter 122. of the Revised Code, all grants, gifts, and 8155  
contributions made to the director for such purpose, and all 8156  
money and property provided by law for such purpose. 8157

**Sec. 122.58.** Moneys in the funds established pursuant to 8158  
Chapter 122. of the Revised Code, except as otherwise provided 8159  
in any proceedings authorizing revenue bonds or in any trust 8160  
agreement securing such bonds, in excess of current needs, may 8161  
be invested in notes, bonds, or other obligations which are 8162  
direct obligations of or are guaranteed by the United States, in 8163  
certificates of deposit or other withdrawable accounts of banks, 8164  
trust companies, and building and loan or savings and loan 8165  
associations organized under the laws of the state or the United 8166  
States, or in the manner provided in any agreement entered into 8167  
pursuant to section 169.05 of the Revised Code. 8168

Income from all such investments of moneys in any fund 8169  
shall be credited to such funds as the director of housing and 8170



development determines subject to the provisions of any bond 8171  
issuance proceedings or trust agreement, and such investments 8172  
may be sold at such time as the director shall determine, 8173  
provided certificates of deposit or other withdrawable accounts 8174  
may be sold only in accordance with division (B) of section 8175  
169.05 or divisions (E) and (F) of section 169.08 of the Revised 8176  
Code. 8177

**Sec. 122.59.** In the event of a default with respect to any 8178  
loan or lease, the director of housing and development shall 8179  
take such action as ~~he~~the director deems proper in the 8180  
circumstances to enforce and protect the rights of the director, 8181  
and such action as may be required by the provisions of any 8182  
proceedings authorizing the revenue bonds or of any trust 8183  
agreement securing such bonds, which may include any appropriate 8184  
action at law or in equity, enforcement or waiver of any 8185  
provision of any mortgage or security agreement or lease, or 8186  
reinstatement of any forfeited or cancelled right, title, or 8187  
privilege. Notwithstanding any such action, the director shall 8188  
transfer from the mortgage guarantee fund created by section 8189  
122.56 of the Revised Code to the sinking fund or funds referred 8190  
to in section 122.57 of the Revised Code amounts not greater 8191  
than the amounts which would have been paid upon such loan or 8192  
under such lease but for such default, at the time or times when 8193  
such amounts would have been paid but for such defaults, to the 8194  
extent provided in the proceedings authorizing and the trust 8195  
agreements securing such bonds, to be held and applied as other 8196  
moneys in the sinking fund, and shall make such other transfers 8197  
and take such other action as shall be required of the director 8198  
by any such bond issuance proceedings or trust agreement. 8199

**Sec. 122.60.** As used in sections 122.60 to 122.605 of the 8200  
Revised Code: 8201

(A) "Capital access loan" means a loan made by a 8202  
participating financial institution to an eligible business that 8203  
may be secured by a deposit of money from the fund into the 8204  
participating financial institution's program reserve account. 8205

(B) "Eligible business" means a for-profit business 8206  
entity, or a nonprofit entity, that had total annual sales in 8207  
its most recently completed fiscal year of less than ten million 8208  
dollars and that has a principal place of for-profit business or 8209  
nonprofit entity activity within the state, the operation of 8210  
which, alone or in conjunction with other facilities, will 8211  
create new jobs or preserve existing jobs and employment 8212  
opportunities and will improve the economic welfare of the 8213  
people of the state. As used in this division, "new jobs" does 8214  
not include existing jobs transferred from another facility 8215  
within the state, and "existing jobs" means only existing jobs 8216  
at facilities within the same municipal corporation or township 8217  
in which the project, activity, or enterprise that is the 8218  
subject of a capital access loan is located. 8219

(C) "Financial institution" means any bank, trust company, 8220  
savings bank, or savings and loan association that is chartered 8221  
by and has a significant presence in the state, or any national 8222  
bank, federal savings and loan association, or federal savings 8223  
bank that has a significant presence in the state. 8224

(D) "Fund" means the capital access loan program fund. 8225

(E) "Minority business supplier development council" has 8226  
the same meaning as in section 122.71 of the Revised Code. 8227

(F) "Participating financial institution" means a 8228  
financial institution that has a valid, current participation 8229  
agreement with the department of housing and development. 8230

(G) "Participation agreement" means the agreement between 8231  
a financial institution and the department under which a 8232  
financial institution may participate in the program. 8233

(H) "Passive real estate ownership" means the ownership of 8234  
real estate for the sole purpose of deriving income from it by 8235  
speculation, trade, or rental. 8236

(I) "Program" means the capital access loan program 8237  
created under section 122.602 of the Revised Code. 8238

(J) "Program reserve account" means a dedicated account at 8239  
each participating financial institution that is the property of 8240  
the state and may be used by the participating financial 8241  
institution only for the purpose of recovering a claim under 8242  
section 122.604 of the Revised Code arising from a default on a 8243  
loan made by the participating financial institution under the 8244  
program. 8245

**Sec. 122.601.** There is hereby created in the state 8246  
treasury the capital access loan program fund. The fund shall 8247  
consist of money deposited into it from the minority business 8248  
enterprise loan fund pursuant to section 122.80 of the Revised 8249  
Code and the facilities establishment fund pursuant to section 8250  
166.03 of the Revised Code and all money deposited into it 8251  
pursuant to section 122.602 of the Revised Code. The total 8252  
amount of money deposited into the fund from the minority 8253  
business enterprise loan fund or the facilities establishment 8254  
fund shall not exceed three million dollars during any 8255  
particular fiscal year of the department of housing and 8256  
development. 8257

The department shall disburse money from the fund only to 8258  
pay the operating costs of the program, including the 8259

administrative costs incurred by the department in connection 8260  
with the program, and only in keeping with the purposes 8261  
specified in sections 122.60 to 122.605 of the Revised Code. 8262

**Sec. 122.602.** (A) There is hereby created in the 8263  
department of housing and development the capital access loan 8264  
program to assist participating financial institutions in making 8265  
program loans to eligible businesses that face barriers in 8266  
accessing working capital and obtaining fixed asset financing. 8267  
In administering the program, the director of housing and 8268  
development may do any of the following: 8269

(1) Receive and accept grants, gifts, and contributions of 8270  
money, property, labor, and other things of value to be held, 8271  
used, and applied only for the purpose for which the grants, 8272  
gifts, and contributions are made, from individuals, private and 8273  
public corporations, the United States or any agency of the 8274  
United States, the state or any agency of the state, or any 8275  
political subdivision of the state; 8276

(2) Agree to repay any contribution of money or return any 8277  
property contributed or the value of that property at the times, 8278  
in the amounts, and on the terms and conditions, excluding the 8279  
payment of interest, that the director consents to at the time a 8280  
contribution is made; and evidence obligations by notes, bonds, 8281  
or other written instruments; 8282

(3) Adopt rules under Chapter 119. of the Revised Code to 8283  
carry out the purposes of the program specified in sections 8284  
122.60 to 122.605 of the Revised Code; 8285

(4) Engage in all other acts, and enter into contracts and 8286  
execute all instruments, necessary or appropriate to carry out 8287  
the purposes specified in sections 122.60 to 122.605 of the 8288

Revised Code. 8289

(B) The director shall determine the eligibility of a 8290  
financial institution to participate in the program and may set 8291  
a limit on the number of financial institutions that may 8292  
participate in the program. 8293

(C) To be considered eligible by the director to 8294  
participate in the program, a financial institution shall enter 8295  
into a participation agreement with the department that sets out 8296  
the terms and conditions under which the department will deposit 8297  
moneys from the fund into the financial institution's program 8298  
reserve account, specifies the criteria for loan qualification 8299  
under the program, and contains any additional terms the 8300  
director considers necessary. 8301

(D) After receiving the certification required under 8302  
division (C) of section 122.603 of the Revised Code, the 8303  
director may disburse moneys from the fund to a participating 8304  
financial institution for deposit in its program reserve account 8305  
if the director determines that the capital access loan involved 8306  
meets all of the following criteria: 8307

(1) It will be made to an eligible business. 8308

(2) It will be used by the eligible business for a 8309  
project, activity, or enterprise that fosters economic 8310  
development. 8311

(3) It will not be made in order to enroll in the program 8312  
prior debt that is not covered under the program and that is 8313  
owed or was previously owed by an eligible business to the 8314  
financial institution. 8315

(4) It will not be utilized for a project or development 8316  
related to the on-site construction or purchase of residential 8317

housing. 8318

(5) It will not be used to finance passive real estate 8319  
ownership. 8320

(6) It conforms to the requirements of divisions (E), (F), 8321  
(G), (H), and (I) of this section, and to the rules adopted by 8322  
the director under division (A) (3) of this section. 8323

(E) The director shall not approve a deposit amount from 8324  
the fund for a capital access loan to an eligible business that 8325  
exceeds two hundred fifty thousand dollars for working capital 8326  
or five hundred thousand dollars for the purchase of fixed 8327  
assets. An eligible business may apply for the maximum deposit 8328  
amount for both working capital and the purchase of fixed assets 8329  
in the same capital access loan enrollment. 8330

(F) A financial institution may apply to the director for 8331  
the approval of a capital access loan to any business that is 8332  
owned or operated by a person that has previously defaulted 8333  
under any state financial assistance program. 8334

(G) Eligible businesses that apply for a capital access 8335  
loan shall comply with section 9.66 of the Revised Code. 8336

(H) A financial institution may apply to the director for 8337  
the approval of a capital access loan that refinances a 8338  
nonprogram loan made by another financial institution. 8339

(I) The director shall not approve a capital access loan 8340  
that refinances a nonprogram loan made by the same financial 8341  
institution, unless the amount of the refinanced loan exceeds 8342  
the existing debt, in which case only the amount exceeding the 8343  
existing debt is eligible for a loan under the program. 8344

**Sec. 122.603.** (A) (1) Upon approval by the director of 8345

housing and development and after entering into a participation 8346  
agreement with the department of housing and development a 8347  
participating financial institution making a capital access loan 8348  
shall establish a program reserve account. The account shall be 8349  
an interest-bearing account and shall contain only moneys 8350  
deposited into it under the program and the interest payable on 8351  
the moneys in the account. 8352

(2) All interest payable on the moneys in the program 8353  
reserve account shall be added to the moneys and held as an 8354  
additional loss reserve. The director may require that a portion 8355  
or all of the accrued interest so held in the account be 8356  
released to the department. If the director causes a release of 8357  
accrued interest, the director shall deposit the released amount 8358  
into the capital access loan program fund created in section 8359  
122.601 of the Revised Code. The director shall not require the 8360  
release of that accrued interest more than twice in a fiscal 8361  
year. 8362

(B) When a participating financial institution makes a 8363  
capital access loan, it shall require the eligible business to 8364  
pay to the participating financial institution a fee in an 8365  
amount that is not less than one and one-half per cent, and not 8366  
more than three per cent, of the principal amount of the loan. 8367  
The participating financial institution shall deposit the fee 8368  
into its program reserve account, and it also shall deposit into 8369  
the account an amount of its own funds equal to the amount of 8370  
the fee. The participating financial institution may recover 8371  
from the eligible business all or part of the amount that the 8372  
participating financial institution is required to deposit into 8373  
the account under this division in any manner agreed to by the 8374  
participating financial institution and the eligible business. 8375

(C) For each capital access loan made by a participating financial institution, the participating financial institution shall certify to the director, within a period specified by the director, that the participating financial institution has made the loan. The certification shall include the amount of the loan, the amount of the fee received from the eligible business, the amount of its own funds that the participating financial institution deposited into its program reserve account to reflect that fee, and any other information specified by the director. The certification also shall indicate if the eligible business receiving the capital access loan is a minority business enterprise as defined in section 122.71 of the Revised Code or certified by the minority business supplier development council.

(D) (1) (a) Upon receipt of each of the first three certifications from a participating financial institution made under division (C) of this section and subject to section 122.602 of the Revised Code, the director shall disburse to the participating financial institution from the capital access loan program fund an amount not to exceed fifty per cent of the principal amount of the particular capital access loan for deposit into the participating financial institution's program reserve account. Thereafter, upon receipt of a certification from that participating financial institution made under division (C) of this section and subject to section 122.602 of the Revised Code, the director shall disburse to the participating financial institution from the capital access loan program fund an amount equal to ten per cent of the principal amount of the particular capital access loan for deposit into the participating financial institution's program reserve account.



(b) Notwithstanding division (D) (1) (a) of this section, 8407  
and subject to section 122.602 of the Revised Code, upon receipt 8408  
of any certification from a participating financial institution 8409  
made under division (C) of this section with respect to a 8410  
capital access loan made to an eligible business that is a 8411  
minority business enterprise, the director shall disburse to the 8412  
participating financial institution from the capital access loan 8413  
program fund an amount not to exceed eighty per cent of the 8414  
principal amount of the particular capital access loan for 8415  
deposit into the participating financial institution's program 8416  
reserve account. 8417

(2) The disbursement of moneys from the fund to a 8418  
participating financial institution does not require approval 8419  
from the controlling board. 8420

(E) If the amount in a program reserve account exceeds an 8421  
amount equal to thirty-three per cent of a participating 8422  
financial institution's outstanding capital access loans, the 8423  
department may cause the withdrawal of the excess amount and the 8424  
deposit of the withdrawn amount into the capital access loan 8425  
program fund. 8426

(F) (1) The department may cause the withdrawal of the 8427  
total amount in a participating financial institution's program 8428  
reserve account if any of the following applies: 8429

(a) The financial institution is no longer eligible to 8430  
participate in the program. 8431

(b) The participation agreement expires without renewal by 8432  
the department or the financial institution. 8433

(c) The financial institution has no outstanding capital 8434  
access loans. 8435

(d) The financial institution has not made a capital 8436  
access loan within the preceding twenty-four months. 8437

(2) If the department causes a withdrawal under division 8438  
(F)(1) of this section, the department shall deposit the 8439  
withdrawn amount into the capital access loan program fund. 8440

**Sec. 122.604.** (A) If a participating financial institution 8441  
determines that a portion or all of a capital access loan is 8442  
uncollectible, it may submit a claim to the department of 8443  
housing and development for approval of the release of moneys 8444  
from its program reserve account. 8445

(B) The claim may include the amount of principal plus 8446  
accrued interest owed. The amount of principal included in the 8447  
claim may not exceed the principal amount covered by the 8448  
program. The amount of accrued interest included in the claim 8449  
may not exceed the accrued interest attributable to the covered 8450  
principal amount. 8451

(C) The participating financial institution shall 8452  
determine the timing and amount of delinquency on a capital 8453  
access loan in a manner consistent with the participating 8454  
financial institution's normal method for making these 8455  
determinations on similar nonprogram loans. 8456

(D) If the participating financial institution files two 8457  
or more claims at the same time or approximately the same time 8458  
and there are insufficient funds in its program reserve account 8459  
at that time to cover the entire amount of the claims, the 8460  
participating financial institution may specify an order of 8461  
priority in which the department shall approve the release of 8462  
funds from the account in relation to the claims. 8463

(E) If subsequent to the payment of a claim, a 8464

participating financial institution recovers from an eligible 8465  
business any amount covered by the paid claim, the participating 8466  
financial institution shall promptly deposit the amount 8467  
recovered into its program reserve account, less any reasonable 8468  
expenses incurred. 8469

**Sec. 122.605.** Each participating financial institution 8470  
shall submit an annual report to the department of housing and 8471  
development on or before the thirty-first day of March of each 8472  
year. The report shall include or be accompanied by all of the 8473  
following: 8474

(A) Information regarding the participating financial 8475  
institution's outstanding capital access loans, its capital 8476  
access loan losses, and other related matters that the 8477  
department considers appropriate; 8478

(B) A statement of the total amount of the participating 8479  
financial institution's capital access loans for which the 8480  
department has made disbursements from the fund under the 8481  
program; 8482

(C) A copy of the participating financial institution's 8483  
most recent financial statement. 8484

**Sec. 122.61.** The exercise of the powers granted by 8485  
sections 122.39 and 122.41 to 122.62 of the Revised Code, will 8486  
be in all respects for the benefit of the people of the state, 8487  
for the increase of their commerce and prosperity, and for the 8488  
improvement of conditions of employment, and will constitute the 8489  
performance of essential governmental functions; therefore the 8490  
director of housing and development ~~services~~ shall not be 8491  
required to pay any taxes upon any property or assets held by 8492  
the director, or upon any property acquired or used by the 8493

director under sections 122.39 and 122.41 to 122.62 of the 8494  
Revised Code, or upon the income therefrom, provided, such 8495  
exemption shall not apply to any property held by the director 8496  
while it is in the possession of a private person, partnership, 8497  
or corporation and used for private purposes for profit. The 8498  
bonds, notes, or other obligations issued under such sections, 8499  
their transfer, and the income therefrom, including any profit 8500  
made on the sale thereof, shall at all times be free from 8501  
taxation within the state. 8502

**Sec. 122.62.** All moneys received under sections 122.39 and 8503  
122.41 to 122.62 of the Revised Code as proceeds from the sale 8504  
of bonds are trust funds. All moneys received under those 8505  
sections shall be held and applied solely as provided in such 8506  
sections and section 166.03 of the Revised Code. All such 8507  
moneys, except as otherwise provided in any proceedings 8508  
authorizing revenue bonds or in any trust agreement securing 8509  
such bonds or except when deposited with the treasurer of state, 8510  
or except as they may be invested pursuant to section 122.58 of 8511  
the Revised Code, shall be kept in depositories as selected by 8512  
the director of housing and development services—in the manner 8513  
provided in sections 135.01 to 135.21 of the Revised Code, 8514  
insofar as such sections are applicable, and the deposits shall 8515  
be secured as provided in sections 135.01 to 135.21 of the 8516  
Revised Code. The proceedings authorizing the issuance of bonds 8517  
of any issue or the trust agreement securing such bonds shall 8518  
provide that any official to whom, or any bank or trust company 8519  
to which, such moneys are paid, shall act as trustee of such 8520  
moneys and hold and apply them for the purposes of sections 8521  
122.39 and 122.41 to 122.62 of the Revised Code, subject to such 8522  
rules as such sections and such bond issuance proceedings or 8523  
trust agreement provide. 8524

**Sec. 122.63.** The department of housing and development 8525  
shall: 8526

(A) Provide technical assistance to sponsors, homeowners, 8527  
private developers, contractors, and other appropriate persons 8528  
on matters relating to housing needs and the development, 8529  
construction, financing, operation, management, and evaluation 8530  
of housing developments; 8531

(B) Carry out continuing studies and analyses of the 8532  
housing needs of this state and, after conducting public 8533  
hearings, prepare annually a plan of housing needs, primarily 8534  
for the use of the department. The plan, copies of which shall 8535  
be filed with the speaker of the house of representatives and 8536  
the president of the senate for distribution to the members of 8537  
the general assembly, shall: 8538

(1) Establish areawide housing needs, including existing 8539  
and projected needs for the provision of an adequate supply of 8540  
decent, safe, and sanitary housing for low- and moderate-income 8541  
persons, including housing that may require utilization of state 8542  
or federal assistance; 8543

(2) Establish priorities for housing needs, taking into 8544  
account the availability of and need for conserving land and 8545  
other natural resources; 8546

(3) Be coordinated with other housing and related planning 8547  
of the state and of regional planning agencies. 8548

(C) Carry out the provisions of Chapter 3735. of the 8549  
Revised Code relating to metropolitan housing authorities; 8550

(D) Carry out the provisions of sections 174.01 to 174.07 8551  
of the Revised Code relating to the low- and moderate-income 8552  
housing trust fund. 8553

Sec. 122.631. (A) As used in sections 122.631 to 122.633 8554  
of the Revised Code: 8555

(1) "Electing subdivision," "county land reutilization 8556  
corporation," and "land reutilization program" have the same 8557  
meanings as in section 5722.01 of the Revised Code. 8558

(2) "Manufactured home" has the same meaning as in section 8559  
3781.06 of the Revised Code, and "mobile home" has the same 8560  
meaning as in section 4501.01 of the Revised Code. 8561

(3) "Qualifying residential property" means ~~single-family-~~ 8562  
~~residential property, including a~~ a single unit of single-family 8563  
residential property that has at least eight hundred square feet 8564  
of habitable space and is either a stand-alone unit or in a 8565  
multi-unit property containing not more than ten single-family 8566  
residential units. "Qualifying residential property" excludes 8567  
mobile homes but includes both of the following: 8568

(a) A manufactured home; 8569

(b) A single unit in a multi-unit property ~~containing not~~ 8570  
~~more than ten units but excluding manufactured homes, that has~~ 8571  
~~at least one thousand square feet of habitable space per~~ 8572  
~~unit~~ that has other nonresidential units or uses. Such 8573  
nonresidential units or uses are not qualifying residential 8574  
property. 8575

(4) "Qualifying median income" means ~~eighty-one~~ eighty-one hundred 8576  
twenty per cent of median income for the county where qualifying 8577  
residential property is located, as determined by the director 8578  
of housing and development pursuant to section 174.04 of the 8579  
Revised Code. 8580

(5) "Qualifying financial literacy counseling" means a 8581  
homeownership course with a curriculum that includes basic home 8582

maintenance training and financial literacy. 8583

(6) "Qualifying counseling provider" means an individual, 8584  
business, nonprofit organization, or political subdivision, 8585  
including an agency or instrumentality thereof, that is 8586  
licensed, certified, or authorized to provide homeownership 8587  
counseling and financial literacy as one of its primary 8588  
functions, including housing counselors certified by the United 8589  
States department of housing and urban development or the Ohio 8590  
housing financing agency. 8591

(B) There is created in the department of housing and 8592  
development the welcome home Ohio (WHO) program to administer 8593  
the grants authorized by this section and section ~~163.632~~ 8594  
122.632 of the Revised Code and the tax credits authorized by 8595  
section 122.633 of the Revised Code. The department shall create 8596  
and maintain a list of qualifying residential property ~~to~~ for 8597  
which ~~the deed restriction~~ a mortgage described in division (D) 8598  
(4) of this section, division (B) (4) of section 122.632, or 8599  
division (C) (4) of section 122.633 of the Revised Code ~~applies~~ is 8600  
held. That list is not a public record for purposes of section 8601  
149.43 of the Revised Code. 8602

(C) An electing subdivision or county land reutilization 8603  
corporation may apply to the director of housing and development 8604  
for a grant from the welcome home Ohio fund, which is created in 8605  
the state treasury, to pay or defer the cost of purchasing 8606  
qualifying residential property for incorporation into the 8607  
electing subdivision's or county land reutilization 8608  
corporation's land reutilization program. Up to two thousand 8609  
dollars of each grant may be used to fund the qualifying 8610  
financial literacy counseling required under division (D) (6) of 8611  
this section. To the extent that funding is available in that 8612

fund, the director may award grants to electing subdivisions and 8613  
county land reutilization corporations that make such an 8614  
application and agree to comply with division (D) of this 8615  
section. 8616

(D) The director of housing and development shall require 8617  
all applicants for a grant authorized by division (C) of this 8618  
section to agree, as part of the application, to all of the 8619  
following: 8620

(1) That grant funds shall only be used to pay the cost of 8621  
purchasing qualifying residential property; 8622

(2) That qualifying residential property on which grant 8623  
funds are spent shall be held until sold to an individual or 8624  
individuals who, inclusively: 8625

(a) Have annual income that is not more than the 8626  
qualifying median income; 8627

(b) Demonstrate the financial means to purchase the 8628  
qualifying residential property; 8629

(c) Agree to maintain ownership of the qualifying 8630  
residential property, occupy it as a primary residence, and not 8631  
to rent any portion of the property to another individual for 8632  
use as a dwelling, for at least ~~five~~three years following the 8633  
date of purchase; 8634

(d) Agree not to sell the qualifying residential property, 8635  
within ~~twenty~~fifteen years after the date of the sale, to any 8636  
purchaser except an individual or individuals who have annual 8637  
income that is not more than the qualifying median income; 8638

(e) Agree to pay a penalty to the director of housing and 8639  
development for violation of the agreement required by division 8640



(D) (2) (c) of this section that, ~~subject to divisions (F) (2) and~~ 8641  
~~(3) of this section,~~ equals ~~ninety thousand dollars~~ the amount of 8642  
the grant attributable to the property, less ~~eighteen thousand~~ 8643  
~~dollars~~ one-third of that amount multiplied by the number of 8644  
full years the individual or individuals owned the property; 8645

(f) Agree that the director of housing and development is 8646  
a third-party beneficiary of the purchase agreement; 8647

(g) Agree to participate in the applicant's qualifying 8648  
financial literacy program; 8649

(h) Agree to ~~annually~~ certify to the director of housing 8650  
and development ~~or the director's designee,~~ upon the request of 8651  
the director anytime during the period described by division (D) 8652  
(2) (c) of this section, that the individual or individuals own 8653  
and occupy the qualifying residential property, and that no part 8654  
of the property is being rented to another individual for use as 8655  
a dwelling. 8656

(3) That qualifying residential property on which grant 8657  
funds are spent shall be sold for not more than ~~one~~ two hundred 8658  
~~eighty~~ twenty thousand dollars per property. 8659

(4) That qualifying residential property on which grant 8660  
funds are spent shall not be sold without a ~~deed restriction~~ 8661  
~~prohibiting promissory note,~~ secured by a mortgage, both 8662  
executed by the purchaser in favor of the director of housing 8663  
and development. The note shall require a payment to the 8664  
director of housing and development upon the sale of the 8665  
property to a person that is not an individual or individuals 8666  
who have annual income that is not more than the qualifying 8667  
median income for ~~twenty~~ fifteen years after the date of the 8668  
property's first transfer from the applicant following the use 8669

of grant funds. The payment shall be the amount of the grant 8670  
attributable to the property, less one-fifteenth of that amount 8671  
multiplied by the number of full years the individual or 8672  
individuals owned the property. The mortgage shall be 8673  
subordinate to any mortgage securing a note executed by the 8674  
purchaser to purchase the property. The director of housing and 8675  
development may execute any documents necessary to recognize 8676  
that subordination or wholly or partially forgive amounts due on 8677  
a note executed pursuant to this division if doing so does not 8678  
grant a purchaser an undue windfall or hinder the WHO program's 8679  
objectives of increasing the supply of safe and affordable 8680  
owner-occupied housing. The director shall allow a subsequent 8681  
purchaser that is an individual or individuals who have annual 8682  
income that is not more than the qualifying median income to 8683  
assume liability on the note when purchasing the property. 8684

(5) That the applicant shall repay all grant funds not 8685  
expended to purchase qualifying residential property or to fund 8686  
the qualifying financial literacy counseling required by 8687  
division (D) (6) of this section and all grant funds expended to 8688  
purchase qualifying residential property that is not sold to an 8689  
individual or individuals who meet the requirements described in 8690  
division (D) (2) of this section or that is sold without the ~~deed~~ 8691  
~~restriction~~ promissory note and mortgage described in division 8692  
(D) (4) of this section. 8693

(6) That the applicant shall provide qualifying financial 8694  
literacy counseling, ~~over a minimum of one year,~~ delivered by a 8695  
qualifying counseling provider, to each purchaser of qualifying 8696  
residential property on which grant funds are spent. An 8697  
applicant may provide information regarding its qualifying 8698  
financial literacy program to the director of housing and 8699  
development for review as part of the application or prior to 8700

application. ~~Financial~~ Qualifying financial literacy counseling 8701  
provided by the applicant to the same purchaser, in accordance 8702  
with division (B) (6) of section 122.632 of the Revised Code or 8703  
division (C) (5) of section 122.633 of the Revised Code, 8704  
satisfies the requirements of division (D) (6) of this section. 8705

(7) That the applicant shall report to the department of 8706  
housing and development the date when the qualifying residential 8707  
property that is the subject of the application is sold by the 8708  
applicant. 8709

~~(E) The director of development has authority and standing 8710  
to sue for the enforcement of a deed restriction described in 8711  
division (D) (4) of this section. 8712~~

~~(F) (1)~~ An electing subdivision or county land 8713  
reutilization corporation may apply for, and the director of 8714  
housing and development may award both a grant under this 8715  
section for the purchase of qualifying residential property, and 8716  
either a grant under section 122.632 of the Revised Code, or a 8717  
tax credit under section 122.633 of the Revised Code, to 8718  
rehabilitate or construct the same qualifying residential 8719  
property. 8720

~~(2) If an electing subdivision or county land 8721  
reutilization is awarded a grant under this section and a grant 8722  
under section 122.632 of the Revised Code for the same 8723  
qualifying residential property, and the individual or 8724  
individuals who purchase the property violate both of the 8725  
agreements required by division (D) (2) (c) of this section and 8726  
division (B) (2) (c) of section 122.632 of the Revised Code, only 8727  
the penalty described by division (B) (2) (c) of section 122.632 8728  
of the Revised Code applies. 8729~~

~~(3) If an electing subdivision or county land reutilization is awarded a grant under this section and a tax credit under section 122.633 of the Revised Code for the same qualifying residential property, and the individual or individuals who purchase the property violate both of the agreements required by division (D) (2) (c) of this section and division (C) (2) (a) of section 122.633 of the Revised Code, only the greater of the penalties described in divisions (D) (2) (c) of this section and division (C) (2) (c) of section 122.633 of the Revised Code applies.~~

~~(G) (1)~~ (F) (1) The director may adopt rules in accordance with Chapter 119. Of the Revised Code as necessary to administer the grant program. Such rules may include the following:

(a) Application forms, deadlines, and procedures;

(b) Criteria for evaluating and prioritizing applications;

(c) Guidelines for promoting an even geographic distribution of grants throughout the state;

(d) Guidelines to determine the value of qualifying residential property located in a building with other uses and the total value of that building.

(2) Any grants repaid under this section shall be credited to the welcome home Ohio fund.

**Sec. 122.632.** (A) An electing subdivision or county land reutilization corporation may apply to the director of housing and development for a grant from the welcome home Ohio fund created in section 122.631 of the Revised Code to pay or defer the cost to rehabilitate or construct qualifying residential property held by the electing subdivision's or county land reutilization corporation's land reutilization program. To the

extent that funding is available, in that fund the director may 8759  
award grants to electing subdivisions and county land 8760  
reutilization corporations that make such an application and 8761  
agree to comply with division (B) of this section, with a 8762  
maximum grant of ~~thirty-ninety~~ thousand dollars per qualifying 8763  
residential property. 8764

(B) The director of housing and development shall require 8765  
all applicants for a grant authorized by division (A) of this 8766  
section to agree, as part of the application, to all of the 8767  
following: 8768

(1) That grant funds shall ~~only~~ be used to pay the cost of 8769  
rehabilitation or construction of qualifying residential 8770  
property and all work will be completed according to all 8771  
applicable construction and design standards; ~~—~~. Up to two 8772  
thousand dollars of each grant may be used to fund the 8773  
qualifying financial literacy counseling required under division 8774  
(B) (6) of this section. If grant funds are spent to construct or 8775  
rehabilitate a qualifying residential property described in 8776  
division (A) (3) (b) of section 122.631 of the Revised Code, then 8777  
no portion of the funds shall be spent to construct or 8778  
rehabilitate portions of the building that are for 8779  
nonresidential uses, except for common areas used by the 8780  
residential units and improvements that serve both the 8781  
residential units and the other portions of the building. 8782

(2) That qualifying residential property on which grant 8783  
funds are spent shall be held until sold to an individual or 8784  
individuals who, inclusively: 8785

(a) Have annual income that is not more than the 8786  
qualifying median income; 8787

(b) Demonstrate the financial means to purchase the 8788  
qualifying residential property; 8789

(c) Agree to maintain ownership of the qualifying 8790  
residential property, occupy it as a primary residence, and not 8791  
to rent any portion of the property to another individual for 8792  
use as a dwelling, for at least ~~five~~three years following the 8793  
date of purchase; 8794

(d) Agree not to sell the qualifying residential property, 8795  
within ~~twenty~~fifteen years after the date of the sale, to any 8796  
purchaser except an individual or individuals who have annual 8797  
income that is not more than the qualifying median income; 8798

(e) Agree to pay a penalty to the director of housing and 8799  
development for violation of the agreement required by division 8800  
(B) (2) (c) of this section that, ~~subject to division (F) (2) of~~ 8801  
~~section 122.631 of the Revised Code, equals ninety thousand~~ 8802  
~~dollars~~the amount of the grant attributable to the property, 8803  
~~less eighteen thousand dollars one-third of that amount~~ 8804  
multiplied by the number of full years the individual or 8805  
individuals owned the property. 8806

(f) Agree that the director of housing and development is 8807  
a third-party beneficiary of the purchase agreement; 8808

(g) Agree to participate in the applicant's qualifying 8809  
financial literacy program; 8810

(h) Agree to ~~annually~~ certify to the director of housing 8811  
~~and development or the director's designee, upon the request of~~ 8812  
the director anytime during the period described by division (B) 8813  
(2) (c) of this section, that the individual or individuals own 8814  
and occupy the qualifying residential property, and that no part 8815  
of the property is being rented to another individual for use as 8816

a dwelling. 8817

(3) That qualifying residential property on which grant 8818  
funds are spent shall be sold for not more than ~~one~~ two hundred 8819  
~~eighty~~ twenty thousand dollars per property. 8820

(4) That qualifying residential property on which grant 8821  
funds are spent shall not be sold without a ~~deed restriction~~ 8822  
~~prohibiting promissory note, secured by a mortgage, both~~ 8823  
executed by the purchaser in favor of the director of housing 8824  
and development. The note shall require a payment to the 8825  
director of housing and development upon the sale of the 8826  
property to a person that is not an individual or individuals 8827  
who have annual income that is not more than the median income 8828  
for ~~twenty~~ fifteen years after the date of the property's first 8829  
transfer from the applicant following the use of grant funds~~+~~. 8830  
The payment shall be the amount of the grant attributable to the 8831  
property, less one-fifteenth of that amount multiplied by the 8832  
number of full years the individual or individuals owned the 8833  
property. The mortgage shall be subordinate to any mortgage 8834  
securing a note executed by the purchaser to purchase the 8835  
property. The director of housing and development may execute 8836  
any documents necessary to recognize that subordination or 8837  
wholly or partially forgive amounts due on a note executed 8838  
pursuant to this division if doing so does not grant a purchaser 8839  
an undue windfall or hinder the WHO program's objectives of 8840  
increasing the supply of safe and affordable owner-occupied 8841  
housing. The director shall allow a subsequent purchaser that is 8842  
an individual or individuals who have annual income that is not 8843  
more than the qualifying median income to assume liability on 8844  
the note when purchasing the property. 8845

(5) That the applicant shall repay all grant funds 8846

expended on any expenses other than the construction or 8847  
rehabilitation of qualifying residential property or financial 8848  
literacy counseling required under division (B) (6) of this 8849  
section, or on qualifying residential property that is not sold 8850  
to an individual or individuals who meet the requirements 8851  
described in division (B) (2) of this section or that is sold 8852  
without the ~~deed restriction promissory note and mortgage~~ 8853  
described in division (B) (4) of this section; 8854

(6) That the applicant shall provide financial qualifying 8855  
literacy counseling, ~~over a minimum of one year,~~ delivered by 8856  
the qualifying counseling provider, to each purchaser of 8857  
qualifying residential property on which grant funds are spent. 8858  
An applicant may provide information regarding its qualifying 8859  
financial literacy program to the director of housing and 8860  
development for review as part of the application or prior to 8861  
application; 8862

(7) That the applicant shall report to the department of 8863  
housing and development the date when the qualifying residential 8864  
property that is the subject of the application is sold by the 8865  
applicant. 8866

(8) That, if grant funds are received, the qualifying 8867  
residential property that is the subject of the application 8868  
shall not be the subject of an application for a tax credit 8869  
under section 122.633 of the Revised Code. 8870

~~(C) The director of development is granted authority and~~ 8871  
~~standing to sue for the enforcement of a deed restriction~~ 8872  
~~described in division (B) (4) of this section.~~ 8873

~~(D) (1)~~ (C) (1) The director may adopt rules in accordance 8874  
with Chapter 119. of the Revised Code as necessary to administer 8875



the grant program. Such rules may include the following: 8876

(a) Application forms, deadlines, and procedures; 8877

(b) Criteria for evaluating and prioritizing applications; 8878

(c) Guidelines for promoting an even geographic 8879  
distribution of grants throughout the state; 8880

(d) Guidelines to determine the value of qualifying 8881  
residential property located in a building with other uses and 8882  
the total value of that building. 8883

(2) Any grants repaid under this section shall be credited 8884  
to the welcome home Ohio fund. 8885

**Sec. 122.633.** (A) As used in this section, "eligible 8886  
developer" means any of the following: 8887

(1) A nonprofit corporation, as defined in section 1702.01 8888  
of the Revised Code, based in this state with a primary activity 8889  
of the development and preservation of affordable housing; 8890

(2) A limited partnership or domestic limited partnership, 8891  
as defined in section 1782.01 of the Revised Code, in which a 8892  
general partner is a nonprofit corporation based in this state, 8893  
a primary activity of which is the development and preservation 8894  
of affordable housing; 8895

(3) A limited liability company, as defined in section 8896  
1706.01 of the Revised Code, in which the manager is a nonprofit 8897  
corporation based in this state, a primary activity of which is 8898  
the development and preservation of affordable housing; 8899

(4) A community improvement corporation, as defined in 8900  
section 1724.01 of the Revised Code, or a community urban 8901  
redevelopment corporation, as defined in section 1728.01 of the 8902

Revised Code. 8903

(B) An electing subdivision or eligible developer that 8904  
rehabilitates or constructs a unit of qualifying residential 8905  
property and sells the property to an individual or individuals 8906  
for the individual's or individuals' occupancy may apply to the 8907  
director of housing and development for a nonrefundable credit 8908  
against the tax levied under section 5726.02 or 5747.02 of the 8909  
Revised Code, provided the rehabilitation or construction and 8910  
the sale comply with division (C) of this section. The credit 8911  
application shall be made on forms prescribed by the director. 8912  
The credit shall equal ninety thousand dollars or ~~one-third~~ 8913  
ninety per cent of the cost to rehabilitate or construct the 8914  
property, whichever is less. 8915

(C) An application for a credit authorized by division ~~(C)~~ 8916  
(B) of this section shall certify all of the following: 8917

(1) That the rehabilitation or construction of qualifying 8918  
residential property that is the subject of the application was 8919  
completed according to all applicable construction and design 8920  
standards; 8921

(2) That each qualifying residential property that is the 8922  
subject of the application was sold to an individual or 8923  
individuals who have annual income that is not more than the 8924  
qualifying median income, demonstrated the financial means to 8925  
purchase the qualifying residential property, and agreed to all 8926  
of the following in the purchase agreement: 8927

(a) To maintain ownership of the qualifying residential 8928  
property, occupy it as a primary residence, and not to rent any 8929  
portion of the property to another individual for use as a 8930  
dwelling, for at least ~~five~~ three years following the date of 8931

purchase; 8932

(b) Not to sell the qualifying residential property to a 8933  
purchaser other than an individual or individuals who have 8934  
annual income that is no more than the qualifying median income 8935  
for at least ~~twenty~~ fifteen years after the date of purchase; 8936

(c) To pay a penalty to the director of housing and 8937  
development for violation of the agreement required by division 8938  
(C) (2) (a) of this section that, ~~subject to division (F) (3) of~~ 8939  
~~section 122.631 of the Revised Code,~~ equals the total amount of 8940  
the tax credit authorized by this section and attributable to 8941  
the qualifying residential property purchased by the individual, 8942  
reduced by ~~twenty per cent~~ one-third of that amount for each 8943  
full year the individual or individuals owned the property; 8944

(d) That the director of housing and development is a 8945  
third-party beneficiary of the purchase agreement; 8946

(e) To participate in the applicant's qualifying financial 8947  
literacy program; 8948

(f) Agree to ~~annually~~ certify to the director of housing 8949  
and development or the director's designee, upon the request of 8950  
the director anytime during the period described by division (C) 8951  
(2) (a) of this section, that the individual or individuals own 8952  
and occupy the qualifying residential property, and that no part 8953  
of the property is being rented to another individual for use as 8954  
a dwelling. 8955

(3) That the qualifying residential property that is the 8956  
subject of the application was sold for not more than ~~one~~ two 8957  
hundred ~~eighty~~ twenty thousand dollars; 8958

(4) That the purchaser of the qualifying residential 8959  
property that is the subject of the application ~~was transferred~~ 8960

~~with a deed restriction prohibiting~~ executed a promissory note, 8961  
conditional upon the award of a tax credit authorized by 8962  
division (B) of this section and secured by a mortgage to be 8963  
recorded only upon such award, in favor of the director of 8964  
housing and development. The note shall require a payment to the 8965  
director of housing and development upon the sale of the 8966  
property to a person other than an individual or individuals who 8967  
have annual income that is not more than the qualifying median 8968  
income for at least ~~twenty~~ fifteen years after the date of 8969  
transfer. The payment shall be the amount of the tax credit 8970  
attributable to the property, less one-fifteenth of that amount 8971  
multiplied by the number of full years the individual or 8972  
individuals owned the property. The mortgage shall be 8973  
subordinate to any mortgage securing a note executed by the 8974  
purchaser to purchase the property. The director of housing and 8975  
development may execute any documents necessary to recognize 8976  
that subordination or wholly or partially forgive amounts due on 8977  
a note executed pursuant to this division if doing so does not 8978  
grant a purchaser an undue windfall or hinder the WHO program's 8979  
objectives of increasing the supply of safe and affordable 8980  
owner-occupied housing. The director shall allow a subsequent 8981  
purchaser that is an individual or individuals who have annual 8982  
income that is not more than the qualifying median income to 8983  
assume liability on the note when purchasing the property. 8984

(5) That the applicant provides ~~a minimum of one year of~~ 8985  
qualifying financial literacy counseling, delivered by a 8986  
qualifying counseling provider, to each purchaser of qualifying 8987  
residential property that is the subject of the application. An 8988  
applicant may provide information regarding its qualifying 8989  
financial literacy program to the director of housing and 8990  
development for review as part of the application or prior to 8991

application~~+~~-. 8992

(6) That the applicant shall report to the department of 8993  
housing and development the date when the qualifying residential 8994  
property that is the subject of the application is sold by the 8995  
applicant. 8996

(7) That the qualifying residential property that is the 8997  
subject of the application was not rehabilitated or constructed 8998  
using grant funds received under section 122.632 of the Revised 8999  
Code. 9000

~~(D) The director of development is granted authority and 9001  
standing to sue for the enforcement of a deed restriction 9002  
described in division (C) (4) of this section. 9003~~

~~(E) (1)~~ (D) (1) Subject to division ~~(E) (2)~~ (D) (2) of this 9004  
section, if the director determines that the applicant qualifies 9005  
for a credit under this section, the director shall issue a tax 9006  
credit certificate to the applicant identified with a unique 9007  
number and listing the amount of the credit that is eligible to 9008  
be transferred or claimed pursuant to division ~~(E) (3)~~ (D) (3) or 9009  
~~(F)~~ (E) of this section. 9010

(2) The total amount of tax credits issued by the director 9011  
under this section shall not exceed twenty-five million dollars 9012  
in any fiscal year, and no tax credits shall be issued after 9013  
June 30, 2025. 9014

(3) A person granted a certificate pursuant to division 9015  
~~(E) (1)~~ (D) (1) of this section may claim the credit against the 9016  
tax levied under section 5726.02 of the Revised Code or against 9017  
the person's aggregate tax liability under section 5747.02 of 9018  
the Revised Code for the taxable year in which the certificate 9019  
is issued. The taxpayer shall claim the credit in the order 9020

prescribed by section 5726.98 or 5747.98 of the Revised Code, as 9021  
applicable. Any unused amount may be carried forward for the 9022  
following five taxable years. If the person is a pass-through 9023  
entity, any taxpayer that is a direct or indirect investor in 9024  
the pass-through entity on the last day of the entity's taxable 9025  
year may claim the taxpayer's proportionate or distributive 9026  
share of the credit against the taxpayer's aggregate amount of 9027  
tax levied under section 5747.02 of the Revised Code. 9028

A taxpayer claiming a credit under this section shall 9029  
submit a copy of the certificate with the taxpayer's return or 9030  
report. 9031

~~(F)~~ (E) A person granted a certificate pursuant to 9032  
division ~~(E) (1)~~ (D) (1) of this section may transfer the right to 9033  
claim all or part of the credit reflected on the certificate to 9034  
another person. 9035

To effectuate the transfer, the transferor shall notify 9036  
the tax commissioner, in writing, that the transferor is 9037  
transferring the right to claim all or part of the remaining 9038  
credit stated on the certificate. The transferor shall identify 9039  
in that notification the certificate's number, the name and the 9040  
tax identification number of the transferee, the amount of the 9041  
remaining credit transferred to the transferee, and, if 9042  
applicable, the amount of remaining credit retained by the 9043  
transferor. 9044

The transferee may claim the amount of the credit received 9045  
under this division against the tax levied under section 5726.02 9046  
of the Revised Code or against the person's aggregate tax 9047  
liability under section 5747.02 of the Revised Code for the 9048  
taxable year in the same manner and for the same taxable years 9049  
as it may be claimed by a person under division ~~(E) (3)~~ (D) (3) of 9050

this section. 9051

Any person to which a credit has been transferred under 9052  
this division may transfer the right to claim all or part of the 9053  
transferred credit amount to any other person, in the same 9054  
manner prescribed by this division for the initial transfer, 9055  
including that any such transfer be reported by the transferor 9056  
to the tax commissioner as described in this division. 9057

Transferring a credit under this division does not extend 9058  
the taxable years for which the credit may be claimed or number 9059  
of years for which the unclaimed credit amount may be carried 9060  
forward. 9061

~~(G)~~ (F) The director may adopt rules in accordance with 9062  
Chapter 119. of the Revised Code as necessary to administer the 9063  
tax credits authorized by this section. Such rules may include 9064  
the following: 9065

- (1) Application forms, deadlines, and procedures; 9066
- (2) Criteria for evaluating and prioritizing applications; 9067
- (3) Guidelines for promoting an even geographic 9068  
distribution of credits throughout the state. 9069

**Sec. 122.634.** (A) For the purposes of this section, 9070  
"accessory dwelling unit" means a self-contained dwelling unit, 9071  
to which all of the following apply: 9072

(1) The unit is designed for occupancy by one family for 9073  
living and sleeping purposes; 9074

(2) The unit provides complete independent living 9075  
facilities, including its own entrance, kitchen, bathroom, and 9076  
sleeping area; 9077

(3) The unit is located on the same lot as a larger 9078  
single-family dwelling that serves as the principal use of the 9079  
lot; 9080

(4) The use of the unit is subordinate and incidental to 9081  
the larger single-family dwelling. 9082

(B) The department of housing and development shall 9083  
create, publish, and maintain the Ohio housing toolkit on the 9084  
department's publicly accessible web site. The toolkit shall 9085  
include resources to support local government officials and 9086  
housing stakeholders in navigating housing development and 9087  
community planning, including all of the following: 9088

(1) An interface that identifies and links to all local 9089  
comprehensive plans and zoning codes that apply to a particular 9090  
address entered by the user; 9091

(2) Expert guidance and best practices for navigating 9092  
local comprehensive plans and zoning codes, including project 9093  
checklists and templates for permit applications; 9094

(3) A standardized zoning code framework that may be used 9095  
by local governments as a model to streamline the zoning process 9096  
and facilitate the development of housing projects; 9097

(4) Information and guidance specific to alternative forms 9098  
of housing, such as accessory dwelling units, tiny homes, 9099  
modular housing, and manufactured housing, including a list of 9100  
political subdivisions in this state that allow alternative 9101  
forms of housing, by type, and links to local building, zoning, 9102  
and fire code provisions specific to alternative forms of 9103  
housing. 9104

(C) The department shall establish an administrative 9105  
support hotline to provide guidance, best practices, and 9106



technical support for local governments in adopting, 9107  
implementing, and managing new or amended zoning codes. 9108

**Sec. 122.635.** (A) The department of housing and 9109  
development shall create, publish, and maintain the Ohio housing 9110  
dashboard on the department's publicly accessible web site. At 9111  
minimum, the dashboard shall include data for all of the 9112  
following: 9113

(1) Home prices; 9114

(2) Rental rates and rental vacancy rates; 9115

(3) Housing inventory levels; 9116

(4) Homeownership rates; 9117

(5) Foreclosure rates; 9118

(6) Population growth. 9119

(B) The department shall format the Ohio housing dashboard 9120  
in a manner that allows users to sort data based on location, 9121  
age, race and ethnicity, household size, employment status, and 9122  
household income. 9123

(C) The dashboard shall include a description of the data 9124  
sources and methodology used to complete the dashboard. 9125

**Sec. 122.64.** (A) There is hereby established in the 9126  
department of housing and development ~~services agency~~ a business 9127  
services division. The division shall be supervised by a deputy 9128  
director appointed by the director of housing and development- 9129  
services. 9130

The division is responsible for the administration of the 9131  
state economic development financing programs established 9132  
pursuant to sections 122.17 and 122.18, sections 122.39 and 9133

122.41 to 122.62, and Chapter 166. of the Revised Code. 9134

(B) The director of housing and development ~~services~~ 9135  
shall: 9136

(1) Receive applications for assistance pursuant to 9137  
sections 122.39 and 122.41 to 122.62 and Chapter 166. of the 9138  
Revised Code. The director shall process the applications. 9139

(2) With the approval of the director of administrative 9140  
services, establish salary schedules for employees of the 9141  
various positions of employment with the division and assign the 9142  
various positions to those salary schedules; 9143

(3) Employ and fix the compensation of financial 9144  
consultants, appraisers, consulting engineers, superintendents, 9145  
managers, construction and accounting experts, attorneys, and 9146  
other agents for the assistance programs authorized pursuant to 9147  
sections 122.17 and 122.18, sections 122.39 and 122.41 to 9148  
122.62, and Chapter 166. of the Revised Code as are necessary; 9149

(4) Supervise the administrative operations of the 9150  
division; 9151

(5) On or before the first day of October in each year, 9152  
make an annual report of the activities and operations under 9153  
assistance programs authorized pursuant to sections 122.39 and 9154  
122.41 to 122.62 and Chapter 166. of the Revised Code for the 9155  
preceding fiscal year to the governor and the general assembly. 9156  
Each such report shall set forth a complete operating and 9157  
financial statement covering such activities and operations 9158  
during the year in accordance with generally accepted accounting 9159  
principles and shall be audited by a certified public 9160  
accountant. The director of housing and development ~~services~~ 9161  
shall transmit a copy of the audited financial report to the 9162

office of budget and management. 9163

**Sec. 122.641.** (A) (1) There is hereby created the lakes in 9164  
economic distress revolving loan program to assist businesses 9165  
and other entities that are adversely affected due to economic 9166  
circumstances that result in the declaration of a lake as an 9167  
area under economic distress by the director of natural 9168  
resources under division (A) (2) of this section. The director of 9169  
housing and development services shall administer the program. 9170

(2) The director of natural resources shall do both of the 9171  
following: 9172

(a) Declare a lake as an area under economic distress. The 9173  
director shall declare a lake as an area under economic distress 9174  
based solely on environmental or safety issues, including the 9175  
closure of a dam for safety reasons. 9176

(b) Subsequently declare a lake as an area no longer under 9177  
economic distress when the environmental or safety issues, as 9178  
applicable, have been resolved. 9179

(B) There is hereby created in the state treasury the 9180  
lakes in economic distress revolving loan fund. The fund shall 9181  
consist of money appropriated to it, all payments of principal 9182  
and interest on loans made from the fund, and all investment 9183  
earnings on money in the fund. The director of housing and 9184  
development services shall use money in the fund to make loans 9185  
under this section, provided that the loans shall be zero 9186  
interest loans during the time that an applicable lake has been 9187  
declared an area under economic distress under division (A) (2) 9188  
(a) of this section. 9189

(C) The director shall adopt rules in accordance with 9190  
Chapter 119. of the Revised that do both of the following: 9191

(1) Establish requirements and procedures for the making 9192  
of loans under this section, including all of the following: 9193

(a) Eligibility criteria; 9194

(b) Application procedures; 9195

(c) Criteria for approval or disapproval of loans, 9196  
including a stipulation that an applicant must demonstrate that 9197  
the loan will help to achieve long-term economic stability in 9198  
the area; 9199

(d) Criteria for repayment of the loans, including the 9200  
establishment of an interest rate that does not exceed two 9201  
points less than prime after an applicable lake has been 9202  
declared as an area no longer under economic distress under 9203  
division (A) (2) (b) of this section. 9204

The eligibility criteria established by the director shall 9205  
not require applicants to experience a reduction in gross 9206  
revenue for a defined period of greater than ten per cent. 9207

Any material provided to the department of housing and 9208  
~~development services agency~~ by an applicant is not a public 9209  
record for the purposes of section 149.43 of the Revised Code 9210  
and shall remain confidential. 9211

(2) Establish any other provisions necessary to administer 9212  
this section. 9213

(D) In administering the program, the director shall 9214  
assist businesses and other entities in determining the amount 9215  
of loans needed. 9216

**Sec. 122.6510.** (A) As used in this section, "federal act" 9217  
means the "Small Business Liability Relief and Brownfields 9218  
Revitalization Act," 115 Stat. 2356 (2002), 42 U.S.C. 9601 and 9219

9604. 9220

(B) There is hereby created in the state treasury the 9221  
Brownfields Revolving Loan Fund. The Fund shall consist of all 9222  
moneys received by the state from repayments of loans made under 9223  
the terms of the federal act, and any other money transferred to 9224  
the Fund. The Fund may be used to make grants and loans by the 9225  
~~Director of Development Services~~director of housing and 9226  
development. All investment earnings of the Fund shall be 9227  
credited to the Fund. 9228

(C) The Director shall administer moneys received into the 9229  
Fund and comply with all requirements imposed by the federal act 9230  
in administering the funds. 9231

(D) The Director may establish a schedule of fees and 9232  
charges payable by loan recipients to the Director for the 9233  
administration of this section. 9234

**Sec. 122.6511.** (A) As used in this section and section 9235  
122.6512 of the Revised Code: 9236

(1) "Brownfield" means an abandoned, idled, or under-used 9237  
industrial, commercial, or institutional property where 9238  
expansion or redevelopment is complicated by known or potential 9239  
releases of hazardous substances or petroleum. 9240

(2) "Lead entity" means a county, township, municipal 9241  
corporation, port authority, conservancy district, park district 9242  
or other similar park authority, county land reutilization 9243  
corporation, or organization for profit. 9244

(3) "Remediation" means any action to contain, remove, or 9245  
dispose of hazardous substances or petroleum at a brownfield. 9246  
"Remediation" includes the acquisition of a brownfield, 9247  
demolition performed at a brownfield, and the installation or 9248

upgrade of the minimum amount of infrastructure that is 9249  
necessary to make a brownfield operational for economic 9250  
development activity. 9251

(4) "County land reutilization corporation" has the same 9252  
meaning as in section 1724.01 of the Revised Code. 9253

(B) (1) There is hereby created the brownfield remediation 9254  
program to award grants for the remediation of brownfield sites 9255  
throughout Ohio. The program shall be administered by the 9256  
director of housing and development pursuant to this section and 9257  
rules adopted pursuant to division (B) (2) of this section. 9258

(2) The director shall adopt rules, under Chapter 119. of 9259  
the Revised Code, for the administration of the program. The 9260  
rules shall include provisions for determining project and 9261  
project sponsor eligibility, program administration, and any 9262  
other provisions the director finds necessary. 9263

(C) (1) There is hereby created in the state treasury the 9264  
brownfield remediation fund. The fund shall consist of moneys 9265  
appropriated to it by the general assembly, and investment 9266  
earnings on moneys in the fund shall be credited to the fund. 9267

The director shall reserve funds from each appropriation 9268  
to the fund to each county in the state. The amount reserved 9269  
shall be one million dollars per county, or, if an appropriation 9270  
is less than eighty-eight million dollars, a proportionate 9271  
amount to each county. Amounts reserved pursuant to this section 9272  
are reserved for one calendar year from the date of the 9273  
appropriation. After one calendar year, the funds shall be 9274  
available pursuant to division (D) of this section. 9275

(2) A lead entity may submit an initial grant application 9276  
for the use of funds reserved under division (C) (1) of this 9277

section to the director. The lead entity may later submit an 9278  
amended application to the director, and the director may accept 9279  
and approve that application for use of funds up to the amount 9280  
reserved for that county. 9281

(D) Funds from an appropriation not reserved under 9282  
division (C) (1) of this section shall be available for grants to 9283  
projects located anywhere in the state, and grants from those 9284  
funds shall be awarded to qualifying projects on a first-come, 9285  
first-served basis. 9286

(E) The amendments to this section by ~~this act~~ H.B. 315 of 9287  
the 135th general assembly apply to new projects that are 9288  
applied for and awarded funding by the director of housing and 9289  
development on and after ~~the effective date of this~~ 9290  
~~amendment~~ July 1, 2025. Projects that are applied for or were 9291  
applied for under this section prior to ~~that date~~ July 1, 2025, 9292  
shall be governed by this section as it existed prior to ~~that~~ 9293  
~~date~~ July 1, 2025. 9294

**Sec. 122.6512.** (A) (1) There is hereby created the building 9295  
demolition and site revitalization program to award grants for 9296  
the demolition of commercial and residential buildings and 9297  
revitalization of surrounding properties on sites that are not 9298  
brownfields. The program shall be administered by the director 9299  
of housing and development pursuant to this section and rules 9300  
adopted pursuant to division (A) (2) of this section. 9301

(2) The director shall adopt rules, under Chapter 119. of 9302  
the Revised Code, for the administration of the program. The 9303  
rules shall include provisions for determining project and 9304  
project sponsor eligibility, program administration, and any 9305  
other provisions the director finds necessary. 9306

(3) The director shall ensure that the program is 9307  
operational and accepting proposals for grants not later than 9308  
ninety days after September 30, 2021. 9309

(4) To streamline funding through the program, each county 9310  
shall have one lead entity designated in accordance with the 9311  
following: 9312

(a) If the county has a population of less than one 9313  
hundred thousand according to the most recent federal decennial 9314  
census, the director shall select the lead entity from a list of 9315  
recommendations made by the board of county commissioners of the 9316  
county. The board shall submit a lead entity letter of intent 9317  
and any other documentation required by the director in order 9318  
for the director to select a lead entity for that county. 9319

(b) If the county has a population of one hundred thousand 9320  
or more according to the most recent federal decennial census 9321  
and the county does not have a county land reutilization 9322  
corporation, the director shall select the lead entity from a 9323  
list of recommendations made by the board of county 9324  
commissioners of the county. The board shall submit a lead 9325  
entity letter of intent and any other documentation required by 9326  
the director in order for the director to select a lead entity 9327  
for that county. 9328

(c) If the county has a population of one hundred thousand 9329  
or more according to the most recent federal decennial census 9330  
and the county has a county land reutilization corporation, the 9331  
county land reutilization corporation is the lead entity for 9332  
that county. 9333

(5) The lead entity of each county shall submit all grant 9334  
applications for that county. The lead entity shall submit with 9335



a grant application any agreements executed between the lead 9336  
entity with other recipients that will receive grant money 9337  
through the lead entity, if applicable. Such recipients may 9338  
include local governments, nonprofit organizations, community 9339  
development corporations, regional planning commissions, county 9340  
land reutilization corporations, and community action agencies. 9341

(B) (1) There is hereby created in the state treasury the 9342  
building demolition and site revitalization fund. The fund shall 9343  
consist of moneys appropriated to it by the general assembly, 9344  
and investment earnings on moneys in the fund shall be credited 9345  
to the fund. 9346

(2) The director shall reserve funds from each 9347  
appropriation to the fund to each county in the state. The 9348  
amount reserved shall be five hundred thousand dollars per 9349  
county, or, if an appropriation is less than forty-four million 9350  
dollars, a proportionate amount to each county. Amounts reserved 9351  
pursuant to this section are reserved for one calendar year from 9352  
the date of the appropriation. After one calendar year, the 9353  
funds shall be available pursuant to division (B) (3) of this 9354  
section. 9355

(3) Funds from an appropriation not reserved under 9356  
division (B) (2) of this section shall be available for grants to 9357  
projects located anywhere in the state, and grants from those 9358  
funds shall be awarded to qualifying projects on a first-come, 9359  
first-served basis. Grants awarded pursuant to this division 9360  
shall be limited to seventy-five per cent of a project's total 9361  
cost. 9362

**Sec. 122.67.** There is hereby created in the department of 9363  
housing and development ~~services agency~~ the community services 9364  
division. The director of housing and development ~~services~~ shall 9365

employ and fix the compensation of professional and technical 9366  
unclassified personnel as necessary to carry out the provisions 9367  
of sections 122.66 to 122.701 of the Revised Code. 9368

**Sec. 122.68.** The community services division shall: 9369

(A) Administer all federal funds appropriated to the state 9370  
from the "Community Services Block Grant Act," 95 Stat. 511, 42 9371  
U.S.C.A. 9901, and comply with requirements imposed by that act 9372  
in its application for, and administration of, the funds; 9373

(B) Designate community action agencies to receive 9374  
community services block grant funds; 9375

(C) (1) Subject to division (C) (2) of this section, 9376  
disburse at least ninety-one per cent of the funds received in 9377  
the state from the "Community Services Block Grant Act" to 9378  
community action agencies that comply with the requirements of 9379  
section 122.69 of the Revised Code and migrant and seasonal farm 9380  
worker organizations that are not designated community action 9381  
agencies but which provide the services described in division 9382  
(B) (1) of section 122.69 of the Revised Code; 9383

(2) Disburse at least four and one-half per cent of the 9384  
funds received in the state from the "Community Services Block 9385  
Grant Act" to one or more nonprofit organizations to which both 9386  
of the following apply: 9387

(a) The organization or organizations were incorporated 9388  
under the laws of this state before January 1, 2015. 9389

(b) The primary purpose of the organization or 9390  
organizations is to provide training and technical assistance to 9391  
community action agencies that comply with the requirements of 9392  
section 122.69 of the Revised Code. 9393

(D) Provide technical assistance to community action 9394  
agencies to improve program planning, development, and 9395  
administration; 9396

(E) Conduct yearly performance assessments, according to 9397  
criteria determined by department of housing and development 9398  
~~services agency~~ rule, to determine whether community action 9399  
agencies are in compliance with section 122.69 of the Revised 9400  
Code; 9401

(F) Annually prepare and submit to the United States 9402  
secretary of health and human services, the governor, the 9403  
president of the Ohio senate, and the speaker of the Ohio house 9404  
of representatives, a comprehensive report that includes: 9405

(1) Certification that all community action agencies 9406  
designated to receive funds from the "Community Services Block 9407  
Grant Act" are in compliance with section 122.69 of the Revised 9408  
Code; 9409

(2) A program plan for the next federal fiscal year that 9410  
has been made available for public inspection and that details 9411  
how community services block grant funds will be disbursed and 9412  
used during that fiscal year; 9413

(3) Information detailing how funds were expended for the 9414  
current fiscal year; 9415

(4) An audit of community services block grant 9416  
expenditures for the preceding federal fiscal year that is 9417  
conducted in accordance with generally accepted accounting 9418  
principles by an independent auditing firm that has no 9419  
connection with any community action agency receiving community 9420  
services block grant funds or with any employee of the division. 9421

(G) Serve as a statewide advocate for social and economic 9422

opportunities for low-income persons. 9423

**Sec. 122.681.** (A) Except as permitted by this section, or 9424  
when required by federal law, no person or government entity 9425  
shall solicit, release, disclose, receive, use, or knowingly 9426  
permit or participate in the use of any information regarding an 9427  
individual receiving assistance pursuant to a community services 9428  
division program under sections 122.66 to 122.702 of the Revised 9429  
Code for any purpose not directly related to the administration 9430  
of a division assistance program. 9431

(B) To the extent permitted by federal law, the division, 9432  
and any entity that receives division funds to administer a 9433  
division program to assist individuals, shall release 9434  
information regarding an individual assistance recipient to the 9435  
following: 9436

(1) A government entity responsible for administering the 9437  
assistance program for purposes directly related to the 9438  
administration of the program; 9439

(2) A law enforcement agency for the purpose of any 9440  
investigation, prosecution, or criminal or civil proceeding 9441  
relating to the administration of the assistance program; 9442

(3) A government entity responsible for administering a 9443  
children's protective services program, for the purpose of 9444  
protecting children; 9445

(4) Any appropriate person in compliance with a search 9446  
warrant, subpoena, or other court order. 9447

(C) To the extent permitted by federal law and section 9448  
1347.08 of the Revised Code, the division, and any entity 9449  
administering a division program, shall provide access to 9450  
information regarding an individual assistance recipient to all 9451

of the following: 9452

(1) The individual assistance recipient; 9453

(2) The authorized representative of the individual 9454  
assistance recipient; 9455

(3) The legal guardian of the individual assistance 9456  
recipient; 9457

(4) The attorney of the individual assistance recipient. 9458

(D) To the extent permitted by federal law, the division, 9459  
and any entity administering a division program, may do either 9460  
of the following: 9461

(1) Release information about an individual assistance 9462  
recipient if the recipient gives voluntary, written 9463  
authorization; 9464

(2) Release information regarding an individual assistance 9465  
recipient to a state, federal, or federally assisted program 9466  
that provides cash or in-kind assistance or services directly to 9467  
individuals based on need. 9468

(E) The community services division, or an entity 9469  
administering a division program, shall provide, at no cost, a 9470  
copy of each written authorization to the individual who signed 9471  
it. 9472

(F) The department of housing and development ~~services-~~ 9473  
~~agency~~ may adopt rules defining who may serve as an individual 9474  
assistance recipient's authorized representative for purposes of 9475  
division (C) (2) of this section. 9476

**Sec. 122.69.** (A) Any nonprofit agency or organization 9477  
seeking designation as a community action agency by the 9478

community services division shall obtain the endorsement of the 9479  
chief elected officials of at least two-thirds of the municipal 9480  
corporations and the counties within the community to be served 9481  
by the agency or organization. 9482

(B) Any nonprofit agency or organization that receives the 9483  
endorsement provided for in division (A) of this section shall 9484  
be designated by the division as the community action agency for 9485  
the community it serves and shall receive community services 9486  
block grant funds for any period of time that the nonprofit 9487  
agency or organization: 9488

(1) Provides a range of services and opportunities having 9489  
a measurable and potentially major impact on the causes of 9490  
poverty in the community or those areas of the community where 9491  
poverty is a particularly acute problem. These activities may 9492  
include but shall not be limited to: 9493

(a) Providing activities designed to assist low-income 9494  
persons, including low-income persons who are elderly and who 9495  
have disabilities, to: 9496

(i) Secure and maintain meaningful employment, training, 9497  
work experience, and unsubsidized employment; 9498

(ii) Attain an adequate education; 9499

(iii) Make better use of available income; 9500

(iv) Obtain and maintain adequate housing and a suitable 9501  
living environment; 9502

(v) Obtain emergency assistance through loans or grants to 9503  
meet immediate and urgent individual and family needs, including 9504  
the need for health services, nutritious food, housing, and 9505  
employment-related assistance; 9506

(vi) Remove obstacles and solve personal and family 9507  
problems that block the achievement of self-sufficiency; 9508

(vii) Achieve greater participation in the affairs of the 9509  
community; 9510

(viii) Undertake family planning, consistent with personal 9511  
and family goals and religious and moral convictions; 9512

(ix) Obtain energy assistance, conservation, and 9513  
weatherization services. 9514

(b) Providing, on an emergency basis, supplies and 9515  
services, nutritious foodstuffs, and related services necessary 9516  
to counteract conditions of starvation and malnutrition among 9517  
low-income persons; 9518

(c) Coordinating and establishing links between government 9519  
and other social services programs to assure the effective 9520  
delivery of services to low-income individuals; 9521

(d) Providing child care services, nutrition and health 9522  
services, transportation services, alcoholism and narcotic 9523  
addiction prevention and rehabilitation services, youth 9524  
development services, and community services to persons who are 9525  
elderly and who have disabilities; 9526

(e) Encouraging entities in the private sector to 9527  
participate in efforts to ameliorate poverty in the community. 9528

(2) Annually submits to the division a program plan and 9529  
budget for use of community services block grant funds for the 9530  
next federal fiscal year. At least ten days prior to its 9531  
submission to the division, a copy of the program plan and 9532  
budget shall be made available to the chief elected officials of 9533  
the municipal corporations and counties within the service area 9534

in order to provide them the opportunity to review and comment 9535  
upon such plan and budget. 9536

(3) Composes its board of directors in compliance with 9537  
section (c)(3) of section 675 of the "Community Services Block 9538  
Grant Act," 95 Stat. 1609, 42 U.S.C.A. 9904, except that the 9539  
board shall consist of not less than fifteen nor more than 9540  
thirty-three members; 9541

(4) Complies with the prohibitions against discrimination 9542  
and political activity, as provided in the "Community Services 9543  
Block Grant Act"; 9544

(5) Complies with fiscal and program requirements 9545  
established by department of housing and development services— 9546  
~~agency~~ rule. 9547

**Sec. 122.70.** The board of directors of a community action 9548  
agency shall: 9549

(A) Select, appoint, and may remove the executive director 9550  
of the community action agency; 9551

(B) Approve contracts, annual program budgets, and 9552  
policies of the community action agency; 9553

(C) Advise the elected officials of any political 9554  
subdivision located within its service area, and state and 9555  
federal elected officials who represent its service area, of the 9556  
nature and extent of poverty within its community, and advise 9557  
them of any needed changes; 9558

(D) Convene public meetings to provide community members 9559  
the opportunity to comment on public policies and programs to 9560  
reduce poverty; 9561

(E) Annually evaluate the policies and programs of the 9562



community action agency according to criteria determined by 9563  
department of housing and development ~~services agency~~ rule; 9564

(F) Submit the results of the evaluation required by 9565  
division (E) of this section, along with recommendations for 9566  
improved administration of the community action agency, to the 9567  
community services division; 9568

(G) Adopt a code of ethics for the board of directors and 9569  
the employees of the community action agency; 9570

(H) Adopt written policies describing all of the 9571  
following: 9572

(1) How the community action agency is to expend and 9573  
distribute the community services block grant funds that it 9574  
receives from the division under sections 122.68 and 122.69 of 9575  
the Revised Code; 9576

(2) The salary, benefits, travel expenses, and any other 9577  
compensation that persons are to receive for serving on the 9578  
community action agency's board of directors; 9579

(3) The operating procedures to be used by the board to 9580  
conduct its meetings, to vote on all official business it 9581  
considers, and to provide notice of its meetings. 9582

(I) Provide for the posting of notices in a conspicuous 9583  
place indicating that the code of ethics described in division 9584  
(G) of this section and the policies described in division (H) 9585  
of this section are available for public inspection at the 9586  
community action agency during normal business hours. 9587

**Sec. 122.701.** (A) Prior to designating a new community 9588  
action agency or rescinding a community action agency's 9589  
designation, the community services division shall: 9590

(1) Determine whether a community action agency is in 9591  
compliance with section 122.69 of the Revised Code; 9592

(2) Consult with the chief elected officials of political 9593  
subdivisions located within a community action agency's service 9594  
area, and, in designating a new community action agency, obtain 9595  
their endorsement of the agency in accordance with division (A) 9596  
of section 122.69 of the Revised Code; 9597

(3) Hold at least one public meeting within a community 9598  
action agency's service area for the purpose of allowing 9599  
citizens to comment on the community action agency's delivery of 9600  
services; 9601

(4) Evaluate the proposed service area of the community 9602  
action agency, and, as may be necessary, modify the boundaries 9603  
of the service area so that low-income persons in the area are 9604  
adequately and efficiently served. 9605

(B) After providing notice and hearing pursuant to 9606  
sections 119.01 to 119.13 of the Revised Code, the director of 9607  
housing and development~~services~~: 9608

(1) May rescind the designation of a community action 9609  
agency after finding that the agency is not in compliance with 9610  
any or all of the provisions of section 122.69 of the Revised 9611  
Code; 9612

(2) Shall rescind the designation of a community action 9613  
agency upon notification from the chief elected officials of 9614  
more than one-half of the municipal corporations and the 9615  
counties within a community currently served by a community 9616  
action agency that such agency is not endorsed by them and after 9617  
finding that the agency is not in compliance with section 122.69 9618  
of the Revised Code. 9619

Any agency whose designation is rescinded pursuant to this 9620  
section may appeal from an order rescinding such designation 9621  
pursuant to section 119.12 of the Revised Code. 9622

**Sec. 122.71.** As used in sections 122.71 to 122.83 of the 9623  
Revised Code: 9624

(A) "Financial institution" means any banking corporation, 9625  
trust company, insurance company, savings and loan association, 9626  
building and loan association, or corporation, partnership, 9627  
federal lending agency, foundation, or other institution engaged 9628  
in lending or investing funds for industrial or business 9629  
purposes. 9630

(B) "Project" means any real or personal property 9631  
connected with or being a part of an industrial, distribution, 9632  
commercial, or research facility to be acquired, constructed, 9633  
reconstructed, enlarged, improved, furnished, or equipped, or 9634  
any combination thereof, with the aid provided under sections 9635  
122.71 to 122.83 of the Revised Code, for industrial, 9636  
commercial, distribution, and research development of the state. 9637

(C) "Mortgage" means the lien imposed on a project by a 9638  
mortgage on real property, or by financing statements on 9639  
personal property, or a combination of a mortgage and financing 9640  
statements when a project consists of both real and personal 9641  
property. 9642

(D) "Mortgagor" means the principal user of a project or 9643  
the person, corporation, partnership, or association 9644  
unconditionally guaranteeing performance by the principal user 9645  
of its obligations under the mortgage. 9646

(E) (1) "Minority business enterprise" means an individual 9647  
who is a United States citizen and owns and controls a business, 9648

or a partnership, corporation, or joint venture of any kind that 9649  
is owned and controlled by United States citizens, which citizen 9650  
or citizens are residents of this state and are members of one 9651  
of the following economically disadvantaged groups: Blacks or 9652  
African Americans, American Indians, Hispanics or Latinos, and 9653  
Asians. 9654

(2) "Owned and controlled" means that at least fifty-one 9655  
per cent of the business, including corporate stock if a 9656  
corporation, is owned by persons who belong to one or more of 9657  
the groups set forth in division (E) (1) of this section, and 9658  
that those owners have control over the management and day-to- 9659  
day operations of the business and an interest in the capital, 9660  
assets, and profits and losses of the business proportionate to 9661  
their percentage of ownership. In order to qualify as a minority 9662  
business enterprise, a business shall have been owned and 9663  
controlled by those persons at least one year prior to being 9664  
awarded a contract pursuant to this section. 9665

(F) "Community improvement corporation" means a 9666  
corporation organized under Chapter 1724. of the Revised Code. 9667

(G) "Ohio development corporation" means a corporation 9668  
organized under Chapter 1726. of the Revised Code. 9669

(H) "Minority contractors business assistance 9670  
organization" means an entity engaged in the provision of 9671  
management and technical business assistance to minority 9672  
business enterprise entrepreneurs. 9673

(I) "Minority business supplier development council" means 9674  
a nonprofit organization established as an affiliate of the 9675  
national minority supplier development council. 9676

(J) "Regional economic development entity" means an entity 9677

that is under contract with the director of housing and 9678  
development to administer a loan program under this chapter in a 9679  
particular area of the state. 9680

(K) "Community development corporation" means a 9681  
corporation organized under Chapter 1702. of the Revised Code 9682  
that consists of residents of the community and business and 9683  
civic leaders and that has as a principal purpose one or more of 9684  
the following: the revitalization and development of a low- to 9685  
moderate-income neighborhood or community; the creation of jobs 9686  
for low- to moderate-income residents; the development of 9687  
commercial facilities and services; providing training, 9688  
technical assistance, and financial assistance to small 9689  
businesses; and planning, developing, or managing low-income 9690  
housing or other community development activities. 9691

**Sec. 122.72.** (A) There is hereby created the minority 9692  
development financing advisory board to assist in carrying out 9693  
the programs created pursuant to sections 122.71 to 122.83 and 9694  
122.87 to 122.89 of the Revised Code. 9695

(B) The board shall consist of ten members. The director 9696  
of housing and development or the director's designee shall be a 9697  
voting member on the board. Seven members shall be appointed by 9698  
the governor with the advice and consent of the senate and 9699  
selected because of their knowledge of and experience in 9700  
industrial, business, and commercial financing, suretyship, 9701  
construction, and their understanding of the problems of 9702  
minority business enterprises; one member also shall be a member 9703  
of the senate and appointed by the president of the senate, and 9704  
one member also shall be a member of the house of 9705  
representatives and appointed by the speaker of the house of 9706  
representatives. With respect to the board, all of the following 9707

apply: 9708

(1) Not more than four of the members of the board 9709  
appointed by the governor shall be of the same political party. 9710

(2) Each member shall hold office from the date of the 9711  
member's appointment until the end of the term for which the 9712  
member was appointed. 9713

(3) The terms of office for the seven members appointed by 9714  
the governor shall be for seven years, commencing on the first 9715  
day of October and ending on the thirtieth day of September of 9716  
the seventh year, except that of the original seven members, 9717  
three shall be appointed for three years and two shall be 9718  
appointed for five years. 9719

(4) Any member of the board is eligible for reappointment. 9720

(5) Any member appointed to fill a vacancy occurring prior 9721  
to the expiration of the term for which the member's predecessor 9722  
was appointed shall hold office for the remainder of the 9723  
predecessor's term. 9724

(6) Any member shall continue in office subsequent to the 9725  
expiration date of the member's term until the member's 9726  
successor takes office, or until a period of sixty days has 9727  
elapsed, whichever occurs first. 9728

(7) Before entering upon official duties as a member of 9729  
the board, each member shall take an oath as provided by Section 9730  
7 of Article XV, Ohio Constitution. 9731

(8) The governor may, at any time, remove any member 9732  
appointed by the governor pursuant to section 3.04 of the 9733  
Revised Code. 9734

(9) Notwithstanding section 101.26 of the Revised Code, 9735

members shall receive their necessary and actual expenses while 9736  
engaged in the business of the board and shall be paid at the 9737  
per diem rate of step 1 of pay range 31 of section 124.15 of the 9738  
Revised Code. 9739

(10) Six members of the board constitute a quorum and the 9740  
affirmative vote of six members is necessary for any action 9741  
taken by the board. 9742

(11) In the event of the absence of a member appointed by 9743  
the president of the senate or by the speaker of the house of 9744  
representatives, either of the following persons may serve in 9745  
the member's absence: 9746

(a) The president of the senate or the speaker of the 9747  
house of representatives, whoever appointed the absent member; 9748

(b) A member of the senate or of the house of 9749  
representatives of the same political party as the absent 9750  
member, as designated by the president of the senate or the 9751  
speaker of the house of representatives, whoever appointed the 9752  
absent member. 9753

(12) The board shall annually elect one of its members as 9754  
chairperson and another as vice-chairperson. 9755

**Sec. 122.73.** (A) The minority development financing 9756  
advisory board and the director of housing and development are 9757  
invested with the powers and duties provided in sections 122.71 9758  
to 122.83 and 122.87 to 122.89 of the Revised Code, in order to 9759  
promote the welfare of the people of the state by encouraging 9760  
the establishment and expansion of minority business 9761  
enterprises; to stabilize the economy; to provide employment; to 9762  
assist in the development within the state of industrial, 9763  
commercial, distribution, and research activities required for 9764

the people of the state, and for their gainful employment; or 9765  
otherwise to create or preserve jobs and employment 9766  
opportunities, or improve the economic welfare of the people of 9767  
the state. It is hereby determined that the accomplishment of 9768  
those purposes is essential so that the people of the state may 9769  
maintain their present high standards of living in comparison 9770  
with the people of other states and so that opportunities for 9771  
employment and for favorable markets for the products of the 9772  
state's natural resources, agriculture, and manufacturing shall 9773  
be improved. It further is determined that it is necessary for 9774  
the state to establish the programs authorized under sections 9775  
122.71 to 122.83 and 122.87 to 122.89 of the Revised Code to 9776  
establish the minority development financing advisory board, and 9777  
to invest it and the director of housing and development with 9778  
the powers and duties provided in those sections. 9779

(B) The minority development financing advisory board 9780  
shall do all of the following: 9781

(1) Make recommendations to the director as to 9782  
applications for assistance pursuant to sections 122.71 to 9783  
122.83 and 122.87 to 122.89 of the Revised Code. The board may 9784  
revise its recommendations to reflect any changes in the 9785  
proposed assistance made by the director. 9786

(2) Advise the director in the administration of sections 9787  
122.71 to 122.83 and 122.87 to 122.89 of the Revised Code. 9788

(3) Adopt bylaws to govern the conduct of the business of 9789  
the board. 9790

**Sec. 122.74.** (A) (1) The director of housing and 9791  
development shall do all of the following: 9792

(a) Receive applications for assistance under sections 9793



122.71 to 122.83 and 122.87 to 122.89 of the Revised Code and 9794  
applications from surety companies for bond guarantees under 9795  
section 122.90 of the Revised Code, and, after processing but 9796  
subject to division (A) (2) of this section, forward them to the 9797  
minority development financing advisory board together with 9798  
necessary supporting information; 9799

(b) Receive the recommendations of the board and make a 9800  
final determination whether to approve the application for 9801  
assistance; 9802

(c) Receive recommendations from a regional economic 9803  
development entity for loans made under section 122.76 of the 9804  
Revised Code and make a final determination, notwithstanding 9805  
divisions (A) (1) and (2) of this section, whether to approve the 9806  
proposed loan; 9807

(d) Transmit the director's determinations to approve 9808  
assistance to the controlling board unless such assistance falls 9809  
under section 122.90 of the Revised Code and has been previously 9810  
approved by the controlling board, together with any information 9811  
the controlling board requires for its review and decision as to 9812  
whether to approve the assistance. 9813

(2) The director is not required to submit any 9814  
determination, data, terms, or any other application materials 9815  
or information to the minority development financing advisory 9816  
board when provision of the assistance has been recommended to 9817  
the director by a regional economic development entity or when 9818  
an application for a surety company for bond guarantees under 9819  
section 122.90 of the Revised Code has been previously approved 9820  
by the controlling board. 9821

(B) The director may do all of the following: 9822

(1) Fix the rate of interest and charges to be made upon 9823  
or with respect to moneys loaned or guaranteed by the director 9824  
and the terms upon which mortgages and lease rentals may be 9825  
guaranteed and the rates of charges to be made for them and make 9826  
provisions for the operation of the funds established by the 9827  
director in accordance with this section and sections 122.80, 9828  
122.88, and 122.90 of the Revised Code; 9829

(2) Loan and guarantee moneys from the fund established in 9830  
accordance with section 122.80 of the Revised Code pursuant to 9831  
and in compliance with sections 122.71 to 122.83 and 122.87 to 9832  
122.90 of the Revised Code. 9833

(3) Acquire in the name of the director any property of 9834  
any kind or character in accordance with sections 122.71 to 9835  
122.83 and 122.87 to 122.90 of the Revised Code, by purchase, 9836  
purchase at foreclosure, or exchange on such terms and in such 9837  
manner as the director considers proper; 9838

(4) Make and enter into all contracts and agreements 9839  
necessary or incidental to the performance of the director's 9840  
duties and the exercise of the director's powers under sections 9841  
122.71 to 122.83 and 122.87 to 122.90 of the Revised Code; 9842

(5) Maintain, protect, repair, improve, and insure any 9843  
property that the director has acquired and dispose of it by 9844  
sale, exchange, or lease for the consideration and on the terms 9845  
and in the manner as the director considers proper, but the 9846  
director shall not operate any such property as a business 9847  
except as the lessor of it; 9848

(6) (a) When the cost of any contract for the maintenance, 9849  
protection, repair, or improvement of any property held by the 9850  
director, other than compensation for personal services, 9851

involves an expenditure of more than fifty thousand dollars, the 9852  
director shall make a written contract with the lowest 9853  
responsive and responsible bidder in accordance with section 9854  
9.312 of the Revised Code after advertisement for not less than 9855  
two consecutive weeks in a newspaper of general circulation in 9856  
the county where such contract, or some substantial part of it, 9857  
is to be performed, and in such other publications as the 9858  
director determines, which notice shall state the general 9859  
character of the work and the general character of the materials 9860  
to be furnished, the place where plans and specifications 9861  
therefor may be examined, and the time and place of receiving 9862  
bids. 9863

(b) Each bid for a contract for the construction, 9864  
demolition, alteration, repair, or reconstruction of an 9865  
improvement shall contain the full name of every person 9866  
interested in it and meet the requirements of section 153.54 of 9867  
the Revised Code. 9868

(c) Each bid for a contract, except as provided in 9869  
division (B) (6) (b) of this section, shall contain the full name 9870  
of every person interested in it and shall be accompanied by 9871  
bond or certified check on a solvent bank, in such amount as the 9872  
director considers sufficient, that if the bid is accepted a 9873  
contract will be entered into and the performance of the 9874  
proposal secured. 9875

(d) The director may reject any and all bids. 9876

(e) A bond with good and sufficient surety, approved by 9877  
the director, shall be required of every contractor awarded a 9878  
contract except as provided in division (B) (6) (b) of this 9879  
section, in an amount equal to at least fifty per cent of the 9880  
contract price, conditioned upon faithful performance of the 9881

contract. 9882

(7) Employ or contract with financial consultants, 9883  
appraisers, consulting engineers, superintendents, managers, 9884  
construction and accounting experts, attorneys, and other 9885  
employees and agents as are necessary in the director's judgment 9886  
and fix their compensation; 9887

(8) Receive and accept grants, gifts, and contributions of 9888  
money, property, labor, and other things of value to be held, 9889  
used, and applied only for the purpose for which the grants, 9890  
gifts, and contributions are made, from individuals, private and 9891  
public corporations, from the United States or any agency 9892  
thereof, from the state or any agency thereof, and from any 9893  
political subdivision of the state, and may agree to repay any 9894  
contribution of money or to return any property contributed or 9895  
the value thereof at such times, in amounts, and on terms and 9896  
conditions, excluding the payment of interest, as the director 9897  
determines at the time the contribution is made, and may 9898  
evidence the obligations by notes, bonds, or other written 9899  
instruments; 9900

(9) Establish with the treasurer of state the funds 9901  
provided in sections 122.80 and 122.88 of the Revised Code in 9902  
addition to such funds as the director determines are necessary 9903  
or proper; 9904

(10) Adopt rules under Chapter 119. of the Revised Code 9905  
necessary to implement sections 122.71 to 122.83 and 122.87 to 9906  
122.90 of the Revised Code. 9907

(11) Do all acts and things necessary or proper to carry 9908  
out the powers expressly granted and the duties imposed in 9909  
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 9910

Code. 9911

(C) (1) All expenses and obligations incurred by the 9912  
director in carrying out the director's powers and in exercising 9913  
the director's duties under sections 122.71 to 122.83 and 122.87 9914  
to 122.90 of the Revised Code shall be payable solely from 9915  
revenues or other receipts or income of the director, from 9916  
grants, gifts, and contributions, or funds established in 9917  
accordance with such sections. Such sections do not authorize 9918  
the director to incur indebtedness or to impose liability on the 9919  
state or any political subdivision of the state. 9920

(2) Financial statements and other data submitted to the 9921  
director by any corporation, partnership, or person in 9922  
connection with financial assistance provided under sections 9923  
122.71 to 122.83 and 122.87 to 122.90 of the Revised Code, or 9924  
any information taken from such statements or data for any 9925  
purpose, shall not be open to public inspection. 9926

**Sec. 122.75.** The director of housing and development 9927  
shall, for the minority business development loan program, the 9928  
minority business bonding program, and the minority business 9929  
bond guarantee program under sections 122.87 to 122.90 of the 9930  
Revised Code, do all of the following: 9931

(A) Hire employees, consultants, and agents and fix their 9932  
compensation; 9933

(B) Adopt bylaws and rules for the regulation of the 9934  
business of the minority development financing advisory board; 9935

(C) Receive and accept grants, gifts, and contributions of 9936  
money, property, labor, and other things of value, to be held, 9937  
used, and applied only for the purpose for which the grants, 9938  
gifts, and contributions are made, from individuals, private and 9939

public corporations, the United States or any agency of the 9940  
United States, the state or any agency of the state, and any 9941  
political subdivision of the state. The director may agree to 9942  
repay any contribution of money or to return any property 9943  
contributed or its value at such times, in amounts, and on terms 9944  
and conditions, excluding the payment of interest, as the 9945  
director determines at the time the contribution is made. The 9946  
director may evidence the obligations by written contracts, 9947  
subject to section 122.76 of the Revised Code; provided, that 9948  
the director shall not thereby incur indebtedness of or impose 9949  
liability upon the state or any political subdivision. 9950

(D) Establish funds with the treasurer of state in 9951  
addition to the minority business bonding fund created under 9952  
section 122.88 of the Revised Code; 9953

(E) Invest money in the funds the director establishes 9954  
pursuant to division (D) of this section that is in excess of 9955  
current needs, in notes, bonds, or other obligations that are 9956  
direct obligations of or are guaranteed by the United States, or 9957  
in certificates of deposit or withdrawable accounts of banks, 9958  
trust companies, or savings and loan associations organized 9959  
under the laws of this state or the United States, and may 9960  
credit the income or sell the investments at the director's 9961  
discretion; 9962

(F) Acquire any property of any kind or character in 9963  
accordance with sections 122.71 to 122.83 of the Revised Code, 9964  
by purchase, purchase at foreclosure, or exchange on terms and 9965  
in a manner the director considers proper; 9966

(G) (1) Maintain, protect, repair, improve, and insure any 9967  
property the director has acquired and dispose of it by sale, 9968  
exchange, or lease for the consideration and on terms and in a 9969

manner the director considers proper. The director may not 9970  
operate any property as a business except as a lessor of the 9971  
property. When the cost of any contract for the maintenance, 9972  
protection, repair, or improvement of any property of the 9973  
advisory board connected with the minority business development 9974  
loan program, other than compensation for personal services, 9975  
involves an expenditure of more than one thousand dollars, the 9976  
director shall enter into a written contract with the lowest and 9977  
best bidder after advertisement for not less than four 9978  
consecutive weeks in a newspaper of general circulation in the 9979  
county where the contract, or some substantial part of it, is to 9980  
be performed, and in other publications as the director 9981  
determines. The notice shall state the general character of the 9982  
work and the general character of the materials to be furnished, 9983  
the place where plans and specifications for the work and 9984  
materials may be examined, and the time and place of receiving 9985  
bids. 9986

(2) Each bid for a contract for the construction, 9987  
demolition, alteration, repair, or reconstruction of an 9988  
improvement shall contain the full name of every person 9989  
interested in it and meet the requirements of section 153.54 of 9990  
the Revised Code. 9991

(3) Each bid for a contract, except as provided in 9992  
division (G)(2) of this section, shall contain the full name of 9993  
every person interested in it and shall be accompanied by a bond 9994  
or certified check on a solvent bank, in the amount of ten per 9995  
cent of the bid, that if the bid is accepted a contract will be 9996  
entered into and the performance of its proposal secured. The 9997  
director may reject any or all bids. A bond with good and 9998  
sufficient surety, approved by the director, shall be required 9999  
of all contractors in an amount equal to at least one hundred 10000

per cent of the contract price, conditioned upon faithful 10001  
performance of the contract. 10002

(H) Expend money appropriated to the department of housing 10003  
and development by the general assembly for the purposes of 10004  
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 10005  
Code; 10006

(I) Do all acts and things necessary or proper to carry 10007  
out the powers expressly granted and the duties imposed in 10008  
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 10009  
Code. 10010

**Sec. 122.76.** (A) The director of housing and development, 10011  
with controlling board approval, may lend funds to minority 10012  
business enterprises and to community improvement corporations, 10013  
Ohio development corporations, minority contractors business 10014  
assistance organizations, and minority business supplier 10015  
development councils for the purpose of loaning funds to 10016  
minority business enterprises, for the purpose of procuring or 10017  
improving real or personal property, or both, for the 10018  
establishment, location, or expansion of industrial, 10019  
distribution, commercial, or research facilities in the state, 10020  
and for the purpose of contract financing, and to community 10021  
development corporations that predominantly benefit minority 10022  
business enterprises or are located in a census tract that has a 10023  
population that is sixty per cent or more minority, if the 10024  
director determines, in the director's sole discretion, that all 10025  
of the following apply: 10026

(1) The project is economically sound and will benefit the 10027  
people of the state by increasing opportunities for employment, 10028  
by strengthening the economy of the state, or expanding minority 10029  
business enterprises. 10030



(2) The proposed minority business enterprise borrower is 10031  
unable to finance the proposed project through ordinary 10032  
financial channels at comparable terms. 10033

(3) The value of the project is or, upon completion, will 10034  
be at least equal to the total amount of the money expended in 10035  
the procurement or improvement of the project. 10036

(4) The amount to be loaned by the director will not 10037  
exceed seventy-five per cent of the total amount expended in the 10038  
procurement or improvement of the project. 10039

(5) The amount to be loaned by the director will be 10040  
adequately secured by a first or second mortgage upon the 10041  
project or by mortgages, leases, liens, assignments, or pledges 10042  
on or of other property or contracts as the director requires, 10043  
and such mortgage will not be subordinate to any other liens or 10044  
mortgages except the liens securing loans or investments made by 10045  
financial institutions referred to in division (A) (3) of this 10046  
section, and the liens securing loans previously made by any 10047  
financial institution in connection with the procurement or 10048  
expansion of all or part of a project. 10049

(B) Any proposed minority business enterprise borrower 10050  
submitting an application for assistance under this section 10051  
shall not have defaulted on a previous loan from the director, 10052  
and no full or limited partner, major shareholder, or holder of 10053  
an equity interest of the proposed minority business enterprise 10054  
borrower shall have defaulted on a loan from the director. 10055

(C) The proposed minority business enterprise borrower 10056  
shall demonstrate to the satisfaction of the director that it is 10057  
able to successfully compete in the private sector if it obtains 10058  
the necessary financial, technical, or managerial support and 10059

that support is available through the director, the minority 10060  
business development division of the department of housing and 10061  
development, or other identified and acceptable sources. In 10062  
determining whether a minority business enterprise borrower will 10063  
be able to successfully compete, the director may give 10064  
consideration to such factors as the successful completion of or 10065  
participation in courses of study, recognized by the department 10066  
of higher education as providing financial, technical, or 10067  
managerial skills related to the operation of the business, by 10068  
the economically disadvantaged individual, owner, or partner, 10069  
and the prior success of the individual, owner, or partner in 10070  
personal, career, or business activities, as well as to other 10071  
factors identified by the director. 10072

(D) The director shall not lend funds for the purpose of 10073  
procuring or improving motor vehicles or accounts receivable. 10074

**Sec. 122.77.** (A) The director of housing and development 10075  
with controlling board approval may make loan guarantees to 10076  
small businesses and corporations for the purpose of 10077  
guaranteeing loans made to small businesses by financial 10078  
institutions for the purpose of procuring or improving real or 10079  
personal property, or both, for the establishment, location, or 10080  
expansion of industrial, distribution, commercial, or research 10081  
facilities in the state, if the director determines, in the 10082  
director's sole discretion, that all of the following apply: 10083

(1) The project is economically sound and will benefit the 10084  
people of the state by increasing opportunities for employment, 10085  
by strengthening the economy of the state, or expanding minority 10086  
business enterprises. 10087

(2) The proposed small business borrower is unable to 10088  
finance the proposed project through ordinary financial channels 10089

at comparable terms. 10090

(3) The value of the project is, or upon completion of it 10091  
will be, at least equal to the total amount of the money 10092  
expended in the procurement or improvement of the project and of 10093  
which amount one or more financial institutions or other 10094  
governmental entities have loaned not less than thirty per cent. 10095

(4) The amount to be guaranteed by the director will not 10096  
exceed eighty per cent of the total amount expended in the 10097  
procurement or improvement of the project. 10098

(5) The amount to be guaranteed by the director will be 10099  
adequately secured by a first or second mortgage upon the 10100  
project, or by mortgages, leases, liens, assignments, or pledges 10101  
on or of other property or contracts as the director shall 10102  
require and that such mortgage will not be subordinate to any 10103  
other liens or mortgages except the liens securing loans or 10104  
investments made by financial institutions referred to in 10105  
division (A) (3) of this section, and the liens securing loans 10106  
previously made by any financial institution in connection with 10107  
the procurement or expansion of all or part of a project. 10108

(B) The proposed small business borrower shall not have 10109  
defaulted on a previous loan or guarantee from the director, and 10110  
no full or limited partner, or major shareholder, or holder of 10111  
any equity interest of the proposed minority business enterprise 10112  
borrower shall have defaulted on a loan or guarantee from the 10113  
director. 10114

(C) The proposed small business borrower shall demonstrate 10115  
to the satisfaction of the director that it is able to 10116  
successfully compete in the private sector if it obtains the 10117  
necessary financial, technical, or managerial support and that 10118

support is available through the director, the minority business 10119  
development division of the department of housing and 10120  
development, or other identified and acceptable sources. In 10121  
determining whether a small business borrower will be able to 10122  
successfully compete, the director may give consideration to 10123  
such factors as the successful completion of or participation in 10124  
courses of study, recognized by the department of higher 10125  
education as providing financial, technical, or managerial 10126  
skills related to the operation of the business, by the 10127  
economically disadvantaged individual, owner, or partner, and 10128  
the prior success of the individual, owner, or partner in 10129  
personal, career, or business activities, as well as to other 10130  
factors identified by the director. 10131

(D) The director shall not guarantee funds for the purpose 10132  
of procuring or improving motor vehicles or accounts receivable. 10133

**Sec. 122.78.** Fees, charges, rates of interest, times of 10134  
payment of interest and principal, and other terms, conditions, 10135  
and provisions of the loans and guarantees made by the director 10136  
of housing and development pursuant to sections 122.71 to 122.83 10137  
and 122.87 to 122.90 of the Revised Code shall be such as the 10138  
director determines to be appropriate and in furtherance of the 10139  
purpose for which the loans and guarantees are made, but the 10140  
mortgage lien securing any money loaned or guaranteed by the 10141  
director may be subordinate to the mortgage lien securing any 10142  
money loaned or invested by a financial institution, but shall 10143  
be superior to that securing any money loaned or expended by any 10144  
other corporation or person. The funds used in making these 10145  
loans or guarantees shall be disbursed upon order of the 10146  
director. 10147

**Sec. 122.79.** The exercise of the powers granted by 10148

sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 10149  
Code, will be in all respects for the benefit of the people of 10150  
the state, for the increase of their commerce and prosperity, 10151  
for the increase and expansion of minority business enterprises, 10152  
and for the improvement of conditions of employment, and will 10153  
constitute the performance of essential governmental functions; 10154  
therefore, the director of housing and development shall not be 10155  
required to pay any taxes upon any property or assets held by 10156  
the director, or upon any property acquired or used by the 10157  
director under sections 122.71 to 122.83 and 122.87 to 122.90 of 10158  
the Revised Code, or upon the income from it, provided that this 10159  
exemption shall not apply to any property held by the director 10160  
while it is in the possession of a private person, partnership, 10161  
or corporation and used for private purposes for profit, in 10162  
which case such tax liability shall accrue to the private 10163  
person, partnership, or corporation. 10164

**Sec. 122.80.** There is hereby created in the state treasury 10165  
the minority business enterprise loan fund. The fund shall 10166  
consist of money deposited into the fund from the facilities 10167  
establishment fund pursuant to section 166.03 of the Revised 10168  
Code and all money deposited into the fund pursuant to section 10169  
122.81 of the Revised Code. The director of housing and 10170  
development shall use the fund to pay operating costs of the 10171  
minority development financing advisory board, make loans to 10172  
minority business enterprises as authorized in division (A) of 10173  
section 122.76 of the Revised Code, loan guarantees to small 10174  
businesses as authorized in division (A) of section 122.77 of 10175  
the Revised Code, and for transfer to the capital access loan 10176  
program fund established in section 122.601 of the Revised Code 10177  
to be used solely for minority business enterprises or minority 10178  
businesses certified by the minority business supplier 10179

development council for deposits specified by division (D) (1) (b) 10180  
of section 122.603 of the Revised Code. 10181

**Sec. 122.81.** In the event of a default with respect to any 10182  
loan, guarantee, or lease, the director of housing and 10183  
development shall take such action as ~~he~~ the director considers 10184  
proper in the circumstances to enforce and protect the rights of 10185  
the director, and such actions as may be required, which may 10186  
include any appropriate action at law or in equity, enforcement 10187  
or waiver of any provision of any mortgage or security agreement 10188  
or lease, or reinstatement of any forfeited or canceled right, 10189  
title, or privilege. 10190

Any moneys received from the repayment of a loan, 10191  
guarantee, or lease authorized pursuant to sections 122.77 and 10192  
122.78 of the Revised Code, and any moneys recovered in the 10193  
event of a default with respect to any such loan, guarantee, or 10194  
lease, shall immediately be deposited in the minority business 10195  
enterprise loan fund. 10196

**Sec. 122.82.** All moneys, funds, properties, and assets 10197  
acquired by the director of housing and development shall be 10198  
held by the director in trust to carry out the director's powers 10199  
and duties, shall be used as provided in sections 122.71 to 10200  
122.83 and 122.87 to 122.90 of the Revised Code, and shall at no 10201  
time be part of other public funds. 10202

**Sec. 122.84.** (A) As used in this section: 10203

(1) "Ohio qualified opportunity fund" means a qualified 10204  
opportunity fund that holds one hundred per cent of its invested 10205  
assets in qualified opportunity zone property situated in an 10206  
Ohio opportunity zone. 10207

In the case of qualified opportunity zone property that is 10208

qualified opportunity zone stock or qualified opportunity zone 10209  
partnership interest, the stock or interest is situated in an 10210  
Ohio opportunity zone only if, during all of the qualified 10211  
opportunity fund's holding period for such stock or interest, 10212  
all of the use of the corporation's or partnership's tangible 10213  
property was in an Ohio opportunity zone. In the case of 10214  
qualified opportunity zone property that is qualified 10215  
opportunity zone business property, the property is situated in 10216  
an Ohio opportunity zone only if, during all of the fund's 10217  
holding period for such property, all of the use of the property 10218  
was in an Ohio opportunity zone. 10219

All terms used in division (A) of this section have the 10220  
same meaning as in 26 U.S.C. 1400Z-2, except that "all" shall be 10221  
substituted for "substantially all" wherever "substantially all" 10222  
appears in the definition of those terms or in the definition of 10223  
terms used in those terms. 10224

(2) "Ohio opportunity zone" means a qualified opportunity 10225  
zone designated in this state under 26 U.S.C. 1400Z-1 before, 10226  
on, or after October 17, 2019, the effective date of the 10227  
enactment of this section by H.B. 166 of the 133rd general 10228  
assembly. 10229

(3) "Business day" means a day of the week excluding 10230  
Saturday, Sunday, and a legal holiday as defined under section 10231  
1.14 of the Revised Code. 10232

(4) "Investment period" means the six-month period from 10233  
the first day of January to the thirtieth day of June, or from 10234  
the first day of July to the thirty-first day of December. 10235

(B) A person that invests in one or more Ohio qualified 10236  
opportunity funds may apply to the director of housing and 10237

development for a nonrefundable credit against the tax levied 10238  
under section 5725.18, 5726.02, 5729.03, or 5747.02 of the 10239  
Revised Code. The application shall be made on forms prescribed 10240  
by the director. The director shall accept and review 10241  
applications submitted under this section during two annual 10242  
periods, the first of which begins on the tenth day of January 10243  
and ends after the first day of February, and the second of 10244  
which begins on the tenth day of July and ends after the first 10245  
day of August. If any of those dates fall on a day that is not a 10246  
business day, then the application period begins on or ends 10247  
after the next business day, as applicable. The credit shall 10248  
equal ten per cent of the amount of the person's investment in 10249  
the fund that the fund invested during the immediately preceding 10250  
investment period in projects located in Ohio opportunity zones. 10251

The person shall include the following information with 10252  
the person's application: 10253

(1) The amount of the person's investment in Ohio 10254  
qualified opportunity funds, arranged according to the amount 10255  
invested in each such fund if the person invested in more than 10256  
one such fund; 10257

(2) A statement from an employee or officer of each Ohio 10258  
qualified opportunity fund identified by the person under 10259  
division (B)(1) of this section certifying the amount of the 10260  
person's investment in the fund and the amount of that 10261  
investment the fund invested in projects located in Ohio 10262  
opportunity zones during the immediately preceding investment 10263  
period. The statement shall describe each project funded by the 10264  
investment and state each project's location and the portion of 10265  
the person's investment invested in each such project. Unless 10266  
the fund demonstrates otherwise to the director's satisfaction, 10267



the amount of a person's investment that the fund invested in a 10268  
project located in an Ohio opportunity zone equals the same 10269  
proportion of the amount of the fund's investment in the project 10270  
as the person's investment in the fund bears to the total 10271  
investment by all investors in that fund on the date the fund 10272  
makes the investment in the project. 10273

The director shall review and process applications in the 10274  
order in which applications are received. 10275

(C) (1) Subject to division (C) (2) of this section, if the 10276  
director determines that the applicant qualifies for a credit 10277  
under this section, the director shall issue, within sixty days 10278  
after the last day on which an application may be submitted for 10279  
that application period, a tax credit certificate to the person 10280  
identified with a unique number and listing the amount of credit 10281  
the director determines is eligible to be claimed or 10282  
transferred. 10283

(2) The total amount of tax credits issued by the director 10284  
shall not exceed: 10285

(a) Seventy-five million dollars for the fiscal biennium 10286  
beginning July 1, 2021, and ending June 30, 2023; 10287

(b) Fifty million dollars for fiscal year 2024; 10288

(c) Twenty-five million dollars for each fiscal year 10289  
thereafter. 10290

The director shall not issue certificates to a single 10291  
applicant in any fiscal biennium in an amount that exceeds two 10292  
million dollars. 10293

The director may not issue a certificate under this 10294  
section on the basis of any investment for which a small 10295

business investment certificate has been issued under section 10296  
122.86 of the Revised Code. 10297

(3) The credit may be claimed by a person under section 10298  
5725.38, 5726.61, 5729.21, or 5747.86 of the Revised Code, as 10299  
applicable. A person that is not subject to taxation under 10300  
section 5725.18, 5726.02, 5729.03, or 5747.02 of the Revised 10301  
Code shall not claim the credit but if the person is the 10302  
applicant to which the certificate was initially issued, the 10303  
person may transfer the right to claim the credit under division 10304  
(D) of this section. 10305

(D) A taxpayer claiming a credit under this section shall 10306  
submit a copy of the certificate with the taxpayer's return or 10307  
report. 10308

(E) A person that holds a wholly or partially unclaimed 10309  
certificate issued under this section may transfer the right to 10310  
claim all or part of the remaining credit to any other person. 10311  
To effectuate the transfer, the transferor must notify the tax 10312  
commissioner, in writing, that the transferor is transferring 10313  
the right to claim all or part of the remaining credit stated on 10314  
the certificate. The transferor shall identify in that 10315  
notification the certificate's number, the name and the tax 10316  
identification number of the transferee, the amount of remaining 10317  
credit transferred to the transferee, and, if applicable, the 10318  
amount of remaining credit retained by the transferor. The 10319  
transferee may claim the amount of credit received under this 10320  
division pursuant to and in the manner required under divisions 10321  
(C) (3) and (D) of this section. Transferring a credit under this 10322  
division does not extend the taxable year or calendar year for 10323  
which the credit may be claimed or number of years for which the 10324  
unclaimed credit amount may be carried forward under section 10325

5725.38, 5726.61, 5729.21, or 5747.86 of the Revised Code, as 10326  
applicable. 10327

Any person to which a credit has been transferred under 10328  
this division may transfer the right to claim all or part of the 10329  
transferred credit amount to any other person, in the same 10330  
manner prescribed by this division for the initial transfer, 10331  
including that any such transfer be reported by the transferor 10332  
to the tax commissioner as described in this division. 10333

(F) On or before the first day of August each year, the 10334  
director of housing and development shall submit a report to the 10335  
governor, the president and minority leader of the senate, and 10336  
the speaker and minority leader of the house of representatives 10337  
on the tax credit program authorized under this section. The 10338  
report shall include the following information: 10339

(1) The number of projects funded by investments for which 10340  
a tax credit application was submitted under this section during 10341  
the preceding year, the Ohio opportunity zone in which each such 10342  
project is located, the number of projects funded by investments 10343  
for which certificates were allocated during the preceding year, 10344  
a description of each such project, and the composition of an 10345  
Ohio qualified opportunity fund's investments in each project 10346  
funded by investments for which a tax credit application was 10347  
submitted under this section; 10348

(2) The number of persons that invested in an Ohio 10349  
qualified opportunity fund and applied for a tax credit based on 10350  
the fund's investment in a project during the preceding year, 10351  
the name of the fund in which each such investment was made, the 10352  
number of persons allocated a credit for such investments under 10353  
this section, and the dollar amount of those credits; 10354

(3) A map that shows the location of each Ohio opportunity zone and that indicates which zones include existing or pending projects that are, or will be, funded by tax credit-eligible investments.

**Sec. 122.85.** (A) As used in this section and in sections 5726.55, 5733.59, 5747.66, and 5751.54 of the Revised Code:

(1) "Tax credit-eligible production" means a motion picture or Broadway theatrical production certified by the director of housing and development under division (B) of this section as qualifying the production company for a tax credit under section 5726.55, 5733.59, 5747.66, or 5751.54 of the Revised Code.

(2) "Certificate owner" means a production company to which a tax credit certificate is issued.

(3) "Production company" means an individual, corporation, partnership, limited liability company, or other form of business association that is registered with the secretary of state and that is producing a motion picture or Broadway theatrical production.

(4) "Eligible expenditures" means expenditures made after June 30, 2009, for goods or services purchased and consumed in this state by a production company directly for the production of a tax credit-eligible production, for postproduction activities, or for advertising and promotion of the production.

"Eligible expenditures" do not include qualified expenditures for which a production company receives a tax credit under section 122.852 of the Revised Code.

"Eligible expenditures" include expenditures for cast and crew wages, accommodations, costs of set construction and

operations, editing and related services, photography, sound 10384  
synchronization, lighting, wardrobe, makeup and accessories, 10385  
film processing, transfer, sound mixing, special and visual 10386  
effects, music, location fees, and the purchase or rental of 10387  
facilities and equipment. 10388

(5) "Motion picture" means entertainment content created 10389  
in whole or in part within this state for distribution or 10390  
exhibition to the general public, including, but not limited to, 10391  
feature-length films; documentaries; long-form, specials, 10392  
miniseries, series, and interstitial television programming; 10393  
interactive web sites; sound recordings; videos; music videos; 10394  
interactive television; interactive games; video games; 10395  
commercials; any format of digital media; and any trailer, 10396  
pilot, video teaser, or demo created primarily to stimulate the 10397  
sale, marketing, promotion, or exploitation of future investment 10398  
in either a product or a motion picture by any means and media 10399  
in any digital media format, film, or videotape, provided the 10400  
motion picture qualifies as a motion picture. "Motion picture" 10401  
does not include any television program created primarily as 10402  
news, weather, or financial market reports, a production 10403  
featuring current events or sporting events, an awards show or 10404  
other gala event, a production whose sole purpose is 10405  
fundraising, a long-form production that primarily markets a 10406  
product or service or in-house corporate advertising or other 10407  
similar productions, a production for purposes of political 10408  
advocacy, or any production for which records are required to be 10409  
maintained under 18 U.S.C. 2257 with respect to sexually 10410  
explicit content. 10411

(6) "Broadway theatrical production" means a prebroadway 10412  
production, long run production, or tour launch that is 10413  
directed, managed, and performed by a professional cast and crew 10414

and that is directly associated with New York city's broadway 10415  
theater district. 10416

(7) "Prebroadway production" means a live stage production 10417  
that is scheduled for presentation in New York city's broadway 10418  
theater district after the original or adaptive version is 10419  
performed in a qualified production facility. 10420

(8) "Long run production" means a live stage production 10421  
that is scheduled to be performed at a qualified production 10422  
facility for more than five weeks, with an average of at least 10423  
six performances per week. 10424

(9) "Tour launch" means a live stage production for which 10425  
the activities comprising the technical period are conducted at 10426  
a qualified production facility before a tour of the original or 10427  
adaptive version of the production begins. 10428

(10) "Qualified production facility" means a facility 10429  
located in this state that is used in the development or 10430  
presentation to the public of theater productions. 10431

(B) For the purpose of encouraging and developing strong 10432  
film and theater industries in this state, the director of 10433  
housing and development may certify a motion picture or broadway 10434  
theatrical production produced by a production company as a tax 10435  
credit-eligible production. In the case of a television series, 10436  
the director may certify the production of each episode of the 10437  
series as a separate tax credit-eligible production. A 10438  
production company shall apply for certification of a motion 10439  
picture or broadway theatrical production as a tax credit- 10440  
eligible production on a form and in the manner prescribed by 10441  
the director. Each application shall include the following 10442  
information: 10443

(1) The name and telephone number of the production	10444
company;	10445
(2) The name and telephone number of the company's contact	10446
person;	10447
(3) A list of the first preproduction date through the	10448
last production and postproduction dates in Ohio and, in the	10449
case of a Broadway theatrical production, a list of each	10450
scheduled performance in a qualified production facility;	10451
(4) The Ohio production office or qualified production	10452
facility address and telephone number;	10453
(5) The total production budget;	10454
(6) The total budgeted eligible expenditures and the	10455
percentage that amount is of the total production budget of the	10456
motion picture or Broadway theatrical production;	10457
(7) In the case of a motion picture, the total percentage	10458
of the production being shot in Ohio;	10459
(8) The level of employment of cast and crew who reside in	10460
Ohio;	10461
(9) A synopsis of the script;	10462
(10) In the case of a motion picture, the shooting script;	10463
(11) A creative elements list that includes the names of	10464
the principal cast and crew and the producer and director;	10465
(12) Documentation of financial ability to undertake and	10466
complete the motion picture or Broadway theatrical production,	10467
including documentation that shows that the company has secured	10468
funding equal to at least fifty per cent of the total production	10469
budget;	10470

(13) Estimated value of the tax credit based upon total 10471  
budgeted eligible expenditures; 10472

(14) Estimated amount of state and local taxes to be 10473  
generated in this state from the production; 10474

(15) Estimated economic impact of the production in this 10475  
state; 10476

(16) Any other information considered necessary by the 10477  
director. 10478

Within ninety days after certification of a motion picture 10479  
or Broadway theatrical production as a tax credit-eligible 10480  
production, and any time thereafter upon the request of the 10481  
director, the production company shall present to the director 10482  
sufficient evidence of reviewable progress. If the production 10483  
company fails to present sufficient evidence, the director may 10484  
rescind the certification. If the production of a motion picture 10485  
or Broadway theatrical production does not begin within ninety 10486  
days after the date it is certified as a tax credit-eligible 10487  
production, the director shall rescind the certification unless 10488  
the director finds that the production company shows good cause 10489  
for the delay, meaning that the production was delayed due to 10490  
unforeseeable circumstances beyond the production company's 10491  
control or due to action or inaction by a government agency. 10492  
Upon rescission, the director shall notify the applicant that 10493  
the certification has been rescinded. Nothing in this section 10494  
prohibits an applicant whose tax credit-eligible production 10495  
certification has been rescinded from submitting a subsequent 10496  
application for certification. 10497

(C) (1) A production company whose motion picture or 10498  
Broadway theatrical production has been certified as a tax 10499



credit-eligible production may apply to the director of housing 10500  
and development on or after July 1, 2009, for a refundable 10501  
credit against the tax imposed by section 5726.02, 5733.06, 10502  
5747.02, or 5751.02 of the Revised Code. The director in 10503  
consultation with the tax commissioner shall prescribe the form 10504  
and manner of the application and the information or 10505  
documentation required to be submitted with the application. 10506

The credit is determined as follows: 10507

(a) If the total budgeted eligible expenditures stated in 10508  
the application submitted under division (B) of this section or 10509  
the actual eligible expenditures as finally determined under 10510  
division (D) of this section, whichever is least, is less than 10511  
or equal to three hundred thousand dollars, no credit is 10512  
allowed; 10513

(b) If the total budgeted eligible expenditures stated in 10514  
the application submitted under division (B) of this section or 10515  
the actual eligible expenditures as finally determined under 10516  
division (D) of this section, whichever is least, is greater 10517  
than three hundred thousand dollars, the credit equals thirty 10518  
per cent of the least of such budgeted or actual eligible 10519  
expenditure amounts. 10520

(2) Except as provided in division (C) (4) of this section, 10521  
if the director of housing and development approves a production 10522  
company's application for a credit, the director shall issue a 10523  
tax credit certificate to the company. The director in 10524  
consultation with the tax commissioner shall prescribe the form 10525  
and manner of issuing certificates. The director shall assign a 10526  
unique identifying number to each tax credit certificate and 10527  
shall record the certificate in a register devised and 10528  
maintained by the director for that purpose. The certificate 10529

shall state the amount of the eligible expenditures on which the credit is based and the amount of the credit. Upon the issuance of a certificate, the director shall certify to the tax commissioner the name of the production company to which the certificate was issued, the amount of eligible expenditures shown on the certificate, the amount of the credit, and any other information required by the rules adopted to administer this section.

(3) The amount of eligible expenditures for which a tax credit may be claimed is subject to inspection and examination by the tax commissioner or employees of the commissioner under section 5703.19 of the Revised Code and any other applicable law. Once the eligible expenditures are finally determined under section 5703.19 of the Revised Code and division (D) of this section, the credit amount is not subject to adjustment unless the director determines an error was committed in the computation of the credit amount.

(4) No tax credit certificate may be issued before the completion of the tax credit-eligible production. The amount of tax credit allowed per fiscal year shall not exceed the sum of (a) fifty million dollars, (b) the difference between the maximum credit amount for that fiscal year under section 122.852 of the Revised Code and the amount the director of housing and development elects to allow under this section pursuant to division (D)(1) of section 122.852 of the Revised Code, and (c) the difference between the maximum amount of credits that could have been awarded in the previous fiscal year under this section and the amount actually awarded. Out of that sum, five million dollars shall be reserved for Broadway theatrical productions, and the balance may be allowed for any tax credit-eligible production. For any fiscal year in which less than five million

dollars of tax credits are allowed for Broadway theatrical productions, the amount of the five million dollars not allowed and added to the maximum annual amount for the following fiscal year shall be reserved for Broadway theatrical productions in the following fiscal year.

(5) The director shall review and approve applications for tax credits in two rounds each fiscal year. The first round of credits shall be awarded not later than the last day of July of the fiscal year, and the second round of credits shall be awarded not later than the last day of the ensuing January. The amount of credits awarded in the first round of applications each fiscal year shall not exceed one-half of the maximum allowance for the fiscal year calculated under division (C)(4) of this section, two million five hundred thousand dollars of which shall be reserved for Broadway theatrical productions. For each round, the director shall rank applications on the basis of the extent of positive economic impact each tax credit-eligible production is likely to have in this state and the effect on developing a permanent workforce in motion picture or theatrical production industries in the state. For the purpose of such ranking, the director shall give priority to tax-credit eligible productions that are television series or miniseries due to the long-term commitment typically associated with such productions. The economic impact ranking shall be based on the production company's total expenditures in this state directly associated with the tax credit-eligible production. The effect on developing a permanent workforce in the motion picture or theatrical production industries shall be evaluated first by the number of new jobs created and second by amount of payroll added with respect to employees in this state.

The director shall approve productions in the order of

their ranking, from those with the greatest positive economic 10592  
impact and workforce development effect to those with the least 10593  
positive economic impact and workforce development effect. 10594

(D) A production company whose motion picture or Broadway 10595  
theatrical production has been certified as a tax credit- 10596  
eligible production shall engage, at the company's expense, an 10597  
independent certified public accountant to examine the company's 10598  
production, postproduction, and advertising and promotion 10599  
expenditures to identify the expenditures that qualify as 10600  
eligible expenditures. The certified public accountant shall 10601  
issue a report to the company and to the director of housing and 10602  
development certifying the company's eligible expenditures and 10603  
any other information required by the director. Upon receiving 10604  
and examining the report, the director may disallow any 10605  
expenditure the director determines is not an eligible 10606  
expenditure. If the director disallows an expenditure, the 10607  
director shall issue a written notice to the production company 10608  
stating that the expenditure is disallowed and the reason for 10609  
the disallowance. Upon examination of the report and 10610  
disallowance of any expenditures, the director shall determine 10611  
finally the lesser of the total budgeted eligible expenditures 10612  
stated in the application submitted under division (B) of this 10613  
section or the actual eligible expenditures for the purpose of 10614  
computing the amount of the credit. 10615

(E) No credit shall be allowed under section 5726.55, 10616  
5733.59, 5747.66, or 5751.54 of the Revised Code unless the 10617  
director has reviewed the report and made the determination 10618  
prescribed by division (D) of this section. 10619

(F) This state reserves the right to refuse the use of 10620  
this state's name in the credits of any tax credit-eligible 10621

motion picture production or program of any broadway theatrical 10622  
production. 10623

(G) (1) The director of housing and development in 10624  
consultation with the tax commissioner shall adopt rules for the 10625  
administration of this section, including rules setting forth 10626  
and governing the criteria for determining whether a motion 10627  
picture or broadway theatrical production is a tax credit- 10628  
eligible production; activities that constitute the production 10629  
or postproduction of a motion picture or broadway theatrical 10630  
production; reporting sufficient evidence of reviewable 10631  
progress; expenditures that qualify as eligible expenditures; a 10632  
schedule and deadlines for applications to be submitted and 10633  
reviewed; a competitive process for approving credits based on 10634  
likely economic impact in this state and development of a 10635  
permanent workforce in motion picture or theatrical production 10636  
industries in this state; consideration of geographic 10637  
distribution of credits; and implementation of the program 10638  
described in division (H) of this section. The rules shall be 10639  
adopted under Chapter 119. of the Revised Code. 10640

(2) To cover the administrative costs of the program, the 10641  
director shall require each applicant to pay an application fee 10642  
equal to the lesser of ten thousand dollars or one per cent of 10643  
the estimated value of the tax credit as stated in the 10644  
application. The fees collected shall be credited to the tax 10645  
incentives operating fund created in section 122.174 of the 10646  
Revised Code. All grants, gifts, fees, and contributions made to 10647  
the director for marketing and promotion of the motion picture 10648  
industry within this state shall also be credited to the fund. 10649

(H) The director of housing and development shall 10650  
establish a program for the training of Ohio residents who are 10651

or wish to be employed in the film or multimedia industry. Under 10652  
the program, the director shall: 10653

(1) Certify individuals as film and multimedia trainees. 10654  
In order to receive such a certification, an individual must be 10655  
an Ohio resident, have participated in relevant on-the-job 10656  
training or have completed a relevant training course approved 10657  
by the director, and have met any other requirements established 10658  
by the director. 10659

(2) Accept applications from production companies that 10660  
intend to hire and provide on-the-job training to one or more 10661  
certified film and multimedia trainees who will be employed in 10662  
the company's tax credit-eligible production; 10663

(3) Upon completion of a tax-credit eligible production, 10664  
and upon the receipt of any salary information and other 10665  
documentation required by the director, authorize a 10666  
reimbursement payment to each production company whose 10667  
application was approved under division (H) (2) of this section. 10668  
The payment shall equal fifty per cent of the salaries paid to 10669  
film and multimedia trainees employed in the production. 10670

**Sec. 122.851.** (A) As used in this section: 10671

(1) "Venture capital operating company" has the same 10672  
meaning as in 29 C.F.R. 2510.3-101. 10673

(2) "Ohio venture capital operating company" means a 10674  
venture capital operating company certified by the director of 10675  
housing and development as having met the requirements 10676  
prescribed by division (B) of this section. A venture capital 10677  
operating company is an Ohio venture capital operating company 10678  
only for so long as the certification is valid. 10679

(3) "Ohio business" means a business that, in either the 10680

calendar year in which a capital gain from the business is 10681  
recognized by the Ohio venture capital operating company or its 10682  
direct or indirect investors or the calendar year in which the 10683  
Ohio venture capital operating company distributes an equity 10684  
interest or security in the business, has its headquarters in 10685  
this state and employs more than one-half of the total number of 10686  
its full-time equivalent employees in this state. For the 10687  
purpose of this section, an employee is employed in this state 10688  
if the business is required to withhold income tax under section 10689  
5747.06 of the Revised Code for fifty per cent or more of the 10690  
compensation paid to the employee in either the calendar year in 10691  
which the Ohio venture capital operating company or its direct 10692  
or indirect investors recognize a capital gain from the business 10693  
or the calendar year in which the Ohio venture capital operating 10694  
company distributes an equity interest or security in the 10695  
business, as applicable. 10696

(4) "Qualifying interest" means a direct or indirect 10697  
ownership interest acquired through an investment of cash or 10698  
cash equivalent made in, or the provision of services to, a 10699  
venture capital operating company during the period for which it 10700  
was certified as an Ohio venture capital operating company. 10701

(B) (1) A venture capital operating company may apply to 10702  
the director of housing and development for certification as an 10703  
Ohio venture capital operating company if it manages, or has 10704  
capital commitments of, at least fifty million dollars in active 10705  
assets and at least two-thirds of its managing and general 10706  
partners are residents of Ohio under division (I) of section 10707  
5747.01 of the Revised Code. The director, in consultation with 10708  
the tax commissioner, shall prescribe the form and manner of the 10709  
application and the information or documentation required to be 10710  
submitted with the application. 10711

(2) The director shall review and make a determination 10712  
with respect to each application submitted under this division 10713  
within sixty days of receipt. The director shall grant 10714  
certification to any applicant that meets the criteria 10715  
prescribed by this division. The director shall decline 10716  
certification of any applicant that does not meet such criteria. 10717  
The director shall notify the applicant and the tax commissioner 10718  
of the director's determination in writing. 10719

(C) (1) Certification as an Ohio venture capital operating 10720  
company is valid for as long as the company continues to qualify 10721  
as a venture capital operating company and meets the criteria 10722  
prescribed by division (B) (1) of this section. 10723

(2) A company that no longer qualifies as a venture 10724  
capital operating company or no longer meets the criteria 10725  
prescribed by division (B) (1) of this section shall notify the 10726  
director within thirty days of the date the company ceases to 10727  
qualify. 10728

(3) Upon receiving such a notification or upon otherwise 10729  
discovering that an Ohio venture capital operating company no 10730  
longer qualifies for certification, the director shall issue a 10731  
written notice of revocation to the venture capital operating 10732  
company and the tax commissioner. The notice shall state the 10733  
effective date of the revocation, which shall be the date the 10734  
company ceased to qualify for certification as an Ohio venture 10735  
capital operating company. 10736

(4) An Ohio venture capital operating company receiving 10737  
such a notice may contest the director's decision to revoke its 10738  
certification or the effective date of that revocation by 10739  
submitting additional information or documentation to the 10740  
director and requesting reconsideration in writing within thirty 10741



days of the notice of revocation based on that information or 10742  
documentation. The director shall review and evaluate any such 10743  
requests within thirty days of receipt. The director shall 10744  
notify the company and tax commissioner in writing of the 10745  
director's decision on the request, which shall not be subject 10746  
to appeal or further review. 10747

(D) (1) On or after the first day of January and on or 10748  
before the first day of February of each year, a company that is 10749  
certified as an Ohio venture capital operating company shall 10750  
provide the following information, on forms prescribed by the 10751  
director of housing and development, to the director and the tax 10752  
commissioner: 10753

(a) The name, social security or federal employer 10754  
identification number, and ownership percentage of each person 10755  
with a qualifying interest in the company; 10756

(b) The amount of capital gains generated during the 10757  
portion of the previous calendar year during which the company 10758  
was certified as an Ohio venture capital operating company; 10759

(c) A description of the company's investments that 10760  
generated the capital gains described in division (D) (1) (b) of 10761  
this section, including the date of sale and whether the 10762  
investment was in an Ohio business; 10763

(d) The amount of, and basis in, any equity interests or 10764  
securities distributed to each investor, arranged by entity, 10765  
while the company was certified as an Ohio venture capital 10766  
operating company and whether the entity is an Ohio business; 10767

(e) Any other information the director, in consultation 10768  
with the tax commissioner, considers relevant and necessary to 10769  
administer the deduction allowed under division (A) (35) of 10770

section 5747.01 of the Revised Code. 10771

(2) The director shall review the information submitted 10772  
under division (D) (1) of this section by an Ohio venture capital 10773  
operating company within sixty days of receipt. If the company 10774  
generated capital gains that qualify for the deduction allowed 10775  
under division (A) (35) of section 5747.01 of the Revised Code or 10776  
distributed equity interests or securities that, when sold, will 10777  
qualify for the deduction once income is recognized from its 10778  
disposition, the director shall issue a certificate to the 10779  
company. The certificate shall include a unique number and the 10780  
following information: 10781

(a) The total amount of capital gains generated during the 10782  
portion of the year during which the company was certified as an 10783  
Ohio venture capital operating company; 10784

(b) The portion of the capital gains attributable to the 10785  
company's investments in Ohio businesses; and 10786

(c) The total amount of, and basis in, any equity 10787  
interests or securities distributed during the portion of the 10788  
year during which the company was certified as an Ohio venture 10789  
capital operating company; 10790

(d) The portion of the distributed equity interests or 10791  
securities attributable to the company's investments in Ohio 10792  
businesses; 10793

(e) The portion of the amounts described in divisions (D) 10794  
(2) (a) and (b) of this section attributable to each individual 10795  
with a qualifying interest in the company; 10796

(f) Any other information the director or tax commissioner 10797  
considers necessary for the administration of the deduction 10798  
allowed under division (A) (35) of section 5747.01 of the Revised 10799

Code. 10800

(E) An Ohio venture capital operating company shall 10801  
provide each person with a qualifying interest in the company 10802  
with a copy of the certificate issued under division (D) of this 10803  
section and any other documentation necessary to compute the 10804  
adjustments under division (A) (35) of section 5747.01 of the 10805  
Revised Code. A pass-through entity that receives a certificate 10806  
issued under this division from an Ohio venture capital 10807  
operating company shall provide its investors with a copy of the 10808  
certificate and any other documentation necessary to compute the 10809  
adjustments under division (A) (35) of section 5747.01 of the 10810  
Revised Code. 10811

A taxpayer claiming a deduction under division (A) (35) (a) 10812  
of section 5747.01 of the Revised Code shall provide, upon 10813  
request of the tax commissioner, a copy of that certificate. The 10814  
taxpayer shall retain a copy of the certificate for four years 10815  
from the later of the final filing date of the return on which 10816  
the deduction was claimed or the date the return on which the 10817  
deduction was claimed is filed. 10818

(F) The director of housing and development, in 10819  
consultation with the tax commissioner, may adopt rules in 10820  
accordance with Chapter 119. of the Revised Code as are 10821  
necessary to administer this section. 10822

**Sec. 122.852.** (A) As used in this section: 10823

(1) "Capital improvement project" means a project that 10824  
consists of acquiring, constructing, rehabilitating, repairing, 10825  
redeveloping, expanding, or improving facilities located, or 10826  
equipment used in this state for production and postproduction 10827  
of motion pictures or Broadway theatrical productions. 10828

(2) "Qualified expenditures" means expenditures incurred 10829  
by a production company after June 30, 2023, for goods and 10830  
services purchased and consumed directly for a capital 10831  
improvement project. "Qualified expenditures" include accounting 10832  
or auditing expenditures incurred in connection with the report 10833  
required by division (F) of this section if paid to an 10834  
independent certified public accountant certified, or an 10835  
accounting firm registered under Chapter 4701. of the Revised 10836  
Code. "Qualified expenditures" do not include eligible 10837  
expenditures for which a production company received a tax 10838  
credit under section 122.85 of the Revised Code. 10839

(3) "Certificate owner" means a production company to 10840  
which a tax credit certificate is issued under division (H) of 10841  
this section or a person to which all or part of a tax credit is 10842  
transferred under division (I) of this section. 10843

(4) "Production company," "eligible expenditures," "motion 10844  
picture," and "broadway theatrical production" have the same 10845  
meanings as in section 122.85 of the Revised Code. 10846

(B) For the purpose of encouraging and developing strong 10847  
film and theater industries in this state, the director of 10848  
housing and development may award a refundable credit against 10849  
the tax imposed by section 5726.02, 5747.02, or 5751.02 of the 10850  
Revised Code to a production company that completes a capital 10851  
improvement project expected to have a positive economic impact 10852  
in this state as a whole, or in any community in this state in 10853  
which the facilities or equipment involved in the project are or 10854  
will be located. A production company may apply to the director 10855  
for a credit on a form and in the manner prescribed by rules 10856  
adopted under division (J) of this section. An application may 10857  
be submitted before, during, or after completion of the capital 10858

improvement project, but not sooner than July 1, 2024, and shall 10859  
include all of the following information: 10860

(1) The name, address, telephone number, and taxpayer 10861  
identification number of the production company; 10862

(2) A detailed description of the capital improvement 10863  
project including the location of the facilities or equipment 10864  
involved in the project and an explanation of how those 10865  
facilities or equipment are intended to be used in the 10866  
production or postproduction of motion pictures or Broadway 10867  
theatrical productions in this state; 10868

(3) (a) If the capital improvement project is complete at 10869  
the time the application is submitted, a schedule documenting 10870  
the progression of the project from its commencement to its 10871  
completion; 10872

(b) If the capital improvement project is not complete at 10873  
the time the application is submitted, a schedule for the 10874  
progression, completion, and, if applicable, commencement of the 10875  
project. 10876

(4) An estimate of the amount of the project's qualified 10877  
expenditures that have been or will be incurred by the 10878  
production company and, if the project is not complete at the 10879  
time the application is submitted, documentation of the 10880  
company's financial ability to complete the project, including 10881  
documentation that shows the company has secured funding, other 10882  
than the tax credit authorized by this section, equal to at 10883  
least fifty per cent of the total cost of the project; 10884

(5) The estimated credit amount, which shall equal the 10885  
lesser of five million dollars or twenty-five per cent of the 10886  
production company's estimated qualified expenditures; 10887

(6) The estimated economic impact of the capital 10888  
improvement project in this state as a whole, and in any 10889  
community in this state in which the facilities or equipment 10890  
involved in the project are or will be located; 10891

(7) Any other information considered necessary by the 10892  
director. 10893

(C) The director shall review, evaluate, and approve 10894  
applications in one round per fiscal year. For each round, the 10895  
director shall rank applications on the basis of the capital 10896  
improvement project's likely positive economic impact and effect 10897  
on developing a permanent workforce in motion picture or 10898  
theatrical production industries in the state as a whole, and in 10899  
any community in this state in which the facilities or equipment 10900  
involved in the project are or will be located. The effect on 10901  
developing a permanent workforce in the motion picture or 10902  
theatrical production industries shall be evaluated first by the 10903  
number of new jobs created and second by amount of payroll added 10904  
with respect to employees in this state. Subject to division (D) 10905  
(2) of this section, the director shall approve applications in 10906  
the order of their ranking, from those with the greatest 10907  
positive economic impact and workforce development effect to 10908  
those with the least positive economic impact and workforce 10909  
development effect. The director shall not approve an 10910  
application or issue a tax credit certificate for a capital 10911  
improvement project that is not likely to have a positive 10912  
economic impact or workforce development impact in either the 10913  
state as a whole, or any community in this state in which the 10914  
facilities or equipment involved in the project are or will be 10915  
located. 10916

(D) (1) The director shall not approve more than twenty- 10917

five million dollars in estimated tax credits in total per 10918  
fiscal year provided that, for any fiscal year in which the 10919  
amount of estimated credits approved under this section is less 10920  
than the maximum annual amount, the amount not approved for that 10921  
fiscal year shall be added to the maximum annual amount that may 10922  
be approved for the following fiscal year. 10923

If the director rescinds approval of a capital improvement 10924  
project under division (E) (2) of this section, the estimated 10925  
credit amount attributed to that project shall be added back to 10926  
the maximum total annual credit amount for that fiscal year. If 10927  
the actual credit amount computed under division (H) of this 10928  
section is less than the estimated credit amount approved by the 10929  
director, the difference shall be added back to the maximum 10930  
total annual credit amount for that fiscal year. 10931

In any fiscal year, the director may reduce the maximum 10932  
amount calculated under division (D) (1) of this section and 10933  
increase the maximum amount calculated under division (C) (4) of 10934  
section 122.85 of the Revised Code by the amount of that 10935  
reduction. 10936

(2) The director shall not approve more than five million 10937  
dollars in estimated tax credits per fiscal year for capital 10938  
improvement projects located in any single county. 10939

(E) (1) Within ninety days after the director of housing 10940  
and development approves a capital improvement project that was 10941  
not complete at the time of the production company's 10942  
application, the production company shall submit sufficient 10943  
evidence of reviewable progress to the director. The director 10944  
may request additional updates from the production company 10945  
regarding the progression of the project as often as the 10946  
director considers necessary until the project is complete or 10947

approval of the project is rescinded. The production company 10948  
shall respond to each such request within thirty days. 10949

(2) The director may rescind approval of a capital 10950  
improvement project if the production company fails to timely 10951  
submit evidence of reviewable progress or respond to the 10952  
director's request for a project update, as required by division 10953  
(E) (1) of this section, or if the director determines that the 10954  
progression of the project is significantly behind the schedule 10955  
submitted in the tax credit application. The director shall 10956  
rescind approval of a project that does not begin within ninety 10957  
days after the date the application is approved unless the 10958  
production company shows good cause for the delay, meaning that 10959  
the project was delayed due to unforeseeable circumstances 10960  
beyond the production company's control or due to action or 10961  
inaction by a government agency. 10962

(3) The director shall notify the production company upon 10963  
rescinding approval of a capital improvement project. Nothing in 10964  
this section prohibits the production company from reapplying 10965  
for approval of the same capital improvement project. 10966

(F) (1) A production company whose capital improvement 10967  
project is approved by the director of housing and development 10968  
shall engage, at the company's expense, an independent certified 10969  
public accountant to examine the company's qualified 10970  
expenditures. Within ninety days after the director approves the 10971  
project or within ninety days after a project approved by the 10972  
director is complete, whichever is later, the certified public 10973  
accountant shall issue a report to the company and to the 10974  
director that includes all of the following: 10975

(a) The amount of the company's actual qualified 10976  
expenditures; 10977



(b) Completed copies of all accounting and auditing forms 10978  
required by the director in connection with the capital 10979  
improvement project; 10980

(c) An itemized review of all contract and expense items 10981  
of ten thousand dollars or more that are reported as qualified 10982  
expenditures; 10983

(d) An itemized review of at least one-half of the 10984  
contract and expense items of less than ten thousand dollars 10985  
that are reported as qualified expenditures, both in terms of 10986  
the total number of such contracts and items and the total 10987  
amount of qualified expenditures reported for such contracts and 10988  
items; 10989

(e) Certification that all goods and services reported as 10990  
qualified expenditures were purchased and consumed in this 10991  
state. 10992

(2) Upon receiving and examining the report, the director 10993  
may disallow any expenditure the director determines is not a 10994  
qualified expenditure. If the director disallows an expenditure, 10995  
the director shall issue a written notice to the production 10996  
company stating that the expenditure is disallowed and the 10997  
reason for the disallowance. Upon examination of the report and 10998  
disallowance of any expenditures, the director shall determine 10999  
the production company's actual qualified expenditures for the 11000  
purpose of computing the amount of the credit. 11001

(3) Qualified expenditures reported by the production 11002  
company are subject to inspection and examination by the tax 11003  
commissioner or employees of the commissioner under section 11004  
5703.19 of the Revised Code and any other applicable law. Once 11005  
the qualified expenditures are finally determined under division 11006

(F) (2) of this section, the credit amount is not subject to 11007  
adjustment unless the director determines an error was committed 11008  
in the computation of the credit amount. 11009

(G) After reviewing the report and making the 11010  
determination prescribed by division (F) of this section, the 11011  
director of housing and development shall issue a tax credit 11012  
certificate to the production company. The director, in 11013  
consultation with the tax commissioner, shall prescribe the form 11014  
and manner of issuing certificates. The director shall assign a 11015  
unique identifying number to each tax credit certificate and 11016  
shall record the certificate in a register devised and 11017  
maintained by the director for that purpose. The certificate 11018  
shall state the amount of the credit and the amount of the 11019  
qualified expenditures upon which the credit is based. Upon 11020  
issuance of a certificate, the director shall certify to the tax 11021  
commissioner the name of the production company to which the 11022  
certificate was issued, the amount of qualified expenditures 11023  
shown on the certificate, the amount of the credit, and any 11024  
other information required by the rules adopted to administer 11025  
this section. 11026

(H) The credit amount stated on the tax credit certificate 11027  
shall equal the lesser of the following: 11028

(1) Twenty-five per cent of the production company's 11029  
actual qualified expenditures, as determined by the director of 11030  
housing and development under division (F) of this section; 11031

(2) The estimated credit amount specified in the 11032  
production company's tax credit application under division (B) 11033  
(5) of this section; 11034

(3) Five million dollars. 11035

(I) (1) A production company to which a tax credit 11036  
certificate is issued under division (H) of this section may 11037  
transfer the authority to claim all or a portion of the amount 11038  
of the tax credit the production company is authorized to claim 11039  
pursuant to that certificate under section 5726.59, 5747.67, or 11040  
5751.55 of the Revised Code to one or more other persons. Within 11041  
thirty days after a transfer under this division, the production 11042  
company shall submit the following information to the director 11043  
of housing and development, on a form prescribed by the 11044  
director: 11045

(a) Information necessary for the director to identify the 11046  
certificate that is the basis for the transfer; 11047

(b) The portion or amount of the tax credit transferred to 11048  
each transferee; 11049

(c) The portion or amount of the tax credit that the 11050  
production company retains the authority to claim; 11051

(d) The tax identification number of each transferee; 11052

(e) The date of the transfer; 11053

(f) Any other information required by the director; 11054

(g) Any information required by the tax commissioner. 11055

The director shall deliver a copy of any submission 11056  
received under division (I) (1) of this section to the tax 11057  
commissioner. 11058

(2) A transferee may not claim a credit under section 11059  
5726.59, 5747.67, or 5751.55 of the Revised Code unless and 11060  
until the transferring production company complies with division 11061  
(I) (1) of this section. A transferee may claim the transferred 11062  
amount of any credit or portion of a credit for the same taxable 11063

year or tax period for which the transferring production company 11064  
was authorized to claim the credit or portion of a credit 11065  
pursuant to the certificate. A production company shall make no 11066  
transfer under division (I)(1) of this section after the last 11067  
day of the tax period or taxable year for which the production 11068  
company is required to claim the credit pursuant to the 11069  
certificate. 11070

A production company may make not more than one transfer 11071  
under division (I)(1) of this section for each tax credit 11072  
certificate, but pursuant to that transaction, may allocate the 11073  
authority to claim a portion of the credit to more than one 11074  
transferee. A production company may not authorize more than one 11075  
transferee to claim the same portion of a credit. No transferee 11076  
may transfer the right to claim the credit to another person. 11077

(J) The director of housing and development, in 11078  
consultation with the tax commissioner, shall adopt rules in 11079  
accordance with Chapter 119. of the Revised Code for the 11080  
administration of this section, including rules setting forth 11081  
and governing the criteria for reporting sufficient evidence of 11082  
reviewable progress; expenditures that are qualified 11083  
expenditures; a schedule and deadlines for applications to be 11084  
submitted and reviewed; a competitive process for approving 11085  
credits based on likely economic impact and development of a 11086  
permanent workforce in motion picture or theatrical production 11087  
industries; and consideration of geographic distribution of 11088  
credits. 11089

To cover the administrative costs of the program, the 11090  
director shall require each applicant to pay an application fee 11091  
equal to the lesser of ten thousand dollars or one per cent of 11092  
the estimated value of the tax credit as stated in the 11093

application. The fees collected shall be credited to the tax 11094  
incentives operating fund created in section 122.174 of the 11095  
Revised Code. 11096

**Sec. 122.86.** (A) As used in this section and section 11097  
5747.81 of the Revised Code: 11098

(1) "Small business enterprise" means a corporation, pass- 11099  
through entity, or other person satisfying all of the following: 11100

(a) At the time of a qualifying investment, the enterprise 11101  
meets all of the following requirements: 11102

(i) Has no outstanding tax or other liabilities owed to 11103  
the state; 11104

(ii) Is in good standing with the secretary of state, if 11105  
the enterprise is required to be registered with the secretary; 11106

(iii) Is current with any court-ordered payments; 11107

(iv) Is not engaged in any illegal activity. 11108

(b) At the time of a qualifying investment, the 11109  
enterprise's assets according to generally accepted accounting 11110  
principles do not exceed fifty million dollars, or its annual 11111  
sales do not exceed ten million dollars. When making this 11112  
determination, the assets and annual sales of all of the 11113  
enterprise's related or affiliated entities shall be included in 11114  
the calculation. 11115

(c) At the time of a qualifying investment and for the 11116  
two-year period immediately preceding the qualifying investment, 11117  
the enterprise employs at least fifty full-time equivalent 11118  
employees in this state for whom the enterprise is required to 11119  
withhold income tax under section 5747.06 of the Revised Code, 11120  
or more than one-half the enterprise's total number of full-time 11121

equivalent employees employed anywhere in the United States are 11122  
employed in this state and are subject to that withholding 11123  
requirement. 11124

(d) The enterprise, within six months after an eligible 11125  
investor's qualifying investment is made, incurs cost for one or 11126  
more of the following: 11127

(i) Tangible personal property, other than motor vehicles 11128  
operated on public roads and highways, used in business and 11129  
physically located in this state from the time of its 11130  
acquisition by the enterprise until the end of the investor's 11131  
holding period, including the installation of such tangible 11132  
personal property; 11133

(ii) Motor vehicles operated on public roads and highways 11134  
if, from the time of acquisition by the enterprise until the end 11135  
of the investor's holding period, the motor vehicles are 11136  
purchased in this state, registered in this state under Chapter 11137  
4503. of the Revised Code, are used primarily for business 11138  
purposes, and are necessary for the operation of the 11139  
enterprise's business; 11140

(iii) Real property located in this state that is used in 11141  
the business from the time of its acquisition by the enterprise 11142  
until the end of the holding period; 11143

(iv) Leasehold improvements and construction costs for 11144  
property located in this state that is used in the business from 11145  
the time its improvement or construction was completed until the 11146  
end of the holding period; 11147

(v) Compensation for new employees of the enterprise hired 11148  
after the date the qualifying investment is made for whom the 11149  
enterprise is required to withhold income tax under section 11150

5747.06 of the Revised Code. 11151

(2) "Qualifying investment" means an investment of money 11152  
made on or after July 1, 2019, to acquire capital stock or other 11153  
equity interest in a small business enterprise. "Qualifying 11154  
investment" does not include either of the following: 11155

(a) Any investment of money an eligible investor derives, 11156  
directly or indirectly, from a grant or loan from the federal 11157  
government or the state or a political subdivision, including 11158  
the third frontier program under Chapter 184. of the Revised 11159  
Code; 11160

(b) Any investment of money which is the basis of a tax 11161  
credit granted under any other section of the Revised Code. 11162

(3) "Eligible investor" means an individual, estate, or 11163  
trust subject to the tax imposed by section 5747.02 of the 11164  
Revised Code, or a pass-through entity in which such an 11165  
individual, estate, or trust holds a direct or indirect 11166  
ownership or other equity interest. To qualify as an eligible 11167  
investor, the individual, estate, trust, or pass-through entity 11168  
shall not owe any outstanding tax or other liability to the 11169  
state at the time of a qualifying investment. 11170

(4) "Holding period" means the two-year period beginning 11171  
on the day a qualifying investment is made. 11172

(5) "Pass-through entity" has the same meaning as in 11173  
section 5733.04 of the Revised Code. 11174

(B) An eligible investor that makes a qualifying 11175  
investment in a small business enterprise on or after July 1, 11176  
2019, may apply to the director of housing and development 11177  
~~services~~ to obtain an allocation for a small business investment 11178  
certificate from the director. Alternatively, a small business 11179

enterprise may apply on behalf of eligible investors to obtain 11180  
the allocation for those investors. The application must be 11181  
submitted to the director within sixty days after the date of 11182  
the qualifying investment, but within the same biennium as the 11183  
qualifying investment. The director, in consultation with the 11184  
tax commissioner, shall prescribe the form or manner in which an 11185  
applicant shall apply for the certificate, devise the form of 11186  
the certificate, and prescribe any records or other information 11187  
an applicant shall furnish with the application to evidence the 11188  
qualifying investment. The applicant shall pay an application 11189  
fee equal to the greater of one-tenth of one per cent of the 11190  
amount of the intended investment or one hundred dollars. 11191

The director of housing and development ~~services~~ may 11192  
reserve small business investment allocations to qualifying 11193  
applicants in the order in which the director receives 11194  
applications. An application is completed when the director has 11195  
validated that an eligible investor has made a qualified 11196  
investment and receives all required documentation needed to 11197  
demonstrate the small business enterprise satisfies the 11198  
requirements of division (A) (1) of this section. To qualify for 11199  
an allocation, an eligible investor must satisfy both of the 11200  
following, subject to the limitation on the amount of qualifying 11201  
investments for which allocations may be issued under division 11202  
(C) of this section: 11203

(1) The eligible investor makes a qualifying investment on 11204  
or after July 1, 2019. 11205

(2) The eligible investor pledges not to sell or otherwise 11206  
dispose of the qualifying investment before the conclusion of 11207  
the applicable holding period. 11208

(C) (1) The amount of any eligible investor's qualifying 11209



investments for which small business investment allocations may 11210  
be issued for a fiscal biennium shall not exceed ten million 11211  
dollars. 11212

(2) The director of housing and development ~~services~~ shall 11213  
not issue a small business investment allocation to an eligible 11214  
investor representing an amount of qualifying investment in 11215  
excess of the amount of the investment indicated on the 11216  
investor's application. 11217

(3) For any fiscal biennium beginning before July 1, 2019, 11218  
the director of housing and development ~~services~~ shall not issue 11219  
small business investment allocations in a total amount that 11220  
would cause the tax credits claimed in that biennium to exceed 11221  
one hundred million dollars. For any fiscal biennium beginning 11222  
on or after July 1, 2019, the director shall not issue small 11223  
business investment allocations in a total amount that would 11224  
cause the tax credits claimed in that biennium to exceed fifty 11225  
million dollars. 11226

(4) The director of housing and development ~~services~~ may 11227  
issue a small business investment allocation only if both of the 11228  
following apply at the time of issuance: 11229

(a) The small business enterprise meets all the 11230  
requirements listed in divisions (A)(1)(a)(i) to (iv) of this 11231  
section; 11232

(b) The eligible investor does not owe any outstanding tax 11233  
or other liability to the state. 11234

(5) The director shall not issue a small business 11235  
investment allocation on the basis of any investment for which 11236  
an Ohio opportunity zone investment certificate has been issued 11237  
under section 122.84 of the Revised Code. 11238

(D) Before the end of the applicable holding period of a 11239  
qualifying investment, each enterprise in which a qualifying 11240  
investment was made for which a small business investment 11241  
allocation has been issued, upon the request of the director of 11242  
housing and development~~services~~, shall provide to the director 11243  
records or other evidence satisfactory to the director that the 11244  
enterprise is a small business enterprise for the purposes of 11245  
this section. Each enterprise shall also provide annually to the 11246  
director records or evidence regarding the number of jobs 11247  
created or retained in the state. The director shall compile and 11248  
maintain a register of small business enterprises qualifying 11249  
under this section and shall certify the register to the tax 11250  
commissioner. The director shall also compile and maintain a 11251  
record of the number of jobs created or retained as a result of 11252  
qualifying investments made pursuant to this section. 11253

(E) After the conclusion of the applicable holding period 11254  
for a qualifying investment, a person to whom a small business 11255  
investment allocation has been issued under this section shall 11256  
receive a small business investment certification, which 11257  
entitles the person to claim a credit as provided under section 11258  
5747.81 of the Revised Code. However, no certificate may be 11259  
issued if the director finds that any requirement under this 11260  
section is not met. 11261

(F) The director of housing and development~~services~~, in 11262  
consultation with the tax commissioner, may adopt rules for the 11263  
administration of this section, including rules governing the 11264  
following: 11265

(1) Documents, records, or other information eligible 11266  
investors shall provide to the director; 11267

(2) Any information a small business enterprise shall 11268

provide for the purposes of this section and section 5747.81 of  
the Revised Code; 11269  
11270

(3) Determination of the number of full-time equivalent 11271  
employees of a small business enterprise; 11272

(4) Verification of a small business enterprise's 11273  
investment; 11274

(5) Circumstances under which small business enterprises 11275  
or eligible investors may be subverting the purposes of this 11276  
section and section 5747.81 of the Revised Code. 11277

(G) Application fees paid under division (B) of this 11278  
section shall be credited to the tax incentives operating fund 11279  
created in section 122.174 of the Revised Code. 11280

**Sec. 122.88.** (A) There is hereby created in the state 11281  
treasury the minority business bonding fund, consisting of 11282  
moneys deposited or credited to it pursuant to section 169.05 of 11283  
the Revised Code; all grants, gifts, and contributions received 11284  
pursuant to division (B) (9) of section 122.74 of the Revised 11285  
Code; all moneys recovered following defaults; and any other 11286  
moneys obtained by the director of housing and development for 11287  
the purposes of sections 122.87 to 122.90 of the Revised Code. 11288  
The fund shall be administered by the director. Moneys in the 11289  
fund shall be held in trust for the purposes of sections 122.87 11290  
to 122.90 of the Revised Code. 11291

(B) Any claims against the state arising from defaults 11292  
shall be payable from the minority business bonding program 11293  
administrative and loss reserve fund as provided in division (C) 11294  
of this section or from the minority business bonding fund. 11295  
Nothing in sections 122.87 to 122.90 of the Revised Code grants 11296  
or pledges to any obligee or other person any state moneys other 11297

than the moneys in the minority business bonding program 11298  
administrative and loss reserve fund or the minority business 11299  
bonding fund, or moneys available to the minority business 11300  
bonding fund upon request of the director in accordance with 11301  
division (B) of section 169.05 of the Revised Code. 11302

(C) There is hereby created in the state treasury the 11303  
minority business bonding program administrative and loss 11304  
reserve fund, consisting of all premiums charged and collected 11305  
in accordance with section 122.89 of the Revised Code and any 11306  
interest income earned from the moneys in the minority business 11307  
bonding fund. All expenses of the director and the minority 11308  
development financing advisory board in carrying out the 11309  
purposes of sections 122.87 to 122.90 of the Revised Code shall 11310  
be paid from the minority business bonding program 11311  
administrative and loss reserve fund. 11312

Any moneys to the credit of the minority business bonding 11313  
program administrative and loss reserve fund in excess of the 11314  
amount necessary to fund the appropriation authority for the 11315  
minority business bonding program administrative and loss 11316  
reserve fund shall be held as a loss reserve to pay claims 11317  
arising from defaults on surety bonds underwritten in accordance 11318  
with section 122.89 of the Revised Code or guaranteed in 11319  
accordance with section 122.90 of the Revised Code. If the 11320  
balance of funds in the minority business bonding program 11321  
administrative and loss reserve fund is insufficient to pay a 11322  
claim against the state arising from default, then such claim 11323  
shall be payable from the minority business bonding fund. 11324

**Sec. 122.89.** (A) The director of housing and development 11325  
may execute bonds as surety for minority businesses as 11326  
principals, on contracts with the state, any political 11327

subdivision or instrumentality thereof, or any person as the 11328  
obligee. The director as surety may exercise all the rights and 11329  
powers of a company authorized by the department of insurance to 11330  
execute bonds as surety but shall not be subject to any 11331  
requirements of a surety company under Title XXXIX of the 11332  
Revised Code nor to any rules of the department of insurance. 11333

(B) The director, with the advice of the minority 11334  
development financing advisory board, shall adopt rules under 11335  
Chapter 119. of the Revised Code establishing procedures for 11336  
application for surety bonds by minority businesses and for 11337  
review and approval of applications. The board shall review each 11338  
application in accordance with the rules and, based on the bond 11339  
worthiness of each applicant, shall refer all qualified 11340  
applicants to the director. Based on the recommendation of the 11341  
board, the director shall determine whether or not the applicant 11342  
shall receive bonding. 11343

(C) The rules of the board shall require the minority 11344  
business to pay a premium in advance for the bond to be 11345  
established by the director, with the advice of the board after 11346  
the director receives advice from the superintendent of 11347  
insurance regarding the standard market rates for premiums for 11348  
similar bonds. All premiums paid by minority businesses shall be 11349  
paid into the minority business bonding program administrative 11350  
and loss reserve fund. 11351

(D) The rules of the board shall provide for a retainage 11352  
of money paid to the minority business or EDGE business 11353  
enterprise of fifteen per cent for a contract valued at more 11354  
than fifty thousand dollars and for a retainage of twelve per 11355  
cent for a contract valued at fifty thousand dollars or less. 11356

(E) The penal sum amounts of all outstanding bonds issued 11357

by the director shall not exceed the amount of moneys in the 11358  
minority business bonding fund and available to the fund under 11359  
division (B) of section 169.05 of the Revised Code. 11360

(F) The superintendent of insurance shall provide such 11361  
technical and professional assistance as is considered necessary 11362  
by the director, including providing advice regarding the 11363  
standard market rates for bond premiums as described under 11364  
division (C) of this section. 11365

(G) Notwithstanding any provision of the Revised Code to 11366  
the contrary, a minority business or EDGE business enterprise 11367  
may bid or enter into a contract with the state or with any 11368  
instrumentality of the state without being required to provide a 11369  
bond as follows: 11370

(1) For the first contract that a minority business or 11371  
EDGE business enterprise enters into with the state or with any 11372  
particular instrumentality of the state, the minority business 11373  
or EDGE business enterprise may bid or enter into a contract 11374  
valued at twenty-five thousand dollars or less without being 11375  
required to provide a bond, but only if the minority business or 11376  
EDGE business enterprise is participating in a qualified 11377  
contractor assistance program or has successfully completed a 11378  
qualified contractor assistance program after October 16, 2009; 11379

(2) After the state or any particular instrumentality of 11380  
the state has accepted the first contract as completed and all 11381  
subcontractors and suppliers on the contract have been paid, the 11382  
minority business or EDGE business enterprise may bid or enter 11383  
into a second contract with the state or with that particular 11384  
instrumentality of the state valued at fifty thousand dollars or 11385  
less without being required to provide a bond, but only if the 11386  
minority business or EDGE business enterprise is participating 11387

in a qualified contractor assistance program or has successfully 11388  
completed a qualified contractor assistance program after 11389  
October 16, 2009; 11390

(3) After the state or any particular instrumentality of 11391  
the state has accepted the second contract as completed and all 11392  
subcontractors and suppliers on the contract have been paid, the 11393  
minority business or EDGE business enterprise may bid or enter 11394  
into a third contract with the state or with that particular 11395  
instrumentality of the state valued at one hundred thousand 11396  
dollars or less without being required to provide a bond, but 11397  
only if the minority business or EDGE business enterprise has 11398  
successfully completed a qualified contractor assistance program 11399  
after October 16, 2009; 11400

(4) After the state or any particular instrumentality of 11401  
the state has accepted the third contract as completed and all 11402  
subcontractors and suppliers on the contract have been paid, the 11403  
minority business or EDGE business enterprise may bid or enter 11404  
into a fourth contract with the state or with that particular 11405  
instrumentality of the state valued at three hundred thousand 11406  
dollars or less without being required to provide a bond, but 11407  
only if the minority business or EDGE business enterprise has 11408  
successfully completed a qualified contractor assistance program 11409  
after October 16, 2009; 11410

(5) After the state or any instrumentality of the state 11411  
has accepted the fourth contract as completed and all 11412  
subcontractors and suppliers on the contract have been paid, 11413  
upon a showing that with respect to a contract valued at four 11414  
hundred thousand dollars or less with the state or with any 11415  
particular instrumentality of the state, that the minority 11416  
business or EDGE business enterprise either has been denied a 11417

bond by two surety companies or that the minority business or 11418  
EDGE business enterprise has applied to two surety companies for 11419  
a bond and, at the expiration of sixty days after making the 11420  
application, has neither received nor been denied a bond, the 11421  
minority business or EDGE business enterprise may repeat its 11422  
participation in the unbonded state contractor program. Under no 11423  
circumstances shall a minority business or EDGE business 11424  
enterprise be permitted to participate in the unbonded state 11425  
contractor program more than twice. 11426

(H) Notwithstanding any provision of the Revised Code to 11427  
the contrary, a minority business or EDGE business enterprise 11428  
may bid or enter into a contract with any political subdivision 11429  
of the state or with any instrumentality of a political 11430  
subdivision without being required to provide a bond as follows: 11431

(1) For the first contract that the minority business or 11432  
EDGE business enterprise enters into with any particular 11433  
political subdivision of the state or with any particular 11434  
instrumentality of a political subdivision, the minority 11435  
business or EDGE business enterprise may bid or enter into a 11436  
contract valued at twenty-five thousand dollars or less without 11437  
being required to provide a bond, but only if the minority 11438  
business or EDGE business enterprise is participating in a 11439  
qualified contractor assistance program or has successfully 11440  
completed a qualified contractor assistance program after 11441  
October 16, 2009; 11442

(2) After any political subdivision of the state or any 11443  
instrumentality of a political subdivision has accepted the 11444  
first contract as completed and all subcontractors and suppliers 11445  
on the contract have been paid, the minority business or EDGE 11446  
business enterprise may bid or enter into a second contract with 11447



that particular political subdivision of the state or with that 11448  
particular instrumentality of a political subdivision valued at 11449  
fifty thousand dollars or less without being required to provide 11450  
a bond, but only if the minority business or EDGE business 11451  
enterprise is participating in a qualified contractor assistance 11452  
program or has successfully completed a qualified contractor 11453  
assistance program after October 16, 2009; 11454

(3) After any political subdivision of the state or any 11455  
instrumentality of a political subdivision has accepted the 11456  
second contract as completed and all subcontractors and 11457  
suppliers on the contract have been paid, the minority business 11458  
or EDGE business enterprise may bid or enter into a third 11459  
contract with that particular political subdivision of the state 11460  
or with that particular instrumentality of a political 11461  
subdivision valued at one hundred thousand dollars or less 11462  
without being required to provide a bond, but only if the 11463  
minority business or EDGE business enterprise has successfully 11464  
completed a qualified contractor assistance program after 11465  
October 16, 2009; 11466

(4) After any political subdivision of the state or any 11467  
instrumentality of a political subdivision has accepted the 11468  
third contract as completed and all subcontractors and suppliers 11469  
on the contract have been paid, the minority business or EDGE 11470  
business enterprise may bid or enter into a fourth contract with 11471  
that particular political subdivision of the state or with that 11472  
particular instrumentality of a political subdivision valued at 11473  
two hundred thousand dollars or less without being required to 11474  
provide a bond, but only if the minority business or EDGE 11475  
business enterprise has successfully completed a qualified 11476  
contractor assistance program after October 16, 2009; 11477

(5) After any political subdivision of the state or any instrumentality of a political subdivision has accepted the fourth contract as completed and all subcontractors and suppliers on the contract have been paid, upon a showing that with respect to a contract valued at three hundred thousand dollars or less with any political subdivision of the state or any instrumentality of a political subdivision, that the minority business or EDGE business enterprise either has been denied a bond by two surety companies or that the minority business or EDGE business enterprise has applied to two surety companies for a bond and, at the expiration of sixty days after making the application, has neither received nor been denied a bond, the minority business or EDGE business enterprise may repeat its participation in the unbonded political subdivision contractor program. Under no circumstances shall a minority business or EDGE business enterprise be permitted to participate in the unbonded political subdivision contractor program more than twice.

(I) Notwithstanding any provision of the Revised Code to the contrary, if a minority business or EDGE business enterprise has entered into two or more contracts with the state or with any instrumentality of the state, the minority business or EDGE business enterprise may bid or enter into a contract with a political subdivision of the state or with any instrumentality of a political subdivision valued at the level at which the minority business or EDGE business enterprise would qualify if entering into an additional contract with the state.

(J) The director of housing and development shall coordinate and oversee the unbonded state contractor program described in division (G) of this section, the unbonded political subdivision contractor program described in division

(H) of this section, and the approval of a qualified contractor 11509  
assistance program. The director shall prepare an annual report 11510  
and submit it to the governor and the general assembly on or 11511  
before the first day of August that includes the following: 11512  
information on the director's activities for the preceding 11513  
calendar year regarding the unbonded state contractor program, 11514  
the unbonded political subdivision contractor program, and the 11515  
qualified contractor assistance program; a summary and 11516  
description of the operations and activities of these programs; 11517  
an assessment of the achievements of these programs; and a 11518  
recommendation as to whether these programs need to continue. 11519

(K) As used in this section: 11520

(1) "EDGE business enterprise" means an EDGE business 11521  
enterprise certified under section 122.922 of the Revised Code. 11522

(2) "Qualified contractor assistance program" means an 11523  
educational program or technical assistance program for business 11524  
development that is designed to assist a minority business or 11525  
EDGE business enterprise in becoming eligible for bonding and 11526  
has been approved by the director of housing and development for 11527  
use as required under this section. 11528

(3) "Successfully completed a qualified contractor 11529  
assistance program" means the minority business or EDGE business 11530  
enterprise completed such a program on or after October 16, 11531  
2009. 11532

(4) "Unbonded state contractor program" means the program 11533  
described in division (G) of this section. 11534

(5) "Unbonded political subdivision contractor program" 11535  
means the program described in division (H) of this section. 11536

**Sec. 122.90.** (A) The director of housing and development 11537

may guarantee bonds executed by sureties for minority businesses 11538  
and EDGE business enterprises certified under section 122.922 of 11539  
the Revised Code as principals on contracts with the state, any 11540  
political subdivision or instrumentality, or any person as the 11541  
obligee. The director, as guarantor, may exercise all the rights 11542  
and powers of a company authorized by the department of 11543  
insurance to guarantee bonds under Chapter 3929. of the Revised 11544  
Code but otherwise is not subject to any laws related to a 11545  
guaranty company under Title XXXIX of the Revised Code nor to 11546  
any rules of the department of insurance. 11547

(B) The director shall adopt rules under Chapter 119. of 11548  
the Revised Code to establish procedures for the application for 11549  
bond guarantees and the review and approval of applications for 11550  
bond guarantees submitted by sureties that execute bonds 11551  
eligible for guarantees under division (A) of this section. 11552

(C) In accordance with rules adopted pursuant to this 11553  
section, the director may guarantee up to ninety per cent of the 11554  
loss incurred and paid by sureties on bonds guaranteed under 11555  
division (A) of this section. 11556

(D) The penal sum amounts of all outstanding guarantees 11557  
made by the director under this section shall not exceed three 11558  
times the difference between the amount of moneys in the 11559  
minority business bonding fund and available to the fund under 11560  
division (B) of section 169.05 of the Revised Code and the 11561  
amount of all outstanding bonds issued by the director in 11562  
accordance with division (A) of section 122.89 of the Revised 11563  
Code. 11564

(E) The director of housing and development, with 11565  
controlling board approval, may approve one application per 11566  
fiscal year from each surety bond company for bond guarantees in 11567

an amount requested to support one fiscal year of that company's 11568  
activity under this section. A surety bond company that applies 11569  
for a bond guarantee under this division, whether or not the 11570  
guarantee is approved, is not restricted from also applying for 11571  
individual bond guarantees under division (A) of this section. 11572

**Sec. 122.91.** (A) As used in this section: 11573

(1) "Qualifying individual" means an individual who holds 11574  
a valid commercial driver's license or who is eligible to obtain 11575  
such a license. 11576

(2) "Commercial driver's license" and "commercial motor 11577  
vehicle" have the same meanings as in section 4506.01 of the 11578  
Revised Code. 11579

(3) "Training expense" means any cost customarily incurred 11580  
by an employer to train an employee who is a qualifying 11581  
individual to obtain a commercial driver's license or to operate 11582  
a commercial motor vehicle. "Training expense" shall not include 11583  
such an employee's wages. 11584

(4) "Tax credit-eligible training expense" means any 11585  
training expense certified under division (B) of this section. 11586

(5) "Director" means the director of housing and 11587  
development. 11588

(B) (1) For calendar years 2023 through 2026, an employer 11589  
may apply to the director, on or before the first day of 11590  
December of each year and on a form prescribed by the director, 11591  
to certify training expenses that an employer estimates the 11592  
employer will incur during the following calendar year as tax 11593  
credit-eligible training expenses. Within thirty days after 11594  
receiving such an application, the director shall certify to 11595  
each applicant the amount of the applicant's submitted expenses 11596

the director finds to be tax credit-eligible training expenses. 11597  
The director shall not certify more than fifty thousand dollars 11598  
of training expenses per year as tax credit-eligible training 11599  
expenses for any employer. 11600

(2) The director shall not certify more than three million 11601  
dollars in tax credit-eligible training expenses for each 11602  
calendar year, increased by the sum of tax credit-eligible 11603  
expenses the director was authorized to certify within the limit 11604  
described in division (B) (2) of this section for preceding years 11605  
that were not the basis of a tax credit certificate issued under 11606  
division (C) (2) of this section in the current year or any 11607  
preceding year. 11608

(C) (1) An employer that incurs tax credit-eligible 11609  
training expenses in a calendar year that were certified for 11610  
that year under division (B) of this section may apply to the 11611  
director for a nonrefundable credit against the tax imposed by 11612  
section 5747.02 of the Revised Code. The credit shall equal one- 11613  
half of the tax credit-eligible training expenses actually 11614  
incurred by the employer in, and certified for, the preceding 11615  
calendar year. The application may be submitted after the first 11616  
day and before the twenty-first day of January of the year 11617  
following the year for which the director certified the 11618  
expenses. The application shall be submitted on a form 11619  
prescribed by the director and shall, at a minimum, include an 11620  
itemized list of tax credit-eligible training expenses incurred 11621  
by the employer for each employee and the identities of those 11622  
employees. 11623

(2) If the director approves an application described in 11624  
division (C) (1) of this section, the director, within sixty days 11625  
after receipt of the application, shall issue a tax credit 11626

certificate to the applicant. The director in consultation with 11627  
the tax commissioner shall prescribe the form and manner of 11628  
issuing certificates. The director shall assign a unique 11629  
identifying number to each tax credit certificate and shall 11630  
record the certificate in a register devised and maintained by 11631  
the director for that purpose. The certificate shall state the 11632  
amount of the tax credit-eligible training expenses on which the 11633  
credit is based, the amount of the credit, and the date the 11634  
certificate is issued. Upon issuance of a certificate, the 11635  
director shall certify to the tax commissioner the name of the 11636  
applicant, the amount of tax credit-eligible training expenses 11637  
stated on the certificate, and any other information required by 11638  
the rules adopted under this section. 11639

(D) (1) An employer that has been issued a tax credit 11640  
certificate under division (C) (2) of this section during the 11641  
preceding calendar year shall file a form with the director 11642  
identifying all employees, the training of which is the basis of 11643  
that tax credit, whose employment with the employer was 11644  
terminated during the preceding calendar year, the amount of the 11645  
tax credit that is attributable to those employees, and any 11646  
other information requested by the director. The form shall be 11647  
prescribed by the director, and shall be filed on or before the 11648  
twenty-first day of January of the year following the issuance 11649  
year stated on the certificate. 11650

(2) The director shall annually submit to the general 11651  
assembly a report in accordance with division (B) of section 11652  
101.68 of the Revised Code that includes the total number of 11653  
employees described in division (D) (1) of this section and 11654  
reported to the director for the preceding calendar year, the 11655  
total amount of tax credits attributable to those employees, and 11656  
any other information the director finds pertinent. 11657

(E) The director in consultation with the tax commissioner 11658  
shall adopt rules under Chapter 119. of the Revised Code for the 11659  
administration of this section. Such rules shall set forth any 11660  
applicable fees, any penalties for noncompliance with the 11661  
reporting requirements prescribed in division (D) of this 11662  
section, and the types of expenses that qualify as training 11663  
expenses for purposes of this section. 11664

**Sec. 122.92.** There is hereby created in the department of 11665  
housing and development a minority business development 11666  
division. The division shall do all of the following: 11667

(A) Provide technical, managerial, and counseling services 11668  
and assistance to minority business enterprises; 11669

(B) Provide procurement and bid packaging assistance to 11670  
minority business enterprises; 11671

(C) Provide bonding technical assistance to minority 11672  
business enterprises; 11673

(D) Participate with other state departments and agencies 11674  
as appropriate in developing specific plans and specific program 11675  
goals for programs to assist in the establishment and 11676  
development of minority business enterprises and establish 11677  
regular performance monitoring and reporting systems to ensure 11678  
that those goals are being achieved; 11679

(E) Implement state law and policy supporting minority 11680  
business enterprise development, and assist in the coordination 11681  
of plans, programs, and operations of state government which 11682  
affect or may contribute to the establishment, preservation, and 11683  
strengthening of minority business enterprises; 11684

(F) Assist in the coordination of activities and resources 11685  
of state agencies and local governments, business and trade 11686



associations, universities, foundations, professional 11687  
organizations, and volunteer and other groups, to promote the 11688  
growth of minority business enterprises; 11689

(G) Establish a center for the development, collection, 11690  
and dissemination of information that will be helpful to persons 11691  
in establishing or expanding minority business enterprises in 11692  
this state; 11693

(H) Design, implement, and assist in experimental and 11694  
demonstration projects designed to overcome the special problems 11695  
of minority business enterprises; 11696

(I) Coordinate reviews of all proposed state training and 11697  
technical assistance activities in direct support of minority 11698  
business enterprise programs to ensure consistency with program 11699  
goals and to preclude duplication of efforts by other state 11700  
agencies; 11701

(J) Recommend appropriate legislative or executive actions 11702  
to enhance minority business enterprise opportunities in the 11703  
state; 11704

(K) Assist minority business enterprises in obtaining 11705  
governmental or commercial financing for business expansion, 11706  
establishment of new businesses, or industrial development 11707  
projects; 11708

(L) Assist minority business enterprises in contract 11709  
procurement from government and commercial sources; 11710

(M) Establish procedures to identify groups who have been 11711  
disadvantaged because of racial, cultural, or ethnic 11712  
circumstances without regard to the individual qualities of the 11713  
members of the group; 11714

(N) Establish procedures to identify persons who have been 11715  
economically disadvantaged; 11716

(O) Provide grant assistance to nonprofit entities that 11717  
promote economic development, development corporations, 11718  
community improvement corporations, and incubator business 11719  
entities, if the entities or corporations focus on business, 11720  
technical, and financial assistance to minority business 11721  
enterprises to assist the enterprises with fixed asset 11722  
financing; 11723

(P) Implement the minority business enterprise program 11724  
described in section 122.921 of the Revised Code, the 11725  
encouraging diversity, growth, and equity program described in 11726  
section 122.922 of the Revised Code, the women-owned business 11727  
enterprise program described in section 122.924 of the Revised 11728  
Code, and the veteran-friendly business enterprise program 11729  
described in section 122.925 of the Revised Code. 11730

(Q) Do all acts and things necessary or proper to carry 11731  
out the powers expressly granted and duties imposed by sections 11732  
122.92 to 122.94 of the Revised Code. 11733

**Sec. 122.921.** (A) As used in this section, "minority 11734  
business enterprise" has the same meaning as in division (E)(1) 11735  
of section 122.71 of the Revised Code. 11736

(B) (1) The director of housing and development shall make 11737  
rules in accordance with Chapter 119. of the Revised Code 11738  
establishing procedures by which minority businesses may apply 11739  
to the department of housing and development for certification 11740  
as minority business enterprises. 11741

(2) The director shall approve the application of any 11742  
minority business enterprise that complies with the rules 11743

adopted under this division. Any person adversely affected by an 11744  
order of the director denying certification as a minority 11745  
business enterprise may appeal as provided in Chapter 119. of 11746  
the Revised Code. The director shall prepare and maintain a list 11747  
of certified minority business enterprises. 11748

(C) Every state agency authorized to enter into contracts 11749  
for construction or contracts for purchases of equipment, 11750  
materials, supplies, insurance, or services, and every port 11751  
authority shall file a report every ninety days with the 11752  
department of housing and development. The report shall be filed 11753  
at a time and in a form prescribed by the director of housing 11754  
and development. The report shall include the name of each 11755  
minority business enterprise that the state agency or port 11756  
authority entered into a contract with during the preceding 11757  
ninety-day period and the total value and type of each such 11758  
contract. No later than thirty days after the end of each fiscal 11759  
year, the director shall notify in writing each state agency and 11760  
port authority that has not complied with the reporting 11761  
requirements of this division for the prior fiscal year. A copy 11762  
of this notification regarding a state agency shall be submitted 11763  
to the director of budget and management. No later than thirty 11764  
days after the notification, the state agency or port authority 11765  
shall submit to the director the information necessary to comply 11766  
with the reporting requirements of this division. 11767

If, after the expiration of this thirty-day period, a 11768  
state agency has not complied with the reporting requirements of 11769  
this division, the director of housing and development shall 11770  
certify to the director of budget and management that the state 11771  
agency has not complied with the reporting requirements. A copy 11772  
of this certification shall be submitted to the state agency. 11773  
Thereafter, no funds of the state agency shall be expended 11774

during the fiscal year for construction or purchases of 11775  
equipment, materials, supplies, contracts of insurance, or 11776  
services until the director of housing and development certifies 11777  
to the director of budget and management that the state agency 11778  
has complied with the reporting requirements of this division 11779  
for the prior fiscal year. 11780

If any port authority has not complied with the reporting 11781  
requirement after the expiration of the thirty-day period, the 11782  
director of housing and development shall certify to the speaker 11783  
of the house of representatives and the president of the senate 11784  
that the port authority has not complied with the reporting 11785  
requirements of this division. A copy of this certification 11786  
shall be submitted to the port authority. Upon receipt of the 11787  
certification, the speaker of the house of representatives and 11788  
the president of the senate shall take such action or make such 11789  
recommendations to the members of the general assembly as they 11790  
consider necessary to correct the situation. 11791

(D) (1) Any person who has been certified as a minority 11792  
business enterprise under this section may present the person's 11793  
certification to a political subdivision as evidence that that 11794  
person is eligible to participate in any public initiatives or 11795  
strategies that the political subdivision has established to 11796  
increase minority participation, representation, or inclusion in 11797  
business opportunities, and in any programs the political 11798  
subdivision may have that set aside a certain amount of public 11799  
contracts to award to any of the economically disadvantaged 11800  
groups listed in division (E) (1) of section 122.71 of the 11801  
Revised Code. 11802

(2) When considering this evidence, a political 11803  
subdivision shall defer to the department's determination that 11804

the person is both of the following: 11805

(a) A member of the economically disadvantaged group 11806  
indicated on the certification; 11807

(b) An owner of at least fifty-one per cent of the 11808  
business, including corporate stock if a corporation, and has 11809  
control over the management and day-to-day operations of the 11810  
business and an interest in the capital, assets, and profits and 11811  
losses of the business proportionate to the person's percentage 11812  
of ownership. 11813

**Sec. 122.922.** (A) As used in this section, "EDGE business 11814  
enterprise" means a sole proprietorship, association, 11815  
partnership, corporation, limited liability corporation, or 11816  
joint venture certified as a participant in the encouraging 11817  
diversity, growth, and equity program by the director of housing 11818  
and development under this section of the Revised Code. 11819

(B) The director of housing and development shall 11820  
establish a business assistance program known as the encouraging 11821  
diversity, growth, and equity program and shall adopt rules in 11822  
accordance with Chapter 119. of the Revised Code to administer 11823  
the program that do all of the following: 11824

(1) Establish procedures by which a sole proprietorship, 11825  
association, partnership, corporation, limited liability 11826  
corporation, or joint venture may apply for certification as an 11827  
EDGE business enterprise; 11828

(2) Except as provided in division (B) (14) of this 11829  
section, establish agency procurement goals for contracting with 11830  
EDGE business enterprises in the award of contracts under 11831  
Chapters 123., 125., and 153. of the Revised Code based on the 11832  
availability of eligible program participants by region or 11833

geographic area, as determined by the director, and by standard 11834  
industrial code or equivalent code classification. 11835

(a) Goals established under division (B) (2) of this 11836  
section shall be based on a percentage level of participation 11837  
and a percentage of contractor availability. 11838

(b) Goals established under division (B) (2) of this 11839  
section shall be applied at the contract level, relative to an 11840  
overall dollar goal for each state agency, in accordance with 11841  
the following certification categories: construction, 11842  
architecture, and engineering; professional services; goods and 11843  
services; and information technology services. 11844

(3) Establish a system of certifying EDGE business 11845  
enterprises based on a requirement that the business owner or 11846  
owners show both social and economic disadvantage based on the 11847  
following, as determined to be sufficient by the director: 11848

(a) Relative wealth of the business seeking certification 11849  
as well as the personal wealth of the owner or owners of the 11850  
business; 11851

(b) Social disadvantage based on any of the following: 11852

(i) A rebuttable presumption when the business owner or 11853  
owners demonstrate membership in a racial minority group or show 11854  
personal disadvantage due to color, ethnic origin, gender, 11855  
physical disability, long-term residence in an environment 11856  
isolated from the mainstream of American society, location in an 11857  
area of high unemployment; 11858

(ii) Some other demonstration of personal disadvantage not 11859  
common to other small businesses; 11860

(iii) By business location in a qualified census tract. 11861

(c) Economic disadvantage based on economic and business 11862  
size thresholds and eligibility criteria designed to stimulate 11863  
economic development through contract awards to businesses 11864  
located in qualified census tracts. 11865

(4) Establish standards to determine when an EDGE business 11866  
enterprise no longer qualifies for EDGE business enterprise 11867  
certification; 11868

(5) Develop a process for evaluating and adjusting goals 11869  
established by this section to determine what adjustments are 11870  
necessary to achieve participation goals established by the 11871  
director; 11872

(6) Establish a point system or comparable system to 11873  
evaluate bid proposals to encourage EDGE business enterprises to 11874  
participate in the procurement of professional design and 11875  
information technology services; 11876

(7) Establish a system to track data and analyze each 11877  
certification category established under division (B) (2) (b) of 11878  
this section; 11879

(8) Establish a process to mediate complaints and to 11880  
review EDGE business enterprise certification appeals; 11881

(9) Implement an outreach program to educate potential 11882  
participants about the encouraging diversity, growth, and equity 11883  
program; 11884

(10) Establish a system to assist state agencies in 11885  
identifying and utilizing EDGE business enterprises in their 11886  
contracting processes; 11887

(11) Implement a system of self-reporting by EDGE business 11888  
enterprises as well as an on-site inspection process to validate 11889

the qualifications of an EDGE business enterprise; 11890

(12) Establish a waiver mechanism to waive program goals 11891  
or participation requirements for those companies that, despite 11892  
their best-documented efforts, are unable to contract with 11893  
certified EDGE business enterprises; 11894

(13) Establish a process for monitoring overall program 11895  
compliance in which equal employment opportunity officers 11896  
primarily are responsible for monitoring their respective 11897  
agencies; 11898

(14) Establish guidelines for state universities as 11899  
defined in section 3345.011 of the Revised Code and the Ohio 11900  
facilities construction commission created in section 123.20 of 11901  
the Revised Code for awarding contracts pursuant to Chapters 11902  
153., 3318., and 3345. of the Revised Code to allow the 11903  
universities and commission to establish agency procurement 11904  
goals for contracting with EDGE business enterprises. 11905

(C) Business and personal financial information and trade 11906  
secrets submitted by encouraging diversity, growth, and equity 11907  
program applicants to the director pursuant to this section are 11908  
not public records for purposes of section 149.43 of the Revised 11909  
Code, unless the director presents the financial information or 11910  
trade secrets at a public hearing or public proceeding regarding 11911  
the applicant's eligibility to participate in the program. 11912

**Sec. 122.923.** (A) As used in this section: 11913

(1) "Minority business enterprise" has the same meaning as 11914  
in section 122.921 of the Revised Code. 11915

(2) "EDGE business enterprise" has the same meaning as in 11916  
section 122.922 of the Revised Code. 11917



(3) "Women-owned business enterprise" has the same meaning 11918  
as in section 122.924 of the Revised Code. 11919

"Veteran-friendly business enterprise" has the same 11920  
meaning as in section 122.925 of the Revised Code. 11921

(B) Not later than the first day of October in each year, 11922  
the director of housing and development shall submit a written 11923  
report to the governor and to each member of the general 11924  
assembly describing the progress made by state agencies in 11925  
advancing the minority business enterprise program, the 11926  
encouraging diversity, growth, and equity program, the women- 11927  
owned business enterprise program, and the veteran-friendly 11928  
business enterprise program. The report shall highlight the 11929  
initiatives implemented to encourage participation of minority- 11930  
owned, socially and economically disadvantaged, women-owned 11931  
businesses, and veteran-friendly businesses in programs funded 11932  
by state money or federal money received by the state. The 11933  
report shall also include the total number of procurement 11934  
contracts each agency has entered into with certified minority 11935  
business enterprises, EDGE business enterprises, women-owned 11936  
business enterprises, and veteran-friendly business enterprises. 11937

**Sec. 122.924.** (A) As used in this section: 11938

"Women-owned business enterprise" means any individual, 11939  
partnership, corporation, or joint venture of any kind that is 11940  
owned and controlled by women who are United States citizens and 11941  
residents of this state or of a reciprocal state. 11942

"Owned and controlled" means that at least fifty-one per 11943  
cent of the business, including corporate stock if it is a 11944  
corporation, is owned by women and that such owners have control 11945  
over the day-to-day operations of the business and an interest 11946

in the capital, assets, and profits and losses of the business 11947  
proportionate to their percentage of ownership. In order to 11948  
qualify as a women-owned business, a business shall have been 11949  
owned by such owners at least one year. 11950

(B) The director of housing and development shall 11951  
establish a business assistance program known as the women-owned 11952  
business enterprise program and shall adopt rules in accordance 11953  
with Chapter 119. of the Revised Code to administer the program 11954  
that do all of the following: 11955

(1) Establish procedures by which a business enterprise 11956  
may apply for certification as a women-owned business 11957  
enterprise; 11958

(2) Establish standards to determine when a women-owned 11959  
business enterprise no longer qualifies for women-owned business 11960  
enterprise certification; 11961

(3) Establish a system to make publicly available a list 11962  
of women-owned business enterprises certified under this 11963  
section; 11964

(4) Establish a process to mediate complaints and to 11965  
review women-owned business enterprise certification appeals; 11966

(5) Implement an outreach program to educate potential 11967  
participants about the women-owned business enterprise program; 11968

(6) Establish a system to assist state agencies in 11969  
identifying and utilizing women-owned business enterprises in 11970  
their contracting processes; 11971

(7) Implement a system of self-reporting by women-owned 11972  
business enterprises as well as an on-site inspection process to 11973  
validate the qualifications of women-owned business enterprises. 11974

(C) Business and personal financial information and trade secrets submitted by women-owned business enterprise applicants to the director pursuant to this section are not public records for purposes of section 149.43 of the Revised Code, unless the director presents the financial information or trade secrets at a public hearing or public proceeding regarding the applicant's eligibility to participate in the program.

(D) The director of housing and development, upon approval of the attorney general, may enter into a reciprocal agreement with the appropriate officials of one or more states, when the other state has a business assistance program or programs substantially similar to the women-owned business enterprise program of this state. The agreement shall provide that a business certified by the other state as a women-owned business enterprise, which is owned and controlled by a resident or residents of that other state, shall be considered a women-owned business enterprise in this state under this section. The agreement shall provide that a women-owned business enterprise certified under this section, which is owned and controlled by a resident or residents of this state, shall be considered certified in the other state and eligible for programs of that state that provide an advantage or benefit to such businesses.

(E) (1) Any person who has been certified as a women-owned business enterprise under this section may present the person's certification to a political subdivision as evidence that that person is eligible to participate in any public initiatives or strategies that the political subdivision has established to increase the participation, representation, or inclusion of women in business opportunities, and in any programs the political subdivision may have that set aside a certain amount of public contracts to award to women-owned business

enterprises. 12006

(2) When considering this evidence, a political 12007  
subdivision shall defer to the department's determination that 12008  
the person is a woman, that the person owns and controls the 12009  
person's business, and that the person has owned the person's 12010  
business for at least one year. 12011

**Sec. 122.925.** (A) As used in this section: 12012

"Armed forces" means the armed forces of the United 12013  
States, including the army, navy, air force, marine corps, space 12014  
force, coast guard, or any reserve component of those forces; 12015  
the national guard of any state; the commissioned corps of the 12016  
United States public health service; the merchant marine service 12017  
during wartime; such other service as may be designated by 12018  
congress; and the Ohio organized militia when engaged in full- 12019  
time national guard duty for a period of more than thirty days. 12020

"State agency" has the meaning defined in section 1.60 of 12021  
the Revised Code. 12022

"Veteran" means any person who has completed service in 12023  
the armed forces, including the national guard of any state, or 12024  
a reserve component of the armed forces, who has been honorably 12025  
discharged or discharged under honorable conditions from the 12026  
armed forces or who has been transferred to the reserve with 12027  
evidence of satisfactory service. 12028

"Veteran-friendly business enterprise" means a sole 12029  
proprietorship, association, partnership, corporation, limited 12030  
liability company, or joint venture that meets veteran 12031  
employment standards established by the director of housing and 12032  
development and the director of transportation under this 12033  
section. 12034

(B) The director of housing and development and the 12035  
director of transportation shall establish and maintain the 12036  
veteran-friendly business procurement program. The director of 12037  
housing and development shall adopt rules to administer the 12038  
program for all state agencies except the department of 12039  
transportation, and the director of transportation shall adopt 12040  
rules to administer the program for the department of 12041  
transportation. The rules shall be adopted under Chapter 119. of 12042  
the Revised Code. The rules, as adopted separately by but with 12043  
the greatest degree of consistency possible between the two 12044  
directors, shall do all of the following: 12045

(1) Establish criteria, based on the percentage of an 12046  
applicant's employees who are veterans, that qualifies an 12047  
applicant for certification as a veteran-friendly business 12048  
enterprise; 12049

(2) Establish procedures by which a sole proprietorship, 12050  
association, partnership, corporation, limited liability 12051  
company, or joint venture may apply for certification as a 12052  
veteran-friendly business enterprise; 12053

(3) Establish procedures for certifying a sole 12054  
proprietorship, association, partnership, corporation, limited 12055  
liability company, or joint venture as a veteran-friendly 12056  
business enterprise; 12057

(4) Establish standards for determining when a veteran- 12058  
friendly business enterprise no longer qualifies for 12059  
certification as a veteran-friendly business enterprise; 12060

(5) Establish procedures, to be used by state agencies or 12061  
the department of transportation, for the evaluation and ranking 12062  
of proposals, which provide preference or bonus points to each 12063

certified veteran-friendly business enterprise that submits a 12064  
bid or other proposal for a contract with the state or an agency 12065  
of the state other than the department of transportation, or 12066  
with the department of transportation, for the rendering of 12067  
services, or the supplying of materials, or for the 12068  
construction, demolition, alteration, repair, or reconstruction 12069  
of any public building, structure, highway, or other 12070  
improvement; 12071

(6) Implement an outreach program to educate potential 12072  
participants about the veteran-friendly business procurement 12073  
program; and 12074

(7) Establish a process for monitoring overall performance 12075  
of the veteran-friendly business procurement program. 12076

(C) (1) Any person who has been certified as a veteran- 12077  
friendly business enterprise under this section may present the 12078  
person's certification to a political subdivision as evidence 12079  
that the person is eligible to participate in any public 12080  
initiatives or strategies that the political subdivision has 12081  
established to reward veteran-friendly businesses or to increase 12082  
the participation, representation, or inclusion of veteran- 12083  
friendly businesses in business opportunities, and in any 12084  
programs the political subdivision may have that set aside a 12085  
certain amount of public contracts to award to veteran-friendly 12086  
business enterprises. 12087

(2) When considering this evidence, a political 12088  
subdivision shall defer to the department's determination that 12089  
the person meets the criteria established under division (B) (1) 12090  
of this section. 12091

**Sec. 122.94.** The director of housing and development 12092

~~services~~ shall: 12093

(A) Promulgate rules in accordance with Chapter 119. of 12094  
the Revised Code for the conduct of the minority business 12095  
development division's business and for carrying out the 12096  
purposes of sections 122.92 to 122.94 of the Revised Code; 12097

(B) Prepare an annual report to the governor and the 12098  
general assembly on or before the first day of August of its 12099  
activities for the preceding calendar year. 12100

**Sec. 122.941.** (A) On or before the first day of August in 12101  
each year, the director of housing and development ~~services~~ 12102  
shall make an annual report of the activities and operations 12103  
under the assistance programs of the department of housing and 12104  
development ~~services agency~~ for the preceding fiscal year to the 12105  
governor and general assembly. The annual report shall include a 12106  
detailing of those grants, guarantees, loans, and other forms of 12107  
state assistance to women-owned businesses. 12108

(B) As used in this section: 12109

(1) "Women-owned business" means any individual, 12110  
partnership, corporation, or joint venture of any kind that is 12111  
owned and controlled by women who are United States citizens and 12112  
residents of this state. 12113

(2) "Owned and controlled" means that at least fifty-one 12114  
per cent of the business, including corporate stock if it is a 12115  
corporation, is owned by women and that such owners have control 12116  
over the day-to-day operations of the business and an interest 12117  
in the capital, assets, and profits and losses of the business 12118  
proportionate to their percentage of ownership. In order to 12119  
qualify as a women-owned business, a business shall have been 12120  
owned by such owners at least one year. 12121

**Sec. 122.942.** (A) The director of housing and development 12122  
~~services~~ shall, with respect to each project for which a loan, 12123  
grant, tax credit, or other state-funded financial assistance is 12124  
awarded by the department of housing and development ~~services~~ 12125  
~~agency~~, make all of the following information available to the 12126  
public within thirty days after the ~~agency~~ department enters 12127  
into a contract with the recipient: 12128

(1) A summary of the project that includes all of the 12129  
following: 12130

(a) A breakdown of the sources of the funds for each 12131  
aspect of the project, such as state or federal programs, the 12132  
operating company or entity itself, or any private financing, 12133  
and a complete description of how each type of funds is to be 12134  
used; 12135

(b) The total amount of assistance awarded; 12136

(c) A brief description of the project; 12137

(d) The following information regarding the project: 12138

(i) The operating company or entity that is awarded the 12139  
assistance; 12140

(ii) The products or services provided by the operating 12141  
company or entity; 12142

(iii) The number of new jobs, at-risk jobs, and retained 12143  
jobs anticipated; the hourly wages and hourly benefits of those 12144  
jobs; and the dollar amount of assistance per job affected. 12145

(e) The strengths and weaknesses of the project; 12146

(f) The location of the project, the location of the 12147  
operating company or entity, and whether relocation is involved; 12148



(g) The Ohio house district and Ohio senate district in 12149  
which the project is located; 12150

(h) The payment terms and conditions of the assistance 12151  
awarded; 12152

(i) The collateral or security required; 12153

(j) The recommendation of the staff assigned to the 12154  
project. 12155

(2) A comprehensive report that provides a description of 12156  
the operating company or entity; all relevant information 12157  
regarding the project; an analysis of the operating company or 12158  
entity and the goods or services it provides; the explicit terms 12159  
of any collateral or security required; and the reasoning behind 12160  
the staffs' recommendation. 12161

(3) Any other relevant information the controlling board 12162  
may request, or the director may consider necessary to more 12163  
fully describe the details of the assistance or the operating 12164  
company or entity, that is provided before the controlling board 12165  
approves the assistance. 12166

(B) (1) As used in this division, "tax incentive" means any 12167  
exemption, either in whole or in part, of the income, goods, 12168  
services, or property of a taxpayer from the effect of taxes 12169  
levied by or under the Revised Code. "Tax incentive" includes, 12170  
but is not limited to, tax exemptions, deferrals, exclusions, 12171  
allowances, credits, deductions, reimbursements, and 12172  
preferential tax rates. 12173

(2) The director of housing and development services shall 12174  
estimate the total revenue that will be forgone by the state as 12175  
a result of each tax incentive approved by the tax credit 12176  
authority created under section 122.17 of the Revised Code. The 12177

estimate shall be based on the monetary value of the tax 12178  
incentive and not on potential economic growth. The director 12179  
shall make each estimate, along with the name and address of the 12180  
taxpayer that will receive the tax incentive, available to the 12181  
public within thirty days after the date the tax incentive is 12182  
approved by the tax credit authority. 12183

Nothing in this division precludes the director of housing 12184  
and development services from making other information regarding 12185  
tax incentives available to the public unless disclosure of such 12186  
information is prohibited by any other section of the Revised 12187  
Code. 12188

(3) The director may adopt rules in accordance with 12189  
Chapter 119. of the Revised Code to effectuate this division. 12190

(C) Nothing in this section shall be construed as 12191  
requiring the disclosure of information that is not a public 12192  
record under section 149.43 of the Revised Code. 12193

**Sec. 122.951.** (A) If the director of housing and 12194  
development services determines that a grant may create new jobs 12195  
or preserve existing jobs and employment opportunities in an 12196  
eligible county, the director may grant up to seven hundred 12197  
fifty thousand dollars to the eligible county for the purpose of 12198  
acquiring commercial or industrial land or buildings and making 12199  
improvements to commercial or industrial areas within the 12200  
eligible county, including, but not limited to: 12201

(1) Expanding, remodeling, renovating, and modernizing 12202  
buildings, structures, and other improvements; 12203

(2) Remediating environmentally contaminated property on 12204  
which hazardous substances exist under conditions that have 12205  
caused or would cause the property to be identified as 12206

contaminated by the Ohio or United States environmental 12207  
protection agency; and 12208

(3) Infrastructure improvements, including, but not 12209  
limited to, site preparation, including building demolition and 12210  
removal; streets, roads, bridges, and traffic control devices; 12211  
parking lots and facilities; water and sewer lines and treatment 12212  
plants; gas, electric, and telecommunications, including 12213  
broadband, hook-ups; and water and railway access improvements. 12214

A grant awarded under this section shall provide not more 12215  
than seventy-five per cent of the estimated total cost of the 12216  
project for which an application is submitted under this 12217  
section. In addition, not more than ten per cent of the amount 12218  
of the grant shall be used to pay the costs of professional 12219  
services related to the project. 12220

(B) An eligible county may apply to the director for a 12221  
grant under this section in the form and manner prescribed by 12222  
the director. The eligible county shall include on the 12223  
application all information required by the director. The 12224  
application shall require the eligible county to provide a 12225  
detailed description of how the eligible county would use a 12226  
grant to improve commercial or industrial areas within the 12227  
eligible county, and to specify how a grant will lead to the 12228  
creation of new jobs or the preservation of existing jobs and 12229  
employment opportunities in the eligible county. The eligible 12230  
county shall specify in the application the amount of the grant 12231  
for which the eligible county is applying. 12232

(C) An eligible county may designate a port authority, 12233  
community improvement corporation as defined in section 122.71 12234  
of the Revised Code, or other economic development entity that 12235  
is located in the county to apply for a grant under this 12236

section. If a port authority, community improvement corporation, 12237  
or other economic development entity is so designated, 12238  
references to an eligible county in this section include 12239  
references to the authority, corporation, or other entity. 12240

**Sec. 122.9511.** (A) As used in this section: 12241

(1) "Eligible applicant" means a person or a political 12242  
subdivision. 12243

(2) "Eligible project" means a project that, upon 12244  
completion, will be a site and facility primarily intended for 12245  
commercial, industrial, or manufacturing use. "Eligible 12246  
projects" do not include sites and facilities intended primarily 12247  
for residential, retail, or government use. 12248

(3) "Person" has the same meaning as in section 5701.01 of 12249  
the Revised Code. 12250

(4) "Political subdivision" means a municipal corporation, 12251  
township, county, school district, or any other body corporate 12252  
and politic responsible for governmental activities in a 12253  
geographic area smaller than that of the state. 12254

(5) "SiteOhio certification program" means the program 12255  
created under this section. 12256

(B) There is hereby created the SiteOhio certification 12257  
program to certify and market eligible projects in the state. 12258  
The program shall be administered by the department of housing 12259  
and development. 12260

(C) An eligible applicant may apply to the director of 12261  
housing and development on forms prescribed by the director for 12262  
the director to certify an eligible project. In addition to the 12263  
application, the applicant shall submit any additional materials 12264

required by the director. The director shall establish scoring 12265  
criteria, scoring instruments, and materials for use by the 12266  
department of housing and development in reviewing applications 12267  
under the SiteOhio certification program. The content of the 12268  
scoring criteria, scoring instruments, and materials shall be at 12269  
the discretion of the director and may include, where 12270  
practicable, evaluation of certain quality of life indicators 12271  
and community assets. The scoring criteria, scoring instruments, 12272  
and materials shall be published and made available with the 12273  
application. 12274

Subject to any limitations imposed under division (E) (2) 12275  
of this section, the director shall approve an application and 12276  
certify the applicant's eligible project if the applicant meets 12277  
all of the scoring criteria established by the director. 12278

(D) After the director of housing and development 12279  
certifies an eligible project, the project shall be listed on 12280  
the department's web site. The director shall market certified 12281  
eligible projects to interested persons. 12282

(E) The director of housing and development shall adopt 12283  
rules under Chapter 119. of the Revised Code necessary to 12284  
implement and operate the SiteOhio certification program. The 12285  
rules may provide for eligible applicants for certification to 12286  
be charged fees to cover administrative costs incurred by the 12287  
department in the administration of this section. Any fees 12288  
collected under this section shall be credited to the SiteOhio 12289  
administration fund. The director may do either of the 12290  
following: 12291

(1) Contract with one or more persons to administer all or 12292  
part of the SiteOhio certification program. 12293

(2) Limit the number of eligible projects the director 12294  
certifies according to the available resources and capabilities 12295  
of the department. 12296

**Sec. 122.9512.** There is hereby created in the state 12297  
treasury the SiteOhio administration fund. Money collected from 12298  
the fees remitted by applicants for certification under section 12299  
122.9511 of the Revised Code shall be credited to the fund. The 12300  
director of housing and development shall use the fund to pay 12301  
the department's administrative expenses for administering the 12302  
SiteOhio certification program under section 122.9511 of the 12303  
Revised Code. 12304

**Sec. 122.96.** The director of housing and development may 12305  
delegate to officers and employees of the department of housing 12306  
and development any of the powers, duties, and functions of the 12307  
director, other than the promulgation of rules or the making of 12308  
reports to the governor or the general assembly, in connection 12309  
with the issuance of bonds, notes, or other obligations, the 12310  
making or entering into of loans, guarantees, inducement 12311  
agreements, and other contracts, agreements, assignments, 12312  
certifications, and undertakings pursuant to Chapters 122., 12313  
140., 165., and 166. of the Revised Code, except that the 12314  
authority to adopt resolutions thereunder and to sign bonds and 12315  
notes may be delegated only to the assistant director or to a 12316  
deputy director of the department. Each such delegation shall be 12317  
in writing, shall state the functions delegated, the individuals 12318  
to whom or the offices or employment positions to which 12319  
delegated, and the duration, not exceeding one year, of the 12320  
delegation, and shall be entered in the journal of the director. 12321  
Any such delegation may be extended or revoked prospectively by 12322  
writing signed by the director and entered in ~~his~~ the director's 12323  
journal. 12324

**Sec. 123.01.** (A) The department of administrative 12325  
services, in addition to those powers enumerated in Chapters 12326  
124. and 125. of the Revised Code and provided elsewhere by law, 12327  
shall exercise the following powers: 12328

(1) To prepare and suggest comprehensive plans for the 12329  
development of grounds and buildings under the control of a 12330  
state agency; 12331

(2) To acquire, by purchase, gift, devise, lease, or 12332  
grant, all real estate required by a state agency, in the 12333  
exercise of which power the department may exercise the power of 12334  
eminent domain, in the manner provided by sections 163.01 to 12335  
163.22 of the Revised Code; 12336

(3) To erect, supervise, and maintain all public monuments 12337  
and memorials erected by the state, except where the supervision 12338  
and maintenance is otherwise provided by law; 12339

(4) To procure, by lease, storage accommodations for a 12340  
state agency; 12341

(5) To lease or grant easements or licenses for 12342  
unproductive and unused lands or other property under the 12343  
control of a state agency. Such leases, easements, or licenses 12344  
may be granted to any person or entity, shall be for a period 12345  
not to exceed fifteen years, unless a longer period is 12346  
authorized by division (A) (5) of this section, and shall be 12347  
executed for the state by the director of administrative 12348  
services. The director shall grant leases, easements, or 12349  
licenses of university land for periods not to exceed twenty- 12350  
five years for purposes approved by the respective university's 12351  
board of trustees wherein the uses are compatible with the uses 12352  
and needs of the university and may grant leases of university 12353

land for periods not to exceed forty years for purposes approved 12354  
by the respective university's board of trustees pursuant to 12355  
section 123.17 of the Revised Code. The director may grant 12356  
perpetual easements to public utilities, as defined in section 12357  
4905.02 of the Revised Code or described in section 4905.03 of 12358  
the Revised Code. 12359

(6) To lease space for the use of a state agency; 12360

(7) To have general supervision and care of the 12361  
storerooms, offices, and buildings leased for the use of a state 12362  
agency; 12363

(8) To exercise general custodial care of all real 12364  
property of the state; 12365

(9) To assign and group together state offices in any city 12366  
in the state and to establish, in cooperation with the state 12367  
agencies involved, rules governing space requirements for office 12368  
or storage use; 12369

(10) To lease for a period not to exceed forty years, 12370  
pursuant to a contract providing for the construction thereof 12371  
under a lease-purchase plan, buildings, structures, and other 12372  
improvements for any public purpose, and, in conjunction 12373  
therewith, to grant leases, easements, or licenses for lands 12374  
under the control of a state agency for a period not to exceed 12375  
forty years. The lease-purchase plan shall provide that at the 12376  
end of the lease period, the buildings, structures, and related 12377  
improvements, together with the land on which they are situated, 12378  
shall become the property of the state without cost. 12379

(a) Whenever any building, structure, or other improvement 12380  
is to be so leased by a state agency, the department shall 12381  
retain either basic plans, specifications, bills of materials, 12382



and estimates of cost with sufficient detail to afford bidders 12383  
all needed information or, alternatively, all of the following 12384  
plans, details, bills of materials, and specifications: 12385

(i) Full and accurate plans suitable for the use of 12386  
mechanics and other builders in the improvement; 12387

(ii) Details to scale and full sized, so drawn and 12388  
represented as to be easily understood; 12389

(iii) Accurate bills showing the exact quantity of 12390  
different kinds of material necessary to the construction; 12391

(iv) Definite and complete specifications of the work to 12392  
be performed, together with such directions as will enable a 12393  
competent mechanic or other builder to carry them out and afford 12394  
bidders all needed information; 12395

(v) A full and accurate estimate of each item of expense 12396  
and of the aggregate cost thereof. 12397

(b) The department shall give public notice, in such 12398  
newspaper, in such form, and with such phraseology as the 12399  
director of administrative services prescribes, published once 12400  
each week for four consecutive weeks, of the time when and place 12401  
where bids will be received for entering into an agreement to 12402  
lease to a state agency a building, structure, or other 12403  
improvement. The last publication shall be at least eight days 12404  
preceding the day for opening the bids. The bids shall contain 12405  
the terms upon which the builder would propose to lease the 12406  
building, structure, or other improvement to the state agency. 12407  
The form of the bid approved by the department shall be used, 12408  
and a bid is invalid and shall not be considered unless that 12409  
form is used without change, alteration, or addition. Before 12410  
submitting bids pursuant to this section, any builder shall 12411

comply with Chapter 153. of the Revised Code. 12412

(c) On the day and at the place named for receiving bids 12413  
for entering into lease agreements with a state agency, the 12414  
director of administrative services shall open the bids and 12415  
shall publicly proceed immediately to tabulate the bids upon 12416  
duplicate sheets. No lease agreement shall be entered into until 12417  
the bureau of workers' compensation has certified that the 12418  
person to be awarded the lease agreement has complied with 12419  
Chapter 4123. of the Revised Code, until, if the builder 12420  
submitting the lowest and best bid is a foreign corporation, the 12421  
secretary of state has certified that the corporation is 12422  
authorized to do business in this state, until, if the builder 12423  
submitting the lowest and best bid is a person nonresident of 12424  
this state, the person has filed with the secretary of state a 12425  
power of attorney designating the secretary of state as its 12426  
agent for the purpose of accepting service of summons in any 12427  
action brought under Chapter 4123. of the Revised Code, and 12428  
until the agreement is submitted to the attorney general and the 12429  
attorney general's approval is certified thereon. Within thirty 12430  
days after the day on which the bids are received, the 12431  
department shall investigate the bids received and shall 12432  
determine that the bureau and the secretary of state have made 12433  
the certifications required by this section of the builder who 12434  
has submitted the lowest and best bid. Within ten days of the 12435  
completion of the investigation of the bids, the department 12436  
shall award the lease agreement to the builder who has submitted 12437  
the lowest and best bid and who has been certified by the bureau 12438  
and secretary of state as required by this section. If bidding 12439  
for the lease agreement has been conducted upon the basis of 12440  
basic plans, specifications, bills of materials, and estimates 12441  
of costs, upon the award to the builder the department, or the 12442

builder with the approval of the department, shall appoint an 12443  
architect or engineer licensed in this state to prepare such 12444  
further detailed plans, specifications, and bills of materials 12445  
as are required to construct the building, structure, or 12446  
improvement. The department shall adopt such rules as are 12447  
necessary to give effect to this section. The department may 12448  
reject any bid. Where there is reason to believe there is 12449  
collusion or combination among bidders, the bids of those 12450  
concerned therein shall be rejected. 12451

(11) To acquire by purchase, gift, devise, or grant and to 12452  
transfer, lease, or otherwise dispose of all real property 12453  
required to assist in the development of a conversion facility 12454  
as defined in section 5709.30 of the Revised Code as that 12455  
section existed before its repeal by Amended Substitute House 12456  
Bill 95 of the 125th general assembly; 12457

(12) To lease for a period not to exceed forty years, 12458  
notwithstanding any other division of this section, the state- 12459  
owned property located at 408-450 East Town Street, Columbus, 12460  
Ohio, formerly the state school for the deaf, to a developer in 12461  
accordance with this section. "Developer," as used in this 12462  
section, has the same meaning as in section 123.77 of the 12463  
Revised Code. 12464

Such a lease shall be for the purpose of development of 12465  
the land for use by senior citizens by constructing, altering, 12466  
renovating, repairing, expanding, and improving the site as it 12467  
existed on June 25, 1982. A developer desiring to lease the land 12468  
shall prepare for submission to the department a plan for 12469  
development. Plans shall include provisions for roads, sewers, 12470  
water lines, waste disposal, water supply, and similar matters 12471  
to meet the requirements of state and local laws. The plans 12472

shall also include provision for protection of the property by 12473  
insurance or otherwise, and plans for financing the development, 12474  
and shall set forth details of the developer's financial 12475  
responsibility. 12476

The department may employ, as employees or consultants, 12477  
persons needed to assist in reviewing the development plans. 12478  
Those persons may include attorneys, financial experts, 12479  
engineers, and other necessary experts. The department shall 12480  
review the development plans and may enter into a lease if it 12481  
finds all of the following: 12482

(a) The best interests of the state will be promoted by 12483  
entering into a lease with the developer; 12484

(b) The development plans are satisfactory; 12485

(c) The developer has established the developer's 12486  
financial responsibility and satisfactory plans for financing 12487  
the development. 12488

The lease shall contain a provision that construction or 12489  
renovation of the buildings, roads, structures, and other 12490  
necessary facilities shall begin within one year after the date 12491  
of the lease and shall proceed according to a schedule agreed to 12492  
between the department and the developer or the lease will be 12493  
terminated. The lease shall contain such conditions and 12494  
stipulations as the director considers necessary to preserve the 12495  
best interest of the state. Moneys received by the state 12496  
pursuant to this lease shall be paid into the general revenue 12497  
fund. The lease shall provide that at the end of the lease 12498  
period the buildings, structures, and related improvements shall 12499  
become the property of the state without cost. 12500

(13) To manage the use of space owned and controlled by 12501

the department by doing all of the following: 12502

    (a) Biennially implementing, by state agency location, a 12503  
census of agency employees assigned space; 12504

    (b) Periodically in the discretion of the director of 12505  
administrative services: 12506

        (i) Requiring each state agency to categorize the use of 12507  
space allotted to the agency between office space, common areas, 12508  
storage space, and other uses, and to report its findings to the 12509  
department; 12510

        (ii) Creating and updating a master space utilization plan 12511  
for all space allotted to state agencies. The plan shall 12512  
incorporate space utilization metrics. 12513

        (iii) Conducting a cost-benefit analysis to determine the 12514  
effectiveness of state-owned buildings; 12515

        (iv) Assessing the alternatives associated with 12516  
consolidating the commercial leases for buildings located in 12517  
Columbus. 12518

    (c) Commissioning a comprehensive space utilization and 12519  
capacity study in order to determine the feasibility of 12520  
consolidating existing commercially leased space used by state 12521  
agencies into a new state-owned facility. 12522

    (14) To adopt rules to ensure that energy efficiency and 12523  
conservation is considered in the purchase of products and 12524  
equipment, except motor vehicles, by any state agency, 12525  
department, division, bureau, office, unit, board, commission, 12526  
authority, quasi-governmental entity, or institution. The 12527  
department may require minimum energy efficiency standards for 12528  
purchased products and equipment based on federal testing and 12529

labeling if available or on standards developed by the 12530  
department. When possible, the rules shall apply to the 12531  
competitive selection of energy consuming systems, components, 12532  
and equipment under Chapter 125. of the Revised Code. 12533

(15) To ensure energy efficient and energy conserving 12534  
purchasing practices by doing all of the following: 12535

(a) Identifying available energy efficiency and 12536  
conservation opportunities; 12537

(b) Providing for interchange of information among 12538  
purchasing agencies; 12539

(c) Identifying laws, policies, rules, and procedures that 12540  
should be modified; 12541

(d) Monitoring experience with and the cost-effectiveness 12542  
of this state's purchase and use of motor vehicles and of major 12543  
energy-consuming systems, components, equipment, and products 12544  
having a significant impact on energy consumption by the 12545  
government; 12546

(e) Providing technical assistance and training to state 12547  
employees involved in the purchasing process; 12548

(f) Working with the department of housing and development 12549  
to make recommendations regarding planning and implementation of 12550  
purchasing policies and procedures that are supportive of energy 12551  
efficiency and conservation. 12552

(16) To require all state agencies, departments, 12553  
divisions, bureaus, offices, units, commissions, boards, 12554  
authorities, quasi-governmental entities, institutions, and 12555  
state institutions of higher education to implement procedures 12556  
to ensure that all of the passenger automobiles they acquire in 12557

each fiscal year, except for those passenger automobiles 12558  
acquired for use in law enforcement or emergency rescue work, 12559  
achieve a fleet average fuel economy of not less than the fleet 12560  
average fuel economy for that fiscal year as the department 12561  
shall prescribe by rule. The department shall adopt the rule 12562  
prior to the beginning of the fiscal year, in accordance with 12563  
the average fuel economy standards established by federal law 12564  
for passenger automobiles manufactured during the model year 12565  
that begins during the fiscal year. 12566

Each state agency, department, division, bureau, office, 12567  
unit, commission, board, authority, quasi-governmental entity, 12568  
institution, and state institution of higher education shall 12569  
determine its fleet average fuel economy by dividing the total 12570  
number of passenger vehicles acquired during the fiscal year, 12571  
except for those passenger vehicles acquired for use in law 12572  
enforcement or emergency rescue work, by a sum of terms, each of 12573  
which is a fraction created by dividing the number of passenger 12574  
vehicles of a given make, model, and year, except for passenger 12575  
vehicles acquired for use in law enforcement or emergency rescue 12576  
work, acquired during the fiscal year by the fuel economy 12577  
measured by the administrator of the United States environmental 12578  
protection agency, for the given make, model, and year of 12579  
vehicle, that constitutes an average fuel economy for combined 12580  
city and highway driving. 12581

As used in division (A) (16) of this section, "acquired" 12582  
means leased for a period of sixty continuous days or more, or 12583  
purchased. 12584

(17) To correct legal descriptions or title defects, or 12585  
release fractional interests in real property, as necessary to 12586  
cure title clouds reflected in public records, including those 12587

resulting from boundary disputes, ingress or egress issues, 12588  
title transfers precipitated through retirement of bond 12589  
requirements, and the retention of fractional interests in real 12590  
estate otherwise disposed of in previous title transfers. 12591

(18) (a) To, with controlling board approval, sell state- 12592  
owned real property that is not held for the benefit of an 12593  
institution of higher education and is appraised at not more 12594  
than one hundred thousand dollars by an independent third-party 12595  
appraiser. 12596

(b) To sell state-owned real property that is held for the 12597  
benefit of an institution of higher education, provided all of 12598  
the following are true: 12599

(i) The board of trustees of the institution of higher 12600  
education, or, in the case of a university branch district, any 12601  
other managing authority, adopts a resolution approving the 12602  
sale; 12603

(ii) The real property is appraised at not more than ten 12604  
million dollars by an independent third-party appraiser; 12605

(iii) The controlling board approves the sale. 12606

Notwithstanding any provision of law to the contrary, net 12607  
proceeds from any disposition of real property made pursuant to 12608  
division (A) (18) of this section shall, at the direction of the 12609  
director of budget and management, be credited to a fund or 12610  
funds in the state treasury, or to accounts held by an 12611  
institution of higher education for purposes to be determined by 12612  
the institution. 12613

As used in division (A) (18) of this section, "institution 12614  
of higher education" has the same meaning as in section 3345.12 12615  
of the Revised Code. 12616



(B) This section and section 125.02 of the Revised Code 12617  
shall not interfere with any of the following: 12618

(1) The power of the adjutant general to purchase military 12619  
supplies, or with the custody of the adjutant general of 12620  
property leased, purchased, or constructed by the state and used 12621  
for military purposes, or with the functions of the adjutant 12622  
general as director of state armories; 12623

(2) The power of the director of transportation in 12624  
acquiring rights-of-way for the state highway system, or the 12625  
leasing of lands for division or resident district offices, or 12626  
the leasing of lands or buildings required in the maintenance 12627  
operations of the department of transportation, or the purchase 12628  
of real property for garage sites or division or resident 12629  
district offices, or in preparing plans and specifications for 12630  
and constructing such buildings as the director may require in 12631  
the administration of the department; 12632

(3) The power of the director of public safety and the 12633  
registrar of motor vehicles to purchase or lease real property 12634  
and buildings to be used solely as locations to which a deputy 12635  
registrar is assigned pursuant to division (B) of section 12636  
4507.011 of the Revised Code and from which the deputy registrar 12637  
is to conduct the deputy registrar's business, the power of the 12638  
director of public safety to purchase or lease real property and 12639  
buildings to be used as locations for division or district 12640  
offices as required in the maintenance of operations of the 12641  
department of public safety, and the power of the superintendent 12642  
of the state highway patrol in the purchase or leasing of real 12643  
property and buildings needed by the patrol, to negotiate the 12644  
sale of real property owned by the patrol, to rent or lease real 12645  
property owned or leased by the patrol, and to make or cause to 12646

be made repairs to all property owned or under the control of 12647  
the patrol; 12648

(4) The power of the division of liquor control in the 12649  
leasing or purchasing of retail outlets and warehouse facilities 12650  
for the use of the division; 12651

(5) The power of the director of housing and development 12652  
to enter into leases of real property, buildings, and office 12653  
space to be used solely as locations for the state's foreign 12654  
offices to carry out the purposes of section 122.05 of the 12655  
Revised Code; 12656

(6) The power of the director of environmental protection 12657  
to enter into environmental covenants, to grant and accept 12658  
easements, or to sell property pursuant to division (G) of 12659  
section 3745.01 of the Revised Code; 12660

(7) The power of the department of public safety under 12661  
section 5502.01 of the Revised Code to direct security measures 12662  
and operations for the Vern Riffe center and the James A. Rhodes 12663  
state office tower. The department of administrative services 12664  
shall implement all security measures and operations at the Vern 12665  
Riffe center and the James A. Rhodes state office tower as 12666  
directed by the department of public safety. 12667

(C) Purchases for, and the custody and repair of, 12668  
buildings under the management and control of the capitol square 12669  
review and advisory board, the opportunities for Ohioans with 12670  
disabilities agency, the bureau of workers' compensation, or the 12671  
departments of public safety, job and family services, mental 12672  
health and addiction services, developmental disabilities, and 12673  
rehabilitation and correction; buildings of educational and 12674  
benevolent institutions under the management and control of 12675

boards of trustees; and purchases or leases for, and the custody 12676  
and repair of, office space used for the purposes of any agency 12677  
of the legislative branch of state government are not subject to 12678  
the control and jurisdiction of the department of administrative 12679  
services. 12680

An agency of the legislative branch of state government 12681  
that uses office space in a building under the management and 12682  
control of the department of administrative services may 12683  
exercise the agency's authority to improve the agency's office 12684  
space as authorized under this division only if, upon review, 12685  
the department of administrative services concludes the proposed 12686  
improvements do not adversely impact the structural integrity of 12687  
the building. 12688

If an agency of the legislative branch of state 12689  
government, except the capitol square review and advisory board, 12690  
so requests, the agency and the director of administrative 12691  
services may enter into a contract under which the department of 12692  
administrative services agrees to perform any services requested 12693  
by the agency that the department is authorized under this 12694  
section to perform. In performing such services, the department 12695  
shall not use competitive selection. As used in this division, 12696  
"competitive selection" has the meaning defined in section 12697  
125.01 of the Revised Code and includes any other type of 12698  
competitive process for the selection of persons producing or 12699  
dealing in the services to be provided. 12700

(D) Any instrument by which real property is acquired 12701  
pursuant to this section shall identify the agency of the state 12702  
that has the use and benefit of the real property as specified 12703  
in section 5301.012 of the Revised Code. 12704

**Sec. 123.22.** (A) As used in this section: 12705

- (1) "Construct" includes reconstruct, improve, renovate, 12706  
enlarge, or otherwise alter. 12707
- (2) "Energy consumption analysis" means the evaluation of 12708  
all energy consuming systems, components, and equipment by 12709  
demand and type of energy, including the internal energy load 12710  
imposed on a facility by its occupants and the external energy 12711  
load imposed by climatic conditions. 12712
- (3) "Facility" means a building or other structure, or 12713  
part of a building or other structure, that includes provision 12714  
for a heating, refrigeration, ventilation, cooling, lighting, 12715  
hot water, or other major energy consuming system, component, or 12716  
equipment. 12717
- (4) "Life-cycle cost analysis" means a general approach to 12718  
economic evaluation that takes into account all dollar costs 12719  
related to owning, operating, maintaining, and ultimately 12720  
disposing of a project over the appropriate study period. 12721
- (5) "Political subdivision" means a county, township, 12722  
municipal corporation, board of education of any school 12723  
district, or any other body corporate and politic that is 12724  
responsible for government activities in a geographic area 12725  
smaller than that of the state. 12726
- (6) "State funded" means funded in whole or in part 12727  
through appropriation by the general assembly or through the use 12728  
of any guarantee provided by this state. 12729
- (7) "State institution of higher education" has the same 12730  
meaning as in section 3345.011 of the Revised Code. 12731
- (8) "Cogeneration" means the simultaneous production of 12732  
thermal energy and electricity for use primarily within a 12733  
building or complex of buildings. 12734

(B) The Ohio facilities construction commission shall 12735  
develop energy efficiency and conservation programs for new 12736  
construction design and review and for existing building audit 12737  
and retrofit. 12738

The commission may accept and administer grants from 12739  
public and private sources for carrying out any of its duties 12740  
under this section. 12741

(C) No state agency, department, division, bureau, office, 12742  
unit, board, commission, authority, quasi-governmental entity, 12743  
or institution shall construct or cause to be constructed, 12744  
within the limits prescribed in this section, a state-funded 12745  
facility without a proper life-cycle cost analysis as computed 12746  
or prepared by a qualified architect or engineer in accordance 12747  
with the rules required by division (D) of this section. 12748

Construction shall proceed only upon the disclosure to the 12749  
commission, for the facility chosen, of the life-cycle costs as 12750  
determined in this section and the capitalization of the initial 12751  
construction costs of the building. The results of life-cycle 12752  
cost analysis shall be a primary consideration in the selection 12753  
of a building design. That analysis shall be required only for 12754  
construction of buildings with an area of twenty thousand square 12755  
feet or greater, except the commission may waive this 12756  
requirement or may require an analysis for buildings with an 12757  
area of less than twenty thousand square feet. For projects with 12758  
an estimated construction cost exceeding fifty million dollars, 12759  
the analysis shall include a review of cogeneration as an energy 12760  
source. 12761

Nothing in this section shall deprive or limit any state 12762  
agency that has review authority over design or construction 12763  
plans from requiring a life-cycle cost analysis or energy 12764

consumption analysis. 12765

(D) For the purposes of assisting the commission in its 12766  
responsibility for state-funded facilities pursuant to section 12767  
123.21 of the Revised Code and of cost-effectively reducing the 12768  
energy consumption of those and any other state-funded 12769  
facilities, thereby promoting fiscal, economic, and 12770  
environmental benefits to this state, the commission shall 12771  
promulgate rules specifying cost-effective, energy efficiency 12772  
and conservation standards that may govern the design, 12773  
construction, operation, and maintenance of all state-funded 12774  
facilities, except facilities of state institutions of higher 12775  
education or facilities operated by a political subdivision. The 12776  
department of housing and development ~~services agency~~ shall 12777  
cooperate in providing information and technical expertise to 12778  
the commission to ensure promulgation of rules of maximum 12779  
effectiveness. The standards prescribed by rules promulgated 12780  
under this division may draw from or incorporate, by reference 12781  
or otherwise and in whole or in part, standards already 12782  
developed or implemented by any competent, public or private 12783  
standards organization or program. The rules also may include 12784  
any of the following: 12785

(1) Specifications for a life-cycle cost analysis that 12786  
shall determine, for the economic life of such state-funded 12787  
facility, the reasonably expected costs of facility ownership, 12788  
operation, and maintenance including labor and materials. Life- 12789  
cycle cost may be expressed as an annual cost for each year of 12790  
the facility's use. 12791

A life-cycle cost analysis additionally may include an 12792  
energy consumption analysis that conforms to division (D) (2) of 12793  
this section. 12794

(2) Specifications for an energy consumption analysis of 12795  
the facility's heating, refrigeration, ventilation, cooling, 12796  
lighting, hot water, and other major energy consuming systems, 12797  
components, and equipment. 12798

A life-cycle cost analysis and energy consumption analysis 12799  
shall be based on the best currently available methods of 12800  
analysis, such as those of the national institute of standards 12801  
and technology, the United States department of energy or other 12802  
federal agencies, professional societies, and directions 12803  
developed by the department. 12804

(3) Specifications for energy performance indices, to be 12805  
used to audit and evaluate competing design proposals submitted 12806  
to the state. 12807

(4) A process by which a manager of a specified state- 12808  
funded facility, except a facility of a state institution of 12809  
higher education or a facility operated by a political 12810  
subdivision, may receive a waiver of compliance with any 12811  
provision of the rules required by divisions (D) (1) to (3) of 12812  
this section. 12813

(E) Each state agency, department, division, bureau, 12814  
office, unit, board, commission, authority, quasi-governmental 12815  
entity, institution, and state institution of higher education 12816  
shall comply with any applicable provision of this section or of 12817  
a rule promulgated pursuant to division (D) of this section. 12818

**Sec. 125.08.** Any person who is certified by the director 12819  
of housing and development in accordance with the rules adopted 12820  
under division (B) (1) of section 122.921 of the Revised Code as 12821  
a minority business enterprise may have that person's name 12822  
placed on a special minority business enterprise notification 12823

list to be used in connection with contracts awarded under 12824  
section 125.081 of the Revised Code. The minority business 12825  
enterprise notification list shall be used for bidding on 12826  
contracts set aside for minority business enterprises only. 12827

**Sec. 125.081.** (A) From the purchases that the department 12828  
of administrative services is required by law to make through 12829  
competitive selection, the director of administrative services 12830  
shall select a number of such purchases, the aggregate value of 12831  
which equals approximately fifteen per cent of the estimated 12832  
total value of all such purchases to be made in the current 12833  
fiscal year. The director shall set aside the purchases selected 12834  
for competition only by minority business enterprises, as 12835  
defined in division (E)(1) of section 122.71 of the Revised 12836  
Code. The competitive selection procedures for such purchases 12837  
set aside shall be the same as for all other purchases the 12838  
department is required to make through competitive selection, 12839  
except that only minority business enterprises certified by the 12840  
director of housing and development in accordance with the rules 12841  
adopted under division (B)(1) of section 122.921 of the Revised 12842  
Code and listed under section 125.08 of the Revised Code shall 12843  
be qualified to compete. 12844

(B) To the extent that any agency of the state, other than 12845  
the department of administrative services, the legislative and 12846  
judicial branches, boards of elections, and the adjutant 12847  
general, is authorized to make purchases, the agency shall set 12848  
aside a number of purchases, the aggregate value of which equals 12849  
approximately fifteen per cent of the aggregate value of such 12850  
purchases for the current fiscal year for competition by 12851  
minority business enterprises only. The procedures for such 12852  
purchases shall be the same as for all other such purchases made 12853  
by the agency, except that only minority business enterprises 12854



certified by the director of housing and development in 12855  
accordance with rules adopted under division (B) (1) of section 12856  
123.151 of the Revised Code shall be qualified to compete. 12857

(C) In the case of purchases set aside under division (A) 12858  
or (B) of this section, if no bid is submitted by a minority 12859  
business enterprise, the purchase shall be made according to 12860  
usual procedures. The contracting agency shall from time to time 12861  
set aside such additional purchases for which only minority 12862  
business enterprises may compete, as are necessary to replace 12863  
those purchases previously set aside for which no minority 12864  
business enterprises bid and to ensure that, in any fiscal year, 12865  
the aggregate amount of contracts awarded to minority business 12866  
enterprises will equal approximately fifteen per cent of the 12867  
total amount of contracts awarded by the agency. 12868

(D) The provisions of this section shall not preclude any 12869  
minority business enterprise from competing for any other state 12870  
purchases that are not specifically set aside for minority 12871  
business enterprises. 12872

(E) No funds of any state agency shall be expended in any 12873  
fiscal year for any purchase for which competitive selection is 12874  
required, until the director of the department of administrative 12875  
services certifies to the clerk of the senate and the clerk of 12876  
the house of representatives of the general assembly that 12877  
approximately fifteen per cent of the aggregate amount of the 12878  
projected expenditure for such purchases in the fiscal year has 12879  
been set aside as provided for in this section. 12880

(F) Any person who intentionally misrepresents self as 12881  
owning, controlling, operating, or participating in a minority 12882  
business enterprise for the purpose of obtaining contracts, 12883  
subcontracts, or any other benefits under this section shall be 12884

guilty of theft by deception as provided for in section 2913.02 12885  
of the Revised Code. 12886

**Sec. 125.111.** (A) Every contract for or on behalf of the 12887  
state or any of its political subdivisions for any purchase 12888  
shall contain provisions similar to those required by section 12889  
153.59 of the Revised Code in the case of construction contracts 12890  
by which the contractor agrees to both of the following: 12891

(1) That, in the hiring of employees for the performance 12892  
of work under the contract or any subcontract, no contractor or 12893  
subcontractor, by reason of race, color, religion, sex, age, 12894  
disability or military status as defined in section 4112.01 of 12895  
the Revised Code, national origin, or ancestry, shall 12896  
discriminate against any citizen of this state in the employment 12897  
of a person qualified and available to perform the work to which 12898  
the contract relates; 12899

(2) That no contractor, subcontractor, or person acting on 12900  
behalf of any contractor or subcontractor, in any manner, shall 12901  
discriminate against, intimidate, or retaliate against any 12902  
employee hired for the performance of work under the contract on 12903  
account of race, color, religion, sex, age, disability or 12904  
military status as defined in section 4112.01 of the Revised 12905  
Code, national origin, or ancestry. 12906

(B) All contractors from whom the state or any of its 12907  
political subdivisions make purchases shall have a written 12908  
affirmative action program for the employment and effective 12909  
utilization of economically disadvantaged persons, as referred 12910  
to in division (E) (1) of section 122.71 of the Revised Code. 12911  
Annually, each such contractor shall file a description of the 12912  
affirmative action program and a progress report on its 12913  
implementation with the department of housing and development. 12914

**Sec. 125.20.** ~~(A)~~ Within one hundred eighty days after ~~the~~ 12915  
~~effective date of this section~~ October 16, 2009, the director of 12916  
administrative services shall establish an electronic site 12917  
accessible through the internet to publish the following: 12918

~~(1)~~ (A) A database containing each state employee's gross 12919  
pay from the most recent pay period. The database shall contain 12920  
the name of the agency, position title, and employee name. 12921

~~(2)~~ (B) A database containing tax credits issued by the 12922  
director of housing and development to business entities that 12923  
shall contain the name under which the tax credit is known, the 12924  
name of the entity receiving the credit, and the county in which 12925  
the credit recipient's principal place of business in this state 12926  
is located. 12927

(C) The director of administrative services may adopt 12928  
rules governing the means by which information is submitted and 12929  
databases are updated. 12930

**Sec. 125.836.** (A) As used in this section: 12931

(1) "Biodiesel," "blended biodiesel," and "diesel fuel" 12932  
have the same meanings as in section 125.831 of the Revised 12933  
Code. 12934

(2) "Incremental cost" means the difference in cost 12935  
between blended biodiesel and conventional petroleum-based 12936  
diesel fuel at the time the blended biodiesel is purchased. 12937

(B) There is hereby created in the state treasury the 12938  
"biodiesel revolving fund," to which shall be credited moneys 12939  
appropriated to the fund by the general assembly and any other 12940  
moneys obtained or accepted by the department of housing and 12941  
development ~~services agency~~ for crediting to the fund. Moneys 12942  
credited to the fund shall be used to pay for the incremental 12943

cost of biodiesel for use in vehicles owned or leased by the 12944  
state that use diesel fuel. The director of housing and 12945  
development ~~services~~ may direct the director of budget and 12946  
management to transfer available moneys in the biodiesel 12947  
revolving fund to the alternative fuel transportation fund 12948  
created in section 122.075 of the Revised Code to be used by the 12949  
department of housing and development ~~services agency~~ for the 12950  
purposes specified in that section. 12951

**Sec. 125.901.** (A) There is hereby established the Ohio 12952  
geographically referenced information program council within the 12953  
department of administrative services to coordinate the property 12954  
owned by the state. The department of administrative services 12955  
shall provide administrative support for the council. 12956

(B) The council shall consist of the following fourteen 12957  
members: 12958

(1) The state chief information officer, or the officer's 12959  
designee, who shall serve as the council chair; 12960

(2) The director of natural resources, or the director's 12961  
designee; 12962

(3) The director of transportation, or the director's 12963  
designee; 12964

(4) The director of environmental protection, or the 12965  
director's designee; 12966

(5) The director of housing and development, or the 12967  
director's designee; 12968

(6) The attorney general, or the attorney general's 12969  
designee; 12970

(7) The chancellor of higher education or the chancellor's 12971

designee;	12972
(8) The chief of the division of oil and gas resources	12973
management in the department of natural resources or the chief's	12974
designee;	12975
(9) The director of public safety or the director's	12976
designee;	12977
(10) The executive director of the county auditors'	12978
association or the executive director's designee;	12979
(11) The executive director of the county commissioners'	12980
association or the executive director's designee;	12981
(12) The executive director of the county engineers'	12982
association or the executive director's designee;	12983
(13) The executive director of the Ohio municipal league	12984
or the executive director's designee;	12985
(14) The executive director of the Ohio townships	12986
association or the executive director's designee.	12987
(C) Members of the council shall serve without	12988
compensation.	12989
<b>Sec. 126.023.</b> Whenever, pursuant to section 126.06 of the	12990
Revised Code, the department of <u>housing and development</u> files	12991
with the director of budget and management its estimate of	12992
proposed expenditures for the succeeding biennium, the	12993
department shall request, and the director of budget and	12994
management shall approve the request for, the following general	12995
revenue fund appropriations for operating the construction	12996
compliance section of the department of <u>housing and development</u> :	12997
(A) For the first fiscal year of the biennium, an	12998

appropriation equal to fifty-three one-thousandths of one per 12999  
cent of the total new capital appropriations provided for in the 13000  
most recently enacted main capital appropriations act; 13001

(B) For the second fiscal year of the biennium, an 13002  
appropriation equal to the amount computed under division (A) of 13003  
this section, adjusted for anticipated changes in operating 13004  
costs based upon the inflation/deflation factor used by the 13005  
director of budget and management for that fiscal year. 13006

The amounts of the appropriations requested pursuant to 13007  
divisions (A) and (B) of this section shall be in addition to 13008  
the amounts provided for staff in the construction compliance 13009  
section of the equal employment opportunity office of the 13010  
department of administrative services as of January 1, 1988. 13011

**Sec. 126.32.** (A) Any officer of any state agency may 13012  
authorize reimbursement for travel, including the costs of 13013  
transportation, for lodging, and for meals to any person who is 13014  
interviewing for a position that is classified in pay range 13 13015  
or above in schedule E-1 or is classified in schedule E-2 of 13016  
section 124.152 of the Revised Code. 13017

(B) If a person is appointed to a position listed in 13018  
section 121.03 of the Revised Code, to the position of 13019  
chairperson of the industrial commission, adjutant general, 13020  
chancellor of the Ohio board of regents, superintendent of 13021  
public instruction, chairperson of the public utilities 13022  
commission of Ohio, or director of the state lottery commission, 13023  
to a position holding a fiduciary relationship to the governor, 13024  
to a position of an appointing authority of the department of 13025  
mental health and addiction services, developmental 13026  
disabilities, or rehabilitation and correction, to a position of 13027  
superintendent in the department of youth services, or to a 13028

position under section 122.05 of the Revised Code, and if that 13029  
appointment requires a permanent change of residence, the 13030  
appropriate state agency may reimburse the person for the 13031  
person's actual and necessary expenses, including the cost of 13032  
in-transit storage of household goods and personal effects, of 13033  
moving the person and members of the person's immediate family 13034  
residing in the person's household, and of moving their 13035  
household goods and personal effects, to the person's new 13036  
location. 13037

Until that person moves the person's permanent residence 13038  
to the new location, but not for a period that exceeds thirty 13039  
consecutive days, the state agency may reimburse the person for 13040  
the person's temporary living expenses at the new location that 13041  
the person has incurred on behalf of the person and members of 13042  
the person's immediate family residing in the person's 13043  
household. In addition, the state agency may reimburse that 13044  
person for the person's travel expenses between the new location 13045  
and the person's former residence during this period for a 13046  
maximum number of trips specified by rule of the director of 13047  
budget and management, but the state agency shall not reimburse 13048  
the person for travel expenses incurred for those trips by 13049  
members of the person's immediate family. With the prior written 13050  
approval of the director, the maximum thirty-day period for 13051  
temporary living expenses may be extended for a person appointed 13052  
to a position under section 122.05 of the Revised Code. 13053

The director of housing and development ~~services~~ may 13054  
reimburse a person appointed to a position under section 122.05 13055  
of the Revised Code for the person's actual and necessary 13056  
expenses of moving the person and members of the person's 13057  
immediate family residing in the person's household back to the 13058  
United States and may reimburse a person appointed to such a 13059

position for the cost of storage of household goods and personal 13060  
effects of the person and the person's immediate family while 13061  
the person is serving outside the United States, if the person's 13062  
office outside the United States is the person's primary job 13063  
location. 13064

(C) All reimbursement under division (A) or (B) of this 13065  
section shall be made in the manner, and at rates that do not 13066  
exceed those, provided by rule of the director of budget and 13067  
management in accordance with section 111.15 of the Revised 13068  
Code. Reimbursements may be made under division (B) of this 13069  
section directly to the persons who incurred the expenses or 13070  
directly to the providers of goods or services the persons 13071  
receive, as determined by the director of budget and management. 13072

**Sec. 126.62.** (A) The all Ohio future fund is hereby 13073  
created in the state treasury. The fund shall consist of money 13074  
credited to it and any donations, gifts, bequests, or other 13075  
money received for deposit in the fund. All investment earnings 13076  
of the fund shall be credited to the fund. Money in the fund 13077  
shall be used to promote economic development throughout the 13078  
state, including by funding the installation or improvement of 13079  
infrastructure projects and other infrastructure 13080  
improvements that is a critical component for either of the 13081  
following: 13082

(1) Site-readiness and preparation; 13083

(2) Housing to accommodate a growing workforce. 13084

(B) The director shall adopt rules in accordance with 13085  
Chapter 119. of the Revised Code that establish requirements and 13086  
procedures to provide financial assistance from the all Ohio 13087  
future fund. The director shall consult with JobsOhio in 13088



adopting the rules. 13089

(C) No money shall be expended from the all Ohio future 13090  
fund, pursuant to appropriation, until it has been released by 13091  
the controlling board. 13092

**Sec. 140.01.** As used in this chapter: 13093

(A) "Hospital agency" means any public hospital agency or 13094  
any nonprofit hospital agency. 13095

(B) "Public hospital agency" means any county, board of 13096  
county hospital trustees established pursuant to section 339.02 13097  
of the Revised Code, county hospital commission established 13098  
pursuant to section 339.14 of the Revised Code, municipal 13099  
corporation, new community authority organized under Chapter 13100  
349. of the Revised Code, joint township hospital district, 13101  
state or municipal university or college operating or authorized 13102  
to operate a hospital facility, or the state. 13103

(C) "Nonprofit hospital agency" means a corporation or 13104  
association not for profit, no part of the net earnings of which 13105  
inures or may lawfully inure to the benefit of any private 13106  
shareholder or individual, that has authority to own or operate 13107  
a hospital facility or provides or is to provide services to one 13108  
or more other hospital agencies. 13109

(D) "Governing body" means, in the case of a county, the 13110  
board of county commissioners or other legislative body; in the 13111  
case of a board of county hospital trustees, the board; in the 13112  
case of a county hospital commission, the commission; in the 13113  
case of a municipal corporation, the council or other 13114  
legislative authority; in the case of a new community authority, 13115  
its board of trustees; in the case of a joint township hospital 13116  
district, the joint township district hospital board; in the 13117

case of a state or municipal university or college, its board of 13118  
trustees or board of directors; in the case of a nonprofit 13119  
hospital agency, the board of trustees or other body having 13120  
general management of the agency; and, in the case of the state, 13121  
the director of housing and development or the Ohio higher 13122  
educational facility commission. 13123

(E) "Hospital facilities" means buildings, structures and 13124  
other improvements, additions thereto and extensions thereof, 13125  
furnishings, equipment, and real estate and interests in real 13126  
estate, used or to be used for or in connection with one or more 13127  
hospitals, emergency, intensive, intermediate, extended, long- 13128  
term, or self-care facilities, diagnostic and treatment and out- 13129  
patient facilities, facilities related to programs for home 13130  
health services, clinics, laboratories, public health centers, 13131  
research facilities, and rehabilitation facilities, for or 13132  
pertaining to diagnosis, treatment, care, or rehabilitation of 13133  
persons who are sick, ill, injured, infirm, or impaired or who 13134  
have disabilities, or the prevention, detection, and control of 13135  
disease, and also includes education, training, and food service 13136  
facilities for health professions personnel, housing facilities 13137  
for such personnel and their families, and parking and service 13138  
facilities in connection with any of the foregoing; and includes 13139  
any one, part of, or any combination of the foregoing; and 13140  
further includes site improvements, utilities, machinery, 13141  
facilities, furnishings, and any separate or connected 13142  
buildings, structures, improvements, sites, utilities, 13143  
facilities, or equipment to be used in, or in connection with 13144  
the operation or maintenance of, or supplementing or otherwise 13145  
related to the services or facilities to be provided by, any one 13146  
or more of such hospital facilities. 13147

(F) "Costs of hospital facilities" means the costs of 13148

acquiring hospital facilities or interests in hospital 13149  
facilities, including membership interests in nonprofit hospital 13150  
agencies, costs of constructing hospital facilities, costs of 13151  
improving one or more hospital facilities, including 13152  
reconstructing, rehabilitating, remodeling, renovating, and 13153  
enlarging, costs of equipping and furnishing such facilities, 13154  
and all financing costs pertaining thereto, including, without 13155  
limitation thereto, costs of engineering, architectural, and 13156  
other professional services, designs, plans, specifications and 13157  
surveys, and estimates of cost, costs of tests and inspections, 13158  
the costs of any indemnity or surety bonds and premiums on 13159  
insurance, all related direct or allocable administrative 13160  
expenses pertaining thereto, fees and expenses of trustees, 13161  
depositories, and paying agents for the obligations, cost of 13162  
issuance of the obligations and financing charges and fees and 13163  
expenses of financial advisors, attorneys, accountants, 13164  
consultants and rating services in connection therewith, 13165  
capitalized interest on the obligations, amounts necessary to 13166  
establish reserves as required by the bond proceedings, the 13167  
reimbursement of all moneys advanced or applied by the hospital 13168  
agency or others or borrowed from others for the payment of any 13169  
item or items of costs of such facilities, and all other 13170  
expenses necessary or incident to planning or determining 13171  
feasibility or practicability with respect to such facilities, 13172  
and such other expenses as may be necessary or incident to the 13173  
acquisition, construction, reconstruction, rehabilitation, 13174  
remodeling, renovation, enlargement, improvement, equipment, and 13175  
furnishing of such facilities, the financing thereof, and the 13176  
placing of the same in use and operation, including any one, 13177  
part of, or combination of such classes of costs and expenses, 13178  
and means the costs of refinancing obligations issued by, or 13179  
reimbursement of money advanced by, nonprofit hospital agencies 13180

or others the proceeds of which were used for the payment of 13181  
costs of hospital facilities, if the governing body of the 13182  
public hospital agency determines that the refinancing or 13183  
reimbursement advances the purposes of this chapter, whether or 13184  
not the refinancing or reimbursement is in conjunction with the 13185  
acquisition or construction of additional hospital facilities. 13186

(G) "Hospital receipts" means all moneys received by or on 13187  
behalf of a hospital agency from or in connection with the 13188  
ownership, operation, acquisition, construction, improvement, 13189  
equipping, or financing of any hospital facilities, including, 13190  
without limitation thereto, any rentals and other moneys 13191  
received from the lease, sale, or other disposition of hospital 13192  
facilities, and any gifts, grants, interest subsidies, or other 13193  
moneys received under any federal program for assistance in 13194  
financing the costs of hospital facilities, and any other gifts, 13195  
grants, and donations, and receipts therefrom, available for 13196  
financing the costs of hospital facilities. 13197

(H) "Obligations" means bonds, notes, or other evidences 13198  
of indebtedness or obligation, including interest coupons 13199  
pertaining thereto, issued or issuable by a public hospital 13200  
agency to pay costs of hospital facilities. 13201

(I) "Bond service charges" means principal, interest, and 13202  
call premium, if any, required to be paid on obligations. 13203

(J) "Bond proceedings" means one or more ordinances, 13204  
resolutions, trust agreements, indentures, and other agreements 13205  
or documents, and amendments and supplements to the foregoing, 13206  
or any combination thereof, authorizing or providing for the 13207  
terms, including any variable interest rates, and conditions 13208  
applicable to, or providing for the security of, obligations and 13209  
the provisions contained in such obligations. 13210

(K) "Nursing home" has the same meaning as in division (A)	13211
(1) of section 5701.13 of the Revised Code.	13212
(L) "Residential care facility" has the same meaning as in	13213
division (A) (2) of section 5701.13 of the Revised Code.	13214
(M) "Independent living facility" means any self-care	13215
facility or other housing facility designed or used as a	13216
residence for elderly persons. An "independent living facility"	13217
does not include a residential facility, or that part of a	13218
residential facility, that is any of the following:	13219
(1) A hospital;	13220
(2) A nursing home or residential care facility;	13221
(3) A facility operated by a hospice care program licensed	13222
under section 3712.04 of the Revised Code and used for the	13223
program's hospice patients;	13224
(4) A residential facility licensed by the department of	13225
mental health and addiction services under section 5119.34 of	13226
the Revised Code that provides accommodations, supervision, and	13227
personal care services for three to sixteen unrelated adults;	13228
(5) A residential facility licensed by the department of	13229
mental health and addiction services under section 5119.34 of	13230
the Revised Code that is not a residential facility described in	13231
division (M) (4) of this section;	13232
(6) A facility licensed to operate an opioid treatment	13233
program under section 5119.37 of the Revised Code;	13234
(7) A community addiction services provider, as defined in	13235
section 5119.01 of the Revised Code;	13236
(8) A residential facility licensed under section 5123.19	13237

of the Revised Code or a facility providing services under a 13238  
contract with the department of developmental disabilities under 13239  
section 5123.18 of the Revised Code; 13240

(9) A residential facility used as part of a hospital to 13241  
provide housing for staff of the hospital or students pursuing a 13242  
course of study at the hospital. 13243

**Sec. 145.035.** Notwithstanding section 145.03 of the 13244  
Revised Code, an individual employed by, or otherwise 13245  
compensated with state funds appropriated to, the department of 13246  
housing and development who is principally located outside of 13247  
the United States and is or intends to become a member of a 13248  
foreign government's retirement or social security system in 13249  
lieu of becoming a member of the public employees retirement 13250  
system may choose to be exempted from membership in the public 13251  
employees retirement system by signing a written application for 13252  
exemption within the first month after being employed and filing 13253  
such application with the public employees retirement board. The 13254  
application, when approved as to form by the board and filed 13255  
with the employer, shall be irrevocable while the individual is 13256  
continuously employed as described in this section and such 13257  
individual shall forever be barred from claiming or purchasing 13258  
membership rights or credit for the particular period covered by 13259  
the exemption. Any individual who is or becomes a member of the 13260  
public employees retirement system shall continue the membership 13261  
as long as ~~he~~ the individual is a public employee, even though- 13262  
~~he~~ the individual may be in or transferred to employment 13263  
described in this section. 13264

**Sec. 149.311.** (A) As used in this section: 13265

(1) "Historic building" means a building, including its 13266  
structural components, that is located in this state and that is 13267

either individually listed on the national register of historic 13268  
places under 16 U.S.C. 470a, located in a registered historic 13269  
district, and certified by the state historic preservation 13270  
officer as being of historic significance to the district, or is 13271  
individually listed as an historic landmark designated by a 13272  
local government certified under 16 U.S.C. 470a(c). 13273

(2) "Qualified rehabilitation expenditures" means 13274  
expenditures paid or incurred during the rehabilitation period, 13275  
and before and after that period as determined under 26 U.S.C. 13276  
47, by an owner or qualified lessee of an historic building to 13277  
rehabilitate the building. "Qualified rehabilitation 13278  
expenditures" includes architectural or engineering fees paid or 13279  
incurred in connection with the rehabilitation, and expenses 13280  
incurred in the preparation of nomination forms for listing on 13281  
the national register of historic places. "Qualified 13282  
rehabilitation expenditures" does not include any of the 13283  
following: 13284

(a) The cost of acquiring, expanding, or enlarging an 13285  
historic building; 13286

(b) Expenditures attributable to work done to facilities 13287  
related to the building, such as parking lots, sidewalks, and 13288  
landscaping; 13289

(c) New building construction costs. 13290

(3) "Owner" of an historic building means a person holding 13291  
the fee simple interest in the building. "Owner" does not 13292  
include the state or a state agency, or any political 13293  
subdivision as defined in section 9.23 of the Revised Code. 13294

(4) "Qualified lessee" means a person subject to a lease 13295  
agreement for an historic building and eligible for the federal 13296

rehabilitation tax credit under 26 U.S.C. 47. "Qualified lessee" 13297  
does not include the state or a state agency or political 13298  
subdivision as defined in section 9.23 of the Revised Code. 13299

(5) "Certificate owner" means the owner or qualified 13300  
lessee of an historic building to which a rehabilitation tax 13301  
credit certificate was issued under this section. 13302

(6) "Registered historic district" means an historic 13303  
district listed in the national register of historic places 13304  
under 16 U.S.C. 470a, an historic district designated by a local 13305  
government certified under 16 U.S.C. 470a(c), or a local 13306  
historic district certified under 36 C.F.R. 67.8 and 67.9. 13307

(7) "Rehabilitation" means the process of repairing or 13308  
altering an historic building or buildings, making possible an 13309  
efficient use while preserving those portions and features of 13310  
the building and its site and environment that are significant 13311  
to its historic, architectural, and cultural values. 13312

(8) "Rehabilitation period" means one of the following: 13313

(a) If the rehabilitation initially was not planned to be 13314  
completed in stages, a period chosen by the owner or qualified 13315  
lessee not to exceed twenty-four months during which 13316  
rehabilitation occurs; 13317

(b) If the rehabilitation initially was planned to be 13318  
completed in stages, a period chosen by the owner or qualified 13319  
lessee not to exceed sixty months during which rehabilitation 13320  
occurs. Each stage shall be reviewed as a phase of a 13321  
rehabilitation as determined under 26 C.F.R. 1.48-12 or a 13322  
successor to that section. 13323

(9) "State historic preservation officer" or "officer" 13324  
means the state historic preservation officer appointed by the 13325



governor under 16 U.S.C. 470a. 13326

(10) "Catalytic project" means the rehabilitation of an 13327  
historic building, the rehabilitation of which will foster 13328  
economic development within two thousand five hundred feet of 13329  
the historic building. 13330

(B) The owner or qualified lessee of an historic building 13331  
may apply to the director of housing and development for a 13332  
rehabilitation tax credit certificate for qualified 13333  
rehabilitation expenditures paid or incurred by such owner or 13334  
qualified lessee after April 4, 2007, for rehabilitation of an 13335  
historic building. If the owner of an historic building enters a 13336  
pass-through agreement with a qualified lessee for the purposes 13337  
of the federal rehabilitation tax credit under 26 U.S.C. 47, the 13338  
qualified rehabilitation expenditures paid or incurred by the 13339  
owner after April 4, 2007, may be attributed to the qualified 13340  
lessee. 13341

The form and manner of filing such applications shall be 13342  
prescribed by rule of the director. Each application shall state 13343  
the amount of qualified rehabilitation expenditures the 13344  
applicant estimates will be paid or incurred and shall indicate 13345  
whether the historic building was used as a theater before, and 13346  
is intended to be used as a theater after, the rehabilitation. 13347  
The director may require applicants to furnish documentation of 13348  
such estimates. 13349

The director, after consultation with the tax commissioner 13350  
and in accordance with Chapter 119. of the Revised Code, shall 13351  
adopt rules that establish all of the following: 13352

(1) Forms and procedures by which applicants may apply for 13353  
rehabilitation tax credit certificates; 13354

(2) Criteria for reviewing, evaluating, and approving applications for certificates within the limitations under division (D) of this section, criteria for assuring that the certificates issued encompass a mixture of high and low qualified rehabilitation expenditures, and criteria for issuing certificates under division (C) (3) (b) of this section;

(3) Eligibility requirements for obtaining a certificate under this section;

(4) The form of rehabilitation tax credit certificates;

(5) Reporting requirements and monitoring procedures;

(6) Procedures and criteria for conducting cost-benefit analyses of historic buildings that are the subjects of applications filed under this section. The purpose of a cost-benefit analysis shall be to determine whether rehabilitation of the historic building will result in a net revenue gain in state and local taxes once the building is used.

(7) Any other rules necessary to implement and administer this section.

(C) The director shall review the applications with the assistance of the state historic preservation officer and determine whether all of the following criteria are met:

(1) That the building that is the subject of the application is an historic building and the applicant is the owner or qualified lessee of the building;

(2) That the rehabilitation will satisfy standards prescribed by the United States secretary of the interior under 16 U.S.C. 470, et seq., as amended, and 36 C.F.R. 67.7 or a successor to that section;

(3) That receiving a rehabilitation tax credit certificate 13383  
under this section is a major factor in: 13384

(a) The applicant's decision to rehabilitate the historic 13385  
building; or 13386

(b) To increase the level of investment in such 13387  
rehabilitation. 13388

(4) The historic building that is the subject of the 13389  
application is not, and will not upon completion of the 13390  
rehabilitation project be, part of a qualified low-income 13391  
housing project allocated a tax credit pursuant to section 42 of 13392  
the Internal Revenue Code. 13393

An applicant shall demonstrate to the satisfaction of the 13394  
state historic preservation officer and director that the 13395  
rehabilitation will satisfy the standards described in division 13396  
(C) (2) of this section before the applicant begins the physical 13397  
rehabilitation of the historic building. 13398

(D) (1) If the director determines that an application 13399  
meets the criteria in division (C) of this section, the director 13400  
shall conduct a cost-benefit analysis for the historic building 13401  
that is the subject of the application to determine whether 13402  
rehabilitation of the historic building will result in a net 13403  
revenue gain in state and local taxes once the building is used. 13404  
The director shall consider the results of the cost-benefit 13405  
analysis in determining whether to approve the application. The 13406  
director shall also consider the potential economic impact and 13407  
the regional distributive balance of the credits throughout the 13408  
state. The director shall not consider whether the historic 13409  
building is located in or will benefit an economically 13410  
distressed area, including by weighting preference based on the 13411

poverty rate in the jurisdiction or census tract in which the 13412  
building is located. The director may approve an application 13413  
only after completion of the cost-benefit analysis. 13414

(2) A rehabilitation tax credit certificate shall not be 13415  
issued for an amount greater than the estimated amount furnished 13416  
by the applicant on the application for such certificate and 13417  
approved by the director. The director shall not approve more 13418  
than a total of one hundred twenty million dollars of 13419  
rehabilitation tax credits for each of fiscal years 2023 and 13420  
2024, and sixty million dollars of rehabilitation tax credits 13421  
for each fiscal year thereafter but the director may reallocate 13422  
unused tax credits from a prior fiscal year for new applicants 13423  
and such reallocated credits shall not apply toward the dollar 13424  
limit of this division. 13425

(3) For rehabilitations with a rehabilitation period not 13426  
exceeding twenty-four months as provided in division (A) (8) (a) 13427  
of this section, a rehabilitation tax credit certificate shall 13428  
not be issued before the rehabilitation of the historic building 13429  
is completed. 13430

(4) For rehabilitations with a rehabilitation period not 13431  
exceeding sixty months as provided in division (A) (8) (b) of this 13432  
section, a rehabilitation tax credit certificate shall not be 13433  
issued before a stage of rehabilitation is completed. After all 13434  
stages of rehabilitation are completed, if the director cannot 13435  
determine that the criteria in division (C) of this section are 13436  
satisfied for all stages of rehabilitations, the director shall 13437  
certify this finding to the tax commissioner, and any 13438  
rehabilitation tax credits received by the applicant shall be 13439  
repaid by the applicant and may be collected by assessment as 13440  
unpaid tax by the commissioner. 13441

(5) The director shall require the applicant to provide a 13442  
third-party cost certification by a certified public accountant 13443  
of the actual costs attributed to the rehabilitation of the 13444  
historic building when qualified rehabilitation expenditures 13445  
exceed two hundred thousand dollars. 13446

If an applicant whose application is approved for receipt 13447  
of a rehabilitation tax credit certificate fails to provide to 13448  
the director sufficient evidence of reviewable progress, 13449  
including a viable financial plan, copies of final construction 13450  
drawings, and evidence that the applicant has obtained all 13451  
historic approvals within twelve months after the date the 13452  
applicant received notification of approval, and if the 13453  
applicant fails to provide evidence to the director that the 13454  
applicant has secured and closed on financing for the 13455  
rehabilitation within eighteen months after receiving 13456  
notification of approval, the director may rescind the approval 13457  
of the application. The director shall notify the applicant if 13458  
the approval has been rescinded. Credits that would have been 13459  
available to an applicant whose approval was rescinded shall be 13460  
available for other qualified applicants. Nothing in this 13461  
division prohibits an applicant whose approval has been 13462  
rescinded from submitting a new application for a rehabilitation 13463  
tax credit certificate. 13464

(6) The director may approve the application of, and issue 13465  
a rehabilitation tax credit certificate to, the owner of a 13466  
catalytic project, provided the application otherwise meets the 13467  
criteria described in divisions (C) and (D) of this section. The 13468  
director may not approve more than one application for a 13469  
rehabilitation tax credit certificate under division (D) (6) of 13470  
this section during each state fiscal biennium. The director 13471  
shall not approve an application for a rehabilitation tax credit 13472

certificate under division (D) (6) of this section during the 13473  
state fiscal biennium beginning July 1, 2017, or during any 13474  
state fiscal biennium thereafter. The director shall consider 13475  
the following criteria in determining whether to approve an 13476  
application for a certificate under division (D) (6) of this 13477  
section: 13478

(a) Whether the historic building is a catalytic project; 13479

(b) The effect issuance of the certificate would have on 13480  
the availability of credits for other applicants that qualify 13481  
for a credit certificate within the credit dollar limit 13482  
described in division (D) (2) of this section; 13483

(c) The number of jobs, if any, the catalytic project will 13484  
create. 13485

(7) (a) The owner or qualified lessee of a historic 13486  
building may apply for a rehabilitation tax credit certificate 13487  
under both divisions (B) and (D) (6) of this section. In such a 13488  
case, the director shall consider each application at the time 13489  
the application is submitted. 13490

(b) The director shall not issue more than one certificate 13491  
under this section with respect to the same qualified 13492  
rehabilitation expenditures. 13493

(8) The director shall give consideration for tax credits 13494  
awarded under this section to rehabilitations of historic 13495  
buildings used as a theater before, and intended to be used as a 13496  
theater after, the rehabilitation. In determining whether to 13497  
approve an application for such a rehabilitation, the director 13498  
shall consider the extent to which the rehabilitation will 13499  
increase attendance at the theater and increase the theater's 13500  
gross revenue. 13501

(9) The director shall rescind the approval of any 13502  
application if the building that is the subject of the 13503  
application is part of a qualified low-income housing project 13504  
allocated a tax credit pursuant to section 42 of the Internal 13505  
Revenue Code at any time before the building's rehabilitation is 13506  
complete. 13507

(E) Issuance of a certificate represents a finding by the 13508  
director of the matters described in divisions (C) (1), (2), and 13509  
(3) of this section only; issuance of a certificate does not 13510  
represent a verification or certification by the director of the 13511  
amount of qualified rehabilitation expenditures for which a tax 13512  
credit may be claimed under section 5725.151, 5725.34, 5726.52, 13513  
5729.17, 5733.47, or 5747.76 of the Revised Code. The amount of 13514  
qualified rehabilitation expenditures for which a tax credit may 13515  
be claimed is subject to inspection and examination by the tax 13516  
commissioner or employees of the commissioner under section 13517  
5703.19 of the Revised Code and any other applicable law. Upon 13518  
the issuance of a certificate, the director shall certify to the 13519  
tax commissioner, in the form and manner requested by the tax 13520  
commissioner, the name of the applicant, the amount of qualified 13521  
rehabilitation expenditures shown on the certificate, and any 13522  
other information required by the rules adopted under this 13523  
section. 13524

(F) (1) On or before the first day of August each year, the 13525  
director and tax commissioner jointly shall submit to the 13526  
president of the senate and the speaker of the house of 13527  
representatives a report on the tax credit program established 13528  
under this section and sections 5725.151, 5725.34, 5726.52, 13529  
5729.17, 5733.47, and 5747.76 of the Revised Code. The report 13530  
shall present an overview of the program and shall include 13531  
information on the number of rehabilitation tax credit 13532

certificates issued under this section during the preceding 13533  
fiscal year, an update on the status of each historic building 13534  
for which an application was approved under this section, the 13535  
dollar amount of the tax credits granted under sections 13536  
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the 13537  
Revised Code, and any other information the director and 13538  
commissioner consider relevant to the topics addressed in the 13539  
report. 13540

(2) On or before December 1, 2015, the director and tax 13541  
commissioner jointly shall submit to the president of the senate 13542  
and the speaker of the house of representatives a comprehensive 13543  
report that includes the information required by division (F)(1) 13544  
of this section and a detailed analysis of the effectiveness of 13545  
issuing tax credits for rehabilitating historic buildings. The 13546  
report shall be prepared with the assistance of an economic 13547  
research organization jointly chosen by the director and 13548  
commissioner. 13549

(G) There is hereby created in the state treasury the 13550  
historic rehabilitation tax credit operating fund. The director 13551  
is authorized to charge reasonable application and other fees in 13552  
connection with the administration of tax credits authorized by 13553  
this section and sections 5725.151, 5725.34, 5726.52, 5729.17, 13554  
5733.47, and 5747.76 of the Revised Code. Any such fees 13555  
collected shall be credited to the fund and used to pay 13556  
reasonable costs incurred by the department of housing and 13557  
development in administering this section and sections 5725.151, 13558  
5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised 13559  
Code. 13560

The Ohio historic preservation office is authorized to 13561  
charge reasonable fees in connection with its review and 13562



approval of applications under this section. Any such fees 13563  
collected shall be credited to the fund and used to pay 13564  
administrative costs incurred by the Ohio historic preservation 13565  
office pursuant to this section. 13566

(H) Notwithstanding sections 5725.151, 5725.34, 5726.52, 13567  
5729.17, 5733.47, and 5747.76 of the Revised Code, the 13568  
certificate owner of a tax credit certificate issued under 13569  
division (D)(6) of this section may claim a tax credit equal to 13570  
twenty-five per cent of the dollar amount indicated on the 13571  
certificate for a total credit of not more than twenty-five 13572  
million dollars. The credit claimed by such a certificate owner 13573  
for any calendar year, tax year, or taxable year under section 13574  
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the 13575  
Revised Code shall not exceed five million dollars. If the 13576  
certificate owner is eligible for more than five million dollars 13577  
in total credits, the certificate owner may carry forward the 13578  
balance of the credit in excess of the amount claimed for that 13579  
year for not more than five ensuing calendar years, tax years, 13580  
or taxable years. If the credit claimed in any calendar year, 13581  
tax year, or taxable year exceeds the tax otherwise due, the 13582  
excess shall be refunded to the taxpayer. 13583

(I) Notwithstanding sections 5725.151, 5725.34, 5726.52, 13584  
5729.17, 5733.47, and 5747.76 of the Revised Code, the following 13585  
apply to a tax credit approved under this section after 13586  
September 13, 2022, and before July 1, 2024: 13587

(1) The certificate holder may claim a tax credit equal to 13588  
thirty-five per cent of the dollar amount indicated on the tax 13589  
credit certificate if any county, township, or municipal 13590  
corporation within which the project is located has a population 13591  
of less than three hundred thousand according to the 2020 13592

decennial census. The tax credit equals twenty-five per cent of 13593  
the dollar amount indicated on the certificate if the project is 13594  
not located within such a county, township, or municipal 13595  
corporation. 13596

(2) The total tax credit claimed under section 5725.151, 13597  
5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the Revised 13598  
Code for any one project shall not exceed ten million dollars 13599  
for any calendar year, tax year, or taxable year. 13600

(3) If the credit claimed in any calendar year, tax year, 13601  
or taxable year exceeds the tax otherwise due, the excess shall 13602  
be refunded to the taxpayer, subject to division (I)(2) of this 13603  
section. 13604

(J) The director of housing and development, in 13605  
consultation with the director of budget and management, shall 13606  
develop and adopt a system of tracking any information necessary 13607  
to anticipate the impact of credits issued under this section on 13608  
tax revenues for current and future fiscal years. Such 13609  
information may include the number of applications approved, the 13610  
estimated rehabilitation expenditures and rehabilitation period 13611  
associated with such applications, the number and amount of tax 13612  
credit certificates issued, and any other information the 13613  
director of budget and management requires for the purposes of 13614  
this division. 13615

(K) For purposes of this section and Chapter 122:19-1 of 13616  
the Ohio Administrative Code, a tax credit certificate issued 13617  
under this section is effective on the date that all historic 13618  
buildings rehabilitated by the project are "placed in service," 13619  
as that term is used in section 47 of the Internal Revenue Code. 13620

**Sec. 150.02.** (A) There is hereby created the Ohio venture 13621

capital authority, which shall exercise the powers and perform 13622  
the duties prescribed by this chapter. The exercise by the 13623  
authority of its powers and duties is hereby declared to be an 13624  
essential state governmental function. The authority is subject 13625  
to all laws generally applicable to state agencies and public 13626  
officials, including, but not limited to, Chapter 119. and 13627  
sections 121.22 and 149.43 of the Revised Code, to the extent 13628  
those laws do not conflict with this chapter. 13629

(B) The authority shall consist of three members appointed 13630  
by the governor, one of whom the governor shall select from a 13631  
list of three nominees provided by the president of the senate, 13632  
and one of whom the governor shall select from a list of three 13633  
nominees provided by the speaker of the house of 13634  
representatives. If the governor rejects all the nominees 13635  
provided in either list, the governor shall request that the 13636  
president of the senate or speaker of the house, as the case may 13637  
be, provide another list of three nominees, and the president or 13638  
speaker, as the case may be, shall provide another list of three 13639  
nominees. All nominated and appointed members shall have 13640  
experience in the field of banking, investments, commercial law, 13641  
or industry relevant to the purpose of the Ohio venture capital 13642  
program as stated in section 150.01 of the Revised Code. The 13643  
director of housing and development and tax commissioner or 13644  
their designees shall serve as advisors to the authority but 13645  
shall not be members and shall not vote on any matter before the 13646  
authority. 13647

Initial appointees to the authority shall serve staggered 13648  
terms, with one term expiring on January 31, 2004, two terms 13649  
expiring on January 31, 2005, two terms expiring on January 31, 13650  
2006, and two terms expiring on January 31, 2007. The terms of 13651  
all members serving on the authority on January 31, 2010, expire 13652

on that date, and the three appointees appointed pursuant to the  
amendment of this section by H.B. 1 of the 128th general  
assembly shall begin their terms February 1, 2010, with one term  
expiring January 31, 2012, one term expiring January 31, 2013,  
and one term expiring January 31, 2014. Thereafter, terms of  
office for all appointees shall be for four years, with each  
term ending on the same day of the same month as did the term  
that it succeeds. A vacancy on the authority shall be filled in  
the same manner as the original appointment, except that a  
person appointed to fill a vacancy shall be appointed to the  
remainder of the unexpired term. Any appointed member of the  
authority is eligible for reappointment.

A member of the authority may be removed by the member's  
appointing authority for misfeasance, malfeasance, willful  
neglect of duty, or other cause, after notice and a public  
hearing, unless the notice and hearing are waived in writing by  
the member.

(C) Members of the authority shall serve without  
compensation, but shall receive their reasonable and necessary  
expenses incurred in the conduct of authority business. The  
governor shall designate a member of the authority to serve as  
chairperson. A majority of the members of the authority  
constitutes a quorum, and the affirmative vote of a majority of  
the members present is necessary for any action taken by the  
authority. A vacancy in the membership of the authority does not  
impair the right of a quorum to exercise all rights and perform  
all duties of the authority.

(D) The department of housing and development shall  
provide the authority with office space and such technical  
assistance as the authority requires.

(E) The authority and an issuer may cooperate in promoting the public purposes of the Ohio venture capital program as stated in section 150.01 of the Revised Code and may enter into such agreements as the authority and the issuer deem appropriate, with a view to cooperative action and safeguarding of the respective interests of the parties thereto. Such agreements may provide for the rights, duties, and responsibilities of the parties and any limitations thereon, the terms on which any tax credits that may be issued to a trustee for the benefit of the issuer pursuant to division (E) of section 150.07 of the Revised Code are to be issued and claimed, and such other terms as may be mutually satisfactory to the parties including, but not limited to, requirements for reporting, and a plan, prepared by a program administrator and acceptable to the authority and the issuer, designed to evidence and ensure compliance with division (D) of section 150.03 of the Revised Code and Section 2p of Article VIII, Ohio Constitution.

**Sec. 151.40.** (A) As used in this section:

(1) "Bond proceedings" includes any trust agreements, and any amendments or supplements to them, as authorized by this section.

(2) "Costs of revitalization projects" includes related direct administrative expenses and allocable portions of the direct costs of those projects of the department of housing and development or the environmental protection agency.

(3) "Issuing authority" means the treasurer of state.

(4) "Obligations" means obligations as defined in section 151.01 of the Revised Code issued to pay the costs of projects for revitalization purposes as referred to in division (A) (2) of

Section 2o of Article VIII, Ohio Constitution and division (A) 13712  
(2) of Section 2q of Article VIII, Ohio Constitution. 13713

(5) "Pledged liquor profits" means all receipts of the 13714  
state representing the gross profit on the sale of spirituous 13715  
liquor, as referred to in division (B) (4) of section 4301.10 of 13716  
the Revised Code, after paying all costs and expenses of the 13717  
division of liquor control and providing an adequate working 13718  
capital reserve for the division of liquor control as provided 13719  
in that division, but excluding the sum required by the second 13720  
paragraph of section 4301.12 of the Revised Code, as it was in 13721  
effect on May 2, 1980, to be paid into the state treasury. 13722

(6) "Pledged receipts" means, as and to the extent 13723  
provided in bond proceedings: 13724

(a) Pledged liquor profits. The pledge of pledged liquor 13725  
profits to obligations is subject to the priority of the pledge 13726  
of those profits to obligations issued and to be issued pursuant 13727  
to Chapter 166. of the Revised Code. 13728

(b) Moneys accruing to the state from the lease, sale, or 13729  
other disposition or use of revitalization projects or from the 13730  
repayment, including any interest, of loans or advances made 13731  
from net proceeds; 13732

(c) Accrued interest received from the sale of 13733  
obligations; 13734

(d) Income from the investment of the special funds; 13735

(e) Any gifts, grants, donations, or pledges, and receipts 13736  
therefrom, available for the payment of debt service; 13737

(f) Additional or any other specific revenues or receipts 13738  
lawfully available to be pledged, and pledged, pursuant to 13739

further authorization by the general assembly, to the payment of 13740  
debt service. 13741

(B) (1) The issuing authority shall issue obligations of 13742  
the state to pay costs of revitalization projects pursuant to 13743  
division (B) (2) of Section 2o of Article VIII, Ohio 13744  
Constitution, division (B) (2) of Section 2q of Article VIII, 13745  
Ohio Constitution, section 151.01 of the Revised Code as 13746  
applicable to this section, and this section. Not more than four 13747  
hundred million dollars principal amount of obligations issued 13748  
under this section for revitalization purposes may be 13749  
outstanding at any one time. Not more than fifty million dollars 13750  
principal amount of obligations, plus the principal amount of 13751  
obligations that in any prior fiscal year could have been, but 13752  
were not issued within the fifty-million-dollar fiscal year 13753  
limit, may be issued in any fiscal year. 13754

(2) The provisions and authorizations in section 151.01 of 13755  
the Revised Code apply to the obligations and the bond 13756  
proceedings except as otherwise provided or provided for in 13757  
those obligations and bond proceedings. 13758

(C) Net proceeds of obligations shall be deposited in the 13759  
general revenue fund. 13760

(D) There is hereby created the revitalization projects 13761  
bond service fund, which shall be in the custody of the 13762  
treasurer of state, but shall be separate and apart from and not 13763  
a part of the state treasury. All money received by the state 13764  
and required by the bond proceedings, consistent with section 13765  
151.01 of the Revised Code and this section, to be deposited, 13766  
transferred, or credited to the bond service fund, and all other 13767  
money transferred or allocated to or received for the purposes 13768  
of that fund, shall be deposited and credited to the bond 13769

service fund, subject to any applicable provisions of the bond 13770  
proceedings, but without necessity for any act of appropriation. 13771  
During the period beginning with the date of the first issuance 13772  
of obligations and continuing during the time that any 13773  
obligations are outstanding in accordance with their terms, so 13774  
long as moneys in the bond service fund are insufficient to pay 13775  
debt service when due on those obligations payable from that 13776  
fund, except the principal amounts of bond anticipation notes 13777  
payable from the proceeds of renewal notes or bonds anticipated, 13778  
and due in the particular fiscal year, a sufficient amount of 13779  
pledged receipts is committed and, without necessity for further 13780  
act of appropriation, shall be paid to the bond service fund for 13781  
the purpose of paying that debt service when due. 13782

(E) The issuing authority may pledge all, or such portion 13783  
as the issuing authority determines, of the pledged receipts to 13784  
the payment of the debt service charges on obligations issued 13785  
under this section, and for the establishment and maintenance of 13786  
any reserves, as provided in the bond proceedings, and make 13787  
other provisions in the bond proceedings with respect to pledged 13788  
receipts as authorized by this section, which provisions are 13789  
controlling notwithstanding any other provisions of law 13790  
pertaining to them. 13791

(F) The issuing authority may covenant in the bond 13792  
proceedings, and such covenants shall be controlling 13793  
notwithstanding any other provision of law, that the state and 13794  
applicable officers and state agencies, including the general 13795  
assembly, so long as any obligations issued under this section 13796  
are outstanding, shall maintain statutory authority for and 13797  
cause to be charged and collected wholesale or retail prices for 13798  
spirituous liquor sold by the state or its agents so that the 13799  
available pledged receipts are sufficient in time and amount to 13800



meet debt service payable from pledged liquor profits and for 13801  
the establishment and maintenance of any reserves and other 13802  
requirements provided for in the bond proceedings. 13803

(G) Obligations may be further secured, as determined by 13804  
the issuing authority, by a trust agreement between the state 13805  
and a corporate trustee, which may be any trust company or bank 13806  
having a place of business within the state. Any trust agreement 13807  
may contain the resolution or order authorizing the issuance of 13808  
the obligations, any provisions that may be contained in any 13809  
bond proceedings, and other provisions that are customary or 13810  
appropriate in an agreement of that type, including, but not 13811  
limited to: 13812

(1) Maintenance of each pledge, trust agreement, or other 13813  
instrument comprising part of the bond proceedings until the 13814  
state has fully paid or provided for the payment of debt service 13815  
on the obligations secured by it; 13816

(2) In the event of default in any payments required to be 13817  
made by the bond proceedings, enforcement of those payments or 13818  
agreements by mandamus, the appointment of a receiver, suit in 13819  
equity, action at law, or any combination of them; 13820

(3) The rights and remedies of the holders or owners of 13821  
obligations and of the trustee and provisions for protecting and 13822  
enforcing them, including limitations on rights of individual 13823  
holders and owners. 13824

(H) The obligations shall not be general obligations of 13825  
the state and the full faith and credit, revenue, and taxing 13826  
power of the state shall not be pledged to the payment of debt 13827  
service on them. The holders or owners of the obligations shall 13828  
have no right to have any moneys obligated or pledged for the 13829

payment of debt service except as provided in this section and 13830  
in the applicable bond proceedings. The rights of the holders 13831  
and owners to payment of debt service are limited to all or that 13832  
portion of the pledged receipts, and those special funds, 13833  
pledged to the payment of debt service pursuant to the bond 13834  
proceedings in accordance with this section, and each obligation 13835  
shall bear on its face a statement to that effect. 13836

**Sec. 153.59.** Every contract for or on behalf of the state, 13837  
or any township, county, or municipal corporation of the state, 13838  
for the construction, alteration, or repair of any public 13839  
building or public work in the state shall contain provisions by 13840  
which the contractor agrees to both of the following: 13841

(A) That, in the hiring of employees for the performance 13842  
of work under the contract or any subcontract, no contractor, 13843  
subcontractor, or any person acting on a contractor's or 13844  
subcontractor's behalf, by reason of race, creed, sex, 13845  
disability or military status as defined in section 4112.01 of 13846  
the Revised Code, or color, shall discriminate against any 13847  
citizen of the state in the employment of labor or workers who 13848  
is qualified and available to perform the work to which the 13849  
employment relates; 13850

(B) That no contractor, subcontractor, or any person on a 13851  
contractor's or subcontractor's behalf, in any manner, shall 13852  
discriminate against or intimidate any employee hired for the 13853  
performance of work under the contract on account of race, 13854  
creed, sex, disability or military status as defined in section 13855  
4112.01 of the Revised Code, or color. 13856

The department of housing and development shall ensure 13857  
that no capital moneys appropriated by the general assembly for 13858  
any purpose shall be expended unless the project for which those 13859

moneys are appropriated provides for an affirmative action 13860  
program for the employment and effective utilization of 13861  
disadvantaged persons whose disadvantage may arise from 13862  
cultural, racial, or ethnic background, or other similar cause, 13863  
including, but not limited to, race, religion, sex, disability 13864  
or military status as defined in section 4112.01 of the Revised 13865  
Code, national origin, or ancestry. 13866

In awarding contracts for capital improvement projects, 13867  
the department shall ensure that equal consideration be given to 13868  
contractors, subcontractors, or joint venturers who qualify as a 13869  
minority business enterprise. As used in this section, "minority 13870  
business enterprise" means a business enterprise that is owned 13871  
or controlled by one or more socially or economically 13872  
disadvantaged persons who are residents of this state. "Socially 13873  
or economically disadvantaged persons" means persons, regardless 13874  
of marital status, who are members of groups whose disadvantage 13875  
may arise from discrimination on the basis of race, religion, 13876  
sex, disability or military status as defined in section 4112.01 13877  
of the Revised Code, national origin, ancestry, or other similar 13878  
cause. 13879

**Sec. 164.02.** (A) There is hereby created the Ohio public 13880  
works commission consisting of seven members who shall be 13881  
appointed as follows: two persons shall be appointed by the 13882  
speaker of the house of representatives; one person shall be 13883  
appointed by the minority leader of the house of 13884  
representatives; two persons shall be appointed by the president 13885  
of the senate; one person shall be appointed by the minority 13886  
leader of the senate; and one person from the private sector, 13887  
who shall have experience in matters of public finance, shall be 13888  
appointed alternately by the speaker of the house of 13889  
representatives and the president of the senate, with the 13890

speaker of the house making the first appointment. The director 13891  
of transportation, the director of environmental protection, the 13892  
director of housing and development, the director of natural 13893  
resources, and the chairperson of the Ohio water development 13894  
authority shall be nonvoting, ex officio members of the 13895  
commission. Terms of office shall be for four years, each term 13896  
ending on the date that is four years from the date of 13897  
appointment. Members may be reappointed, to a subsequent ~~four-~~ 13898  
~~year-four-year~~ term, one time. Vacancies shall be filled in the 13899  
same manner provided for original appointments. Any member 13900  
appointed to fill a vacancy occurring prior to the expiration 13901  
date of the term for which the member's predecessor was 13902  
appointed shall hold office for the remainder of that term, and 13903  
may be reappointed for up to two subsequent ~~four-year~~ four-year 13904  
terms. A member shall continue in office subsequent to the 13905  
expiration date of the member's term until the member's 13906  
successor takes office or until a period of sixty days has 13907  
elapsed, whichever occurs first. 13908

The commission shall elect a chairperson, vice- 13909  
chairperson, and other officers as it considers advisable. Four 13910  
voting members constitute a quorum. Members of the commission 13911  
shall serve without compensation but shall be reimbursed for 13912  
their actual and necessary expenses incurred in the performance 13913  
of their duties. 13914

(B) The Ohio public works commission shall: 13915

(1) Review and evaluate persons who will be recommended to 13916  
the governor for appointment to the position of director of the 13917  
Ohio public works commission, and, when the commission considers 13918  
it appropriate, recommend the removal of a director; 13919

(2) Provide the governor with a list of names of three 13920

persons who are, in the judgment of the commission, qualified to 13921  
be appointed to the position of director. The commission shall 13922  
provide the list, which may include the name of the incumbent 13923  
director to the governor, not later than sixty days prior to the 13924  
expiration of the term of such incumbent director. A director 13925  
shall serve a two-year term upon initial appointment, and four- 13926  
year terms if subsequently reappointed by the governor; however, 13927  
the governor may remove a director at any time following the 13928  
commission's recommendation of such action. Upon the expiration 13929  
of a director's term, or in the case of the resignation, death, 13930  
or removal of a director, the commission shall provide such list 13931  
of the names of three persons to the governor within thirty days 13932  
of such expiration, resignation, death, or removal. Nothing in 13933  
this section shall prevent the governor, in the governor's 13934  
discretion, from rejecting all of the nominees of the commission 13935  
and requiring the commission to select three additional 13936  
nominees. However, when the governor has requested and received 13937  
a second list of three additional names, the governor shall make 13938  
the appointment from one of the names on the first list or the 13939  
second list. Appointment by the governor is subject to the 13940  
advice and consent of the senate. 13941

In the case of the resignation, removal, or death of the 13942  
director during the director's term of office, a successor shall 13943  
be chosen for the remainder of the term in the same manner as is 13944  
provided for an original appointment. 13945

(3) Provide oversight to the director and advise in the 13946  
development of policy guidelines for the implementation of this 13947  
chapter, and report and make recommendations to the general 13948  
assembly with respect to such implementation; 13949

(4) Adopt bylaws to govern the conduct of the commission's 13950

business; 13951

(5) Appoint the members of the Ohio small government 13952  
capital improvements commission in accordance with division (C) 13953  
of this section. 13954

(C) (1) There is hereby created the Ohio small government 13955  
capital improvements commission. The commission shall consist of 13956  
ten members, including the director of transportation, the 13957  
director of environmental protection, and the chairperson of the 13958  
Ohio water development authority as nonvoting, ex officio 13959  
members and seven voting members appointed by the Ohio public 13960  
works commission. Each such appointee shall be a member of a 13961  
district public works integrating committee who was appointed to 13962  
the integrating committee pursuant to the majority vote of the 13963  
chief executive officers of the villages of the appointee's 13964  
district or by a majority of the boards of township trustees of 13965  
the appointee's district. 13966

(2) Two of the initial appointments shall be for terms 13967  
ending two years after March 29, 1988. The remaining initial 13968  
appointments shall be for terms ending three years after March 13969  
29, 1988. Thereafter, terms of office shall be for two years, 13970  
with each term ending on the same date of the same month as did 13971  
the term that it succeeds. Each member shall hold office from 13972  
the date of appointment until the end of the term for which the 13973  
member is appointed. Vacancies shall be filled in the same 13974  
manner as original appointments. Any member appointed to fill a 13975  
vacancy occurring before the expiration date of the term for 13976  
which the member's predecessor was appointed shall hold office 13977  
as a member for the remainder of that term. A member shall 13978  
continue in office after the expiration of the member's term 13979  
until the member's successor takes office or until a period of 13980

sixty days has elapsed, whichever occurs first. Members of the 13981  
commission may be reappointed. No more than two members of the 13982  
commission may be members of the same district public works 13983  
integrating committee. 13984

(3) The Ohio small government capital improvements 13985  
commission shall elect one of its appointed members as 13986  
chairperson and another as vice-chairperson. Four voting members 13987  
of the commission constitute a quorum, and the affirmative vote 13988  
of four appointed members is required for any action taken by 13989  
vote of the commission. No vacancy in the membership of the 13990  
commission shall impair the right of a quorum by an affirmative 13991  
vote of four appointed members to exercise all rights and 13992  
perform all duties of the commission. Members of the commission 13993  
shall serve without compensation, but shall be reimbursed for 13994  
their actual and necessary expenses incurred in the performance 13995  
of their duties. 13996

(D) The Ohio small government capital improvements 13997  
commission shall: 13998

(1) Advise the general assembly on the development of 13999  
policy guidelines for the implementation of this chapter, 14000  
especially as it relates to the interests of small governments 14001  
and the use of the portion of bond proceeds set aside for the 14002  
exclusive use of townships and villages; 14003

(2) Advise the township and village subcommittees of the 14004  
various district public works integrating committees concerning 14005  
the selection of projects for which the use of such proceeds 14006  
will be authorized; 14007

(3) Affirm or overrule the recommendations of its 14008  
administrator made in accordance with section 164.051 of the 14009

Revised Code concerning requests from townships and villages for 14010  
financial assistance for capital improvement projects. 14011

(E) Membership on the Ohio public works commission or the 14012  
Ohio small government capital improvements commission does not 14013  
constitute the holding of a public office. No appointed member 14014  
shall be required, by reason of section 101.26 of the Revised 14015  
Code, to resign from or forfeit membership in the general 14016  
assembly. 14017

Notwithstanding any provision of law to the contrary, a 14018  
county, municipal, or township public official may serve as a 14019  
member of the Ohio public works commission or the Ohio small 14020  
government capital improvements commission. 14021

Members of the commissions established by this section do 14022  
not have an unlawful interest in a public contract under section 14023  
2921.42 of the Revised Code solely by virtue of the receipt of 14024  
financial assistance under this chapter by the local subdivision 14025  
of which they are also a public official or appointee. 14026

**Sec. 165.01.** As used in this chapter: 14027

"Bonds" means bonds, notes, or other forms of evidences of 14028  
obligation issued in temporary or definitive form, including 14029  
notes issued in anticipation of the issuance of bonds and 14030  
renewal notes. The funding of bond anticipation notes with bonds 14031  
or renewal notes and the exchange of definitive bonds for 14032  
temporary bonds are not subject to section 165.07 of the Revised 14033  
Code. 14034

"Bond proceedings" means the resolution or ordinance or 14035  
the trust agreement or indenture of mortgage, or combination 14036  
thereof, authorizing or providing for the terms and conditions 14037  
applicable to bonds issued under authority of this chapter. 14038



"Issuer" means the state or a county, township, or 14039  
municipal corporation of the state. 14040

"Issuing authority" means in the case of the state, the 14041  
director of housing and development~~services~~; in the case of a 14042  
municipal corporation, the legislative authority thereof; in the 14043  
case of a township, the board of township trustees; and in the 14044  
case of a county, the board of county commissioners or whatever 14045  
officers, board, commission, council, or other body might 14046  
succeed to the legislative powers of the commissioners. 14047

"Pledged facilities" means the project or projects 14048  
mortgaged or the rentals, revenues, and other income, charges, 14049  
and moneys from which are pledged, or both, for the payment of 14050  
the principal of and interest on the bonds issued under 14051  
authority of section 165.03 of the Revised Code, and includes a 14052  
project for which a loan has been made under authority of this 14053  
chapter, in which case, references in this chapter to revenues 14054  
of such pledged facilities or from the disposition thereof 14055  
includes payments made or to be made to or for the account of 14056  
the issuer pursuant to such loan. 14057

"Project" means real or personal property, or both, 14058  
including undivided and other interests therein, acquired by 14059  
gift or purchase, constructed, reconstructed, enlarged, 14060  
improved, furnished, or equipped, or any combination thereof, by 14061  
an issuer, or by others in whole or in part from the proceeds of 14062  
a loan made by an issuer, for industry, commerce, distribution, 14063  
or research and located within the boundaries of the issuer. 14064  
"Project" includes sanitary facilities, drainage facilities, and 14065  
prevention or replacement facilities as defined in section 14066  
6117.01 of the Revised Code. A project as defined in this 14067  
division is hereby determined to qualify as facilities described 14068

in Section 13 of Article VIII, Ohio Constitution. 14069

"Revenues" means the rentals, revenues, payments, 14070  
repayments, income, charges, and moneys derived or to be derived 14071  
from the use, lease, sublease, rental, sale, including 14072  
installment sale or conditional sale, or other disposition of 14073  
pledged facilities, or derived or to be derived pursuant to a 14074  
loan made for a project, bond proceeds to the extent provided in 14075  
the bond proceedings for the payment of principal of, or 14076  
premium, if any, or interest on the bonds, proceeds from any 14077  
insurance, condemnation or guaranty pertaining to pledged 14078  
facilities or the financing thereof, and income and profit from 14079  
the investment of the proceeds of bonds or of any revenues. 14080

"Security interest" means a mortgage, lien, or other 14081  
encumbrance on, or pledge or assignment of, or other security 14082  
interest with respect to all or any part of pledged facilities, 14083  
revenues, reserve funds, or other funds established under the 14084  
bond proceedings, or on, of, or with respect to, a lease, 14085  
sublease, sale, conditional sale or installment sale agreement, 14086  
loan agreement, or any other agreement pertaining to the lease, 14087  
sublease, sale, or other disposition of a project or pertaining 14088  
to a loan made for a project, or any guaranty or insurance 14089  
agreement made with respect thereto, or any interest of the 14090  
issuer therein, or any other interest granted, assigned, or 14091  
released to secure payments of the principal of, premium, if 14092  
any, or interest on any bonds or to secure any other payments to 14093  
be made by an issuer under the bond proceedings. Any security 14094  
interest under this chapter may be prior or subordinate to or on 14095  
a parity with any other mortgage, lien, encumbrance, pledge, 14096  
assignment, or other security interest. 14097

**Sec. 165.03.** (A) An issuer may issue bonds for the purpose 14098

of providing moneys to acquire by purchase, construct, 14099  
reconstruct, enlarge, improve, furnish, or equip one or more 14100  
projects or parts thereof, or for any combination of such 14101  
purposes, including providing moneys to make loans to others for 14102  
such purposes. The issuing authority shall provide by resolution 14103  
or ordinance for the issuance of such bonds. The bond 14104  
proceedings may contain determinations by the issuing authority 14105  
that the project to be financed thereunder is a project as 14106  
defined in this chapter and is consistent with the purposes of 14107  
Section 13 of Article VIII, Ohio Constitution, and such 14108  
determinations shall be conclusive as to the validity and 14109  
enforceability of the bonds issued under such bond proceedings 14110  
and of such bond proceedings and security interests given and 14111  
leases, subleases, sale agreements, loan agreements, and other 14112  
agreements made in connection therewith, all in accordance with 14113  
their terms. 14114

The principal of and interest on the bonds and all other 14115  
payments required to be made by the bond proceedings shall be 14116  
payable solely from the revenues and secured by security 14117  
interests as provided in such bond proceedings. Bond 14118  
anticipation notes may be secured, solely or additionally, by a 14119  
covenant of the issuer that it will do all things necessary for 14120  
the issuance of the bonds anticipated or renewal notes in 14121  
appropriate amount and either exchange such bonds or renewal 14122  
notes for such notes or apply the proceeds therefrom to the 14123  
extent necessary to make full payment of the principal of and 14124  
interest on such notes. The bond proceedings shall not obligate 14125  
or pledge moneys raised by taxation. 14126

Bonds may be issued at one time or from time to time, 14127  
shall be dated, shall mature at such time or times not exceeding 14128  
thirty years from date of issue, and may be redeemable before 14129

maturity at such price or prices and under such terms and 14130  
conditions, all as provided in the bond proceedings. The bonds 14131  
shall bear interest at such rate or rates, or at a variable rate 14132  
or rates changing from time to time in accordance with a base or 14133  
formula, as provided in or authorized by the bond proceedings. 14134  
The issuing authority shall determine the form of the bonds, fix 14135  
their denominations and method of execution, and establish 14136  
within or without the state a place or places for the payment of 14137  
principal or interest. 14138

(B) The issuing authority may provide for sales of bonds 14139  
at public or private sale as it deems most advantageous and for 14140  
such prices, whether above or below the par value thereof, as it 14141  
determines or within such limit or limits as it determines. 14142

(C) If the state is the issuer, then before the 14143  
authorization of the bonds, the issuing authority of the state 14144  
shall have received a written request for the issuance of the 14145  
bonds from either the board of directors of a port authority 14146  
created pursuant to the authority of section 4582.02 or 4582.22 14147  
of the Revised Code if the project is within the jurisdiction of 14148  
the port authority, from the issuing authority of the municipal 14149  
corporation if the project is within the boundaries of a 14150  
municipal corporation, or from the issuing authority of the 14151  
township or county if the project is within the unincorporated 14152  
portion of the township or county. 14153

(D) If the issuer is a county, township, or municipal 14154  
corporation, then, before the delivery of bonds issued under 14155  
authority of this section, the issuing authority shall have 14156  
caused a written notice to have been mailed by certified mail to 14157  
the director of housing and development services of the state 14158  
advising such director of the proposed delivery of the bonds, 14159

the amount thereof, the proposed lessee, and a general 14160  
description of the project or projects to be financed. 14161

(E) In case any officer who has signed any bonds or 14162  
coupons pertaining thereto, or caused the officer's facsimile 14163  
signature to be affixed thereto, ceases to be such officer 14164  
before such bonds or coupons have been delivered, such bonds or 14165  
coupons may, nevertheless, be issued and delivered as though the 14166  
person who had signed the bonds or coupons or caused the 14167  
person's facsimile signature to be affixed thereto had not 14168  
ceased to be such officer. Any bonds or coupons may be executed 14169  
on behalf of the issuer by an officer who, on the date of 14170  
execution, is the proper officer although on the date of such 14171  
bonds or coupons such person was not the proper officer. 14172

(F) All bonds issued under authority of this chapter, 14173  
regardless of form or terms and regardless of any other law to 14174  
the contrary, shall have all qualities and incidents of 14175  
negotiable instruments, subject to provisions for registration, 14176  
and may be issued in coupon, fully registered, or other form, or 14177  
any combination thereof, as the issuing authority determines. 14178  
Provision may be made for the registration of any coupon bonds 14179  
as to principal alone or as to both principal and interest, and 14180  
for the conversion into coupon bonds of any fully registered 14181  
bonds or bonds registered as to both principal and interest. 14182

**Sec. 165.20.** In accordance with Section 13 of Article 14183  
VIII, Ohio Constitution, the state, acting through the director 14184  
of housing and development, or through the board of trustees of 14185  
any state university or any housing commission created by 14186  
section 3347.01 of the Revised Code, and its political 14187  
subdivision, taxing districts, or public authorities, or its or 14188  
their agencies, institutions, or instrumentalities, may by 14189

resolution or ordinance designate a corporation organized under 14190  
Chapter 1702. or 1724. of the Revised Code as its or their 14191  
agency to acquire, construct, reconstruct, enlarge, improve, 14192  
furnish, or equip and to sell, lease, exchange, or otherwise 14193  
dispose of property and facilities within the state for 14194  
industry, commerce, distribution, and research; may approve such 14195  
corporation and obligations of the corporation issued by it for 14196  
one or more such purposes; and may have a beneficial interest in 14197  
such corporation including the right to the property financed by 14198  
such obligations on the retirement of such obligations, or by 14199  
acquiring such property for endowment or similar uses or 14200  
benefits or for ultimate direct use by it, subject to any lease 14201  
or mortgage securing such obligations. 14202

**Sec. 166.01.** As used in this chapter: 14203

(A) "Allowable costs" means all or part of the costs of 14204  
project facilities, eligible projects, eligible innovation 14205  
projects, eligible research and development projects, eligible 14206  
advanced energy projects, or eligible logistics and distribution 14207  
projects, including costs of acquiring, constructing, 14208  
reconstructing, rehabilitating, renovating, enlarging, 14209  
improving, equipping, or furnishing project facilities, eligible 14210  
projects, eligible innovation projects, eligible research and 14211  
development projects, eligible advanced energy projects, or 14212  
eligible logistics and distribution projects, site clearance and 14213  
preparation, supplementing and relocating public capital 14214  
improvements or utility facilities, designs, plans, 14215  
specifications, surveys, studies, and estimates of costs, 14216  
expenses necessary or incident to determining the feasibility or 14217  
practicability of assisting an eligible project, an eligible 14218  
innovation project, an eligible research and development 14219  
project, an eligible advanced energy project, or an eligible 14220

logistics and distribution project, or providing project 14221  
facilities or facilities related to an eligible project, an 14222  
eligible innovation project, an eligible research and 14223  
development project, an eligible advanced energy project, or an 14224  
eligible logistics and distribution project, architectural, 14225  
engineering, and legal services fees and expenses, the costs of 14226  
conducting any other activities as part of a voluntary action, 14227  
and such other expenses as may be necessary or incidental to the 14228  
establishment or development of an eligible project, an eligible 14229  
innovation project, an eligible research and development 14230  
project, an eligible advanced energy project, or an eligible 14231  
logistics and distribution project, and reimbursement of moneys 14232  
advanced or applied by any governmental agency or other person 14233  
for allowable costs. 14234

(B) "Allowable innovation costs" includes allowable costs 14235  
of eligible innovation projects and, in addition, includes the 14236  
costs of research and development of eligible innovation 14237  
projects; obtaining or creating any requisite software or 14238  
computer hardware related to an eligible innovation project or 14239  
the products or services associated therewith; testing 14240  
(including, without limitation, quality control activities 14241  
necessary for initial production), perfecting, and marketing of 14242  
such products and services; creating and protecting intellectual 14243  
property related to an eligible innovation project or any 14244  
products or services related thereto, including costs of 14245  
securing appropriate patent, trademark, trade secret, trade 14246  
dress, copyright, or other form of intellectual property 14247  
protection for an eligible innovation project or related 14248  
products and services; all to the extent that such expenditures 14249  
could be capitalized under then-applicable generally accepted 14250  
accounting principles; and the reimbursement of moneys advanced 14251

or applied by any governmental agency or other person for 14252  
allowable innovation costs. 14253

(C) "Eligible innovation project" includes an eligible 14254  
project, including any project facilities associated with an 14255  
eligible innovation project and, in addition, includes all 14256  
tangible and intangible property related to a new product or 14257  
process based on new technology or the creative application of 14258  
existing technology, including research and development, product 14259  
or process testing, quality control, market research, and 14260  
related activities, that is to be acquired, established, 14261  
expanded, remodeled, rehabilitated, or modernized for industry, 14262  
commerce, distribution, or research, or any combination thereof, 14263  
the operation of which, alone or in conjunction with other 14264  
eligible projects, eligible innovation projects, or innovation 14265  
property, will create new jobs or preserve existing jobs and 14266  
employment opportunities and improve the economic welfare of the 14267  
people of the state. 14268

(D) "Eligible project" means project facilities to be 14269  
acquired, established, expanded, remodeled, rehabilitated, or 14270  
modernized for industry, commerce, distribution, or research, or 14271  
any combination thereof, the operation of which, alone or in 14272  
conjunction with other facilities, will create new jobs or 14273  
preserve existing jobs and employment opportunities and improve 14274  
the economic welfare of the people of the state. "Eligible 14275  
project" includes, without limitation, a voluntary action. For 14276  
purposes of this division, "new jobs" does not include existing 14277  
jobs transferred from another facility within the state, and 14278  
"existing jobs" includes only those existing jobs with work 14279  
places within the municipal corporation or unincorporated area 14280  
of the county in which the eligible project is located. 14281



"Eligible project" does not include project facilities to  
be acquired, established, expanded, remodeled, rehabilitated, or  
modernized for industry, commerce, distribution, or research, or  
any combination of industry, commerce, distribution, or  
research, if the project facilities consist solely of point-of-  
final-purchase retail facilities. If the project facilities  
consist of both point-of-final-purchase retail facilities and  
nonretail facilities, only the portion of the project facilities  
consisting of nonretail facilities is an eligible project. If a  
warehouse facility is part of a point-of-final-purchase retail  
facility and supplies only that facility, the warehouse facility  
is not an eligible project. Catalog distribution facilities are  
not considered point-of-final-purchase retail facilities for  
purposes of this paragraph, and are eligible projects.

(E) "Eligible research and development project" means an  
eligible project, including project facilities, comprising,  
within, or related to, a facility or portion of a facility at  
which research is undertaken for the purpose of discovering  
information that is technological in nature and the application  
of which is intended to be useful in the development of a new or  
improved product, process, technique, formula, or invention, a  
new product or process based on new technology, or the creative  
application of existing technology.

(F) "Financial assistance" means inducements under  
division (B) of section 166.02 of the Revised Code, loan  
guarantees under section 166.06 of the Revised Code, and direct  
loans under section 166.07 of the Revised Code.

(G) "Governmental action" means any action by a  
governmental agency relating to the establishment, development,  
or operation of an eligible project, eligible innovation

project, eligible research and development project, eligible 14312  
advanced energy project, or eligible logistics and distribution 14313  
project, and project facilities that the governmental agency 14314  
acting has authority to take or provide for the purpose under 14315  
law, including, but not limited to, actions relating to 14316  
contracts and agreements, zoning, building, permits, acquisition 14317  
and disposition of property, public capital improvements, 14318  
utility and transportation service, taxation, employee 14319  
recruitment and training, and liaison and coordination with and 14320  
among governmental agencies. 14321

(H) "Governmental agency" means the state and any state 14322  
department, division, commission, institution or authority; a 14323  
municipal corporation, county, or township, and any agency 14324  
thereof, and any other political subdivision or public 14325  
corporation or the United States or any agency thereof; any 14326  
agency, commission, or authority established pursuant to an 14327  
interstate compact or agreement; and any combination of the 14328  
above. 14329

(I) "Innovation financial assistance" means inducements 14330  
under division (B) of section 166.12 of the Revised Code, 14331  
innovation Ohio loan guarantees under section 166.15 of the 14332  
Revised Code, and innovation Ohio loans under section 166.16 of 14333  
the Revised Code. 14334

(J) "Innovation Ohio loan guarantee reserve requirement" 14335  
means, at any time, with respect to innovation loan guarantees 14336  
made under section 166.15 of the Revised Code, a balance in the 14337  
innovation Ohio loan guarantee fund equal to the greater of 14338  
twenty per cent of the then-outstanding principal amount of all 14339  
outstanding innovation loan guarantees made pursuant to section 14340  
166.15 of the Revised Code or fifty per cent of the principal 14341

amount of the largest outstanding guarantee made pursuant to 14342  
section 166.15 of the Revised Code. 14343

(K) "Innovation property" includes property and also 14344  
includes software, inventory, licenses, contract rights, 14345  
goodwill, intellectual property, including without limitation, 14346  
patents, patent applications, trademarks and service marks, and 14347  
trade secrets, and other tangible and intangible property, and 14348  
any rights and interests in or connected to the foregoing. 14349

(L) "Loan guarantee reserve requirement" means, at any 14350  
time, with respect to loan guarantees made under section 166.06 14351  
of the Revised Code, a balance in the loan guarantee fund equal 14352  
to the greater of twenty per cent of the then-outstanding 14353  
principal amount of all outstanding guarantees made pursuant to 14354  
section 166.06 of the Revised Code or fifty per cent of the 14355  
principal amount of the largest outstanding guarantee made 14356  
pursuant to section 166.06 of the Revised Code. 14357

(M) "Person" means any individual, firm, partnership, 14358  
association, corporation, or governmental agency, and any 14359  
combination thereof. 14360

(N) "Project facilities" means buildings, structures, and 14361  
other improvements, and equipment and other property, excluding 14362  
small tools, supplies, and inventory, and any one, part of, or 14363  
combination of the above, comprising all or part of, or serving 14364  
or being incidental to, an eligible project, an eligible 14365  
innovation project, an eligible research and development 14366  
project, an eligible advanced energy project, or an eligible 14367  
logistics and distribution project, including, but not limited 14368  
to, public capital improvements. 14369

(O) "Property" means real and personal property and 14370

interests therein. 14371

(P) "Public capital improvements" means capital 14372  
improvements or facilities that any governmental agency has 14373  
authority to acquire, pay the costs of, own, maintain, or 14374  
operate, or to contract with other persons to have the same 14375  
done, including, but not limited to, highways, roads, streets, 14376  
water and sewer facilities, railroad and other transportation 14377  
facilities, and air and water pollution control and solid waste 14378  
disposal facilities. For purposes of this division, "air 14379  
pollution control facilities" includes, without limitation, 14380  
solar, geothermal, biofuel, biomass, wind, hydro, wave, and 14381  
other advanced energy projects as defined in section 3706.25 of 14382  
the Revised Code. 14383

(Q) "Research and development financial assistance" means 14384  
inducements under section 166.17 of the Revised Code, research 14385  
and development loans under section 166.21 of the Revised Code, 14386  
and research and development tax credits under sections 5733.352 14387  
and 5747.331 of the Revised Code. 14388

(R) "Targeted innovation industry sectors" means industry 14389  
sectors involving the production or use of advanced materials, 14390  
instruments, controls and electronics, power and propulsion, 14391  
biosciences, and information technology, or such other sectors 14392  
as may be designated by the director of housing and development. 14393

(S) "Voluntary action" means a voluntary action, as 14394  
defined in section 3746.01 of the Revised Code, that is 14395  
conducted under the voluntary action program established in 14396  
Chapter 3746. of the Revised Code. 14397

(T) "Project financing obligations" means obligations 14398  
issued pursuant to section 166.08 of the Revised Code other than 14399

obligations for which the bond proceedings provide that bond 14400  
service charges shall be paid from receipts of the state 14401  
representing gross profit on the sale of spirituous liquor as 14402  
referred to in division (B) (4) of section ~~4310.10~~ 4301.10 of the 14403  
Revised Code. 14404

(U) "Regional economic development entity" means an entity 14405  
that is under contract with the director to administer a loan 14406  
program under this chapter in a particular area of this state. 14407

(V) "Eligible advanced energy project" means an eligible 14408  
project that is an "advanced energy project" as defined in 14409  
section 3706.25 of the Revised Code. 14410

(W) "Eligible logistics and distribution project" means an 14411  
eligible project, including project facilities, to be acquired, 14412  
established, expanded, remodeled, rehabilitated, or modernized 14413  
for transportation logistics and distribution infrastructure 14414  
purposes. As used in this division, "transportation logistics 14415  
and distribution infrastructure purposes" means promoting, 14416  
providing for, and enabling improvements to the ground, air, and 14417  
water transportation infrastructure comprising the 14418  
transportation system in this state, including, without 14419  
limitation, highways, streets, roads, bridges, railroads 14420  
carrying freight, and air and water ports and port facilities, 14421  
and all related supporting facilities. 14422

**Sec. 166.02.** (A) The general assembly finds that many 14423  
local areas throughout the state are experiencing economic 14424  
stagnation or decline, and that the economic development 14425  
programs provided for in this chapter will constitute deserved, 14426  
necessary reinvestment by the state in those areas, materially 14427  
contribute to their economic revitalization, and result in 14428  
improving the economic welfare of all the people of the state. 14429

Accordingly, it is declared to be the public policy of the 14430  
state, through the operations of this chapter and other 14431  
applicable laws adopted pursuant to Section 2p or 13 of Article 14432  
VIII, Ohio Constitution, and other authority vested in the 14433  
general assembly, to assist in and facilitate the establishment 14434  
or development of eligible projects or assist and cooperate with 14435  
any governmental agency in achieving such purpose. 14436

(B) In furtherance of such public policy and to implement 14437  
such purpose, the director of housing and development may: 14438

(1) After consultation with appropriate governmental 14439  
agencies, enter into agreements with persons engaged in 14440  
industry, commerce, distribution, or research and with 14441  
governmental agencies to induce such persons to acquire, 14442  
construct, reconstruct, rehabilitate, renovate, enlarge, 14443  
improve, equip, or furnish, or otherwise develop, eligible 14444  
projects and make provision therein for project facilities and 14445  
governmental actions, as authorized by this chapter and other 14446  
applicable laws, subject to any required actions by the general 14447  
assembly or the controlling board and subject to applicable 14448  
local government laws and regulations; 14449

(2) Provide for the guarantees and loans as provided for 14450  
in sections 166.06 and 166.07 of the Revised Code; 14451

(3) Subject to release of such moneys by the controlling 14452  
board, contract for labor and materials needed for, or contract 14453  
with others, including governmental agencies, to provide, 14454  
project facilities the allowable costs of which are to be paid 14455  
for or reimbursed from moneys in the facilities establishment 14456  
fund, and contract for the operation of such project facilities; 14457

(4) Subject to release thereof by the controlling board, 14458

from moneys in the facilities establishment fund acquire or 14459  
contract to acquire by gift, exchange, or purchase, including 14460  
the obtaining and exercise of purchase options, property, and 14461  
convey or otherwise dispose of, or provide for the conveyance or 14462  
disposition of, property so acquired or contracted to be 14463  
acquired by sale, exchange, lease, lease purchase, conditional 14464  
or installment sale, transfer, or other disposition, including 14465  
the grant of an option to purchase, to any governmental agency 14466  
or to any other person without necessity for competitive bidding 14467  
and upon such terms and conditions and manner of consideration 14468  
pursuant to and as the director determines to be appropriate to 14469  
satisfy the objectives of sections 166.01 to 166.11 of the 14470  
Revised Code; 14471

(5) Retain the services of or employ financial 14472  
consultants, appraisers, consulting engineers, superintendents, 14473  
managers, construction and accounting experts, attorneys, and 14474  
employees, agents, and independent contractors as are necessary 14475  
in the director's judgment and fix the compensation for their 14476  
services; 14477

(6) Receive and accept from any person grants, gifts, and 14478  
contributions of money, property, labor, and other things of 14479  
value, to be held, used and applied only for the purpose for 14480  
which such grants, gifts, and contributions are made; 14481

(7) Enter into appropriate arrangements and agreements 14482  
with any governmental agency for the taking or provision by that 14483  
governmental agency of any governmental action; 14484

(8) Do all other acts and enter into contracts and execute 14485  
all instruments necessary or appropriate to carry out the 14486  
provisions of this chapter; 14487

(9) Adopt rules to implement any of the provisions of this 14488  
chapter applicable to the director. 14489

(C) The determinations by the director that facilities 14490  
constitute eligible projects, that facilities are project 14491  
facilities, that costs of such facilities are allowable costs, 14492  
and all other determinations relevant thereto or to an action 14493  
taken or agreement entered into shall be conclusive for purposes 14494  
of the validity and enforceability of rights of parties arising 14495  
from actions taken and agreements entered into under this 14496  
chapter. 14497

(D) Except as otherwise prescribed in this chapter, all 14498  
expenses and obligations incurred by the director in carrying 14499  
out the director's powers and in exercising the director's 14500  
duties under this chapter, shall be payable solely from, as 14501  
appropriate, moneys in the facilities establishment fund, the 14502  
loan guarantee fund, the innovation Ohio loan guarantee fund, 14503  
the innovation Ohio loan fund, the research and development loan 14504  
fund, the logistics and distribution infrastructure fund, or 14505  
moneys appropriated for such purpose by the general assembly. 14506  
This chapter does not authorize the director or the issuing 14507  
authority under section 166.08 of the Revised Code to incur 14508  
bonded indebtedness of the state or any political subdivision 14509  
thereof, or to obligate or pledge moneys raised by taxation for 14510  
the payment of any bonds or notes issued or guarantees made 14511  
pursuant to this chapter. 14512

(E) Any governmental agency may enter into an agreement 14513  
with the director, any other governmental agency, or a person to 14514  
be assisted under this chapter, to take or provide for the 14515  
purposes of this chapter any governmental action it is 14516  
authorized to take or provide, and to undertake on behalf and at 14517



the request of the director any action which the director is 14518  
authorized to undertake pursuant to divisions (B) (3), (4), and 14519  
(5) of this section or divisions (B) (3), (4), and (5) of section 14520  
166.12 of the Revised Code. Governmental agencies of the state 14521  
shall cooperate with and provide assistance to the director of 14522  
housing and development and the controlling board in the 14523  
exercise of their respective functions under this chapter. 14524

**Sec. 166.03.** (A) There is hereby created the facilities 14525  
establishment fund within the state treasury, consisting of 14526  
proceeds from the issuance of obligations as specified under 14527  
section 166.08 of the Revised Code; the moneys received by the 14528  
state from the sources specified in section 166.09 of the 14529  
Revised Code; service charges imposed under sections 166.06 and 14530  
166.07 of the Revised Code; any grants, gifts, or contributions 14531  
of moneys received by the director of housing and development to 14532  
be used for loans made under section 166.07 of the Revised Code 14533  
or for the payment of the allowable costs of project facilities; 14534  
and all other moneys appropriated or transferred to the fund. 14535  
Moneys in the loan guarantee fund in excess of the loan 14536  
guarantee reserve requirement, but subject to the provisions and 14537  
requirements of any guarantee contracts, may be transferred to 14538  
the facilities establishment fund by the treasurer of state upon 14539  
the order of the director of housing and development. Moneys 14540  
received by the state under Chapter 122. of the Revised Code, to 14541  
the extent allocable to the utilization of moneys derived from 14542  
proceeds of the sale of obligations pursuant to section 166.08 14543  
of the Revised Code, shall be credited to the facilities 14544  
establishment fund. All investment earnings on the cash balance 14545  
in the fund shall be credited to the fund. 14546

(B) All moneys appropriated or transferred to the 14547  
facilities establishment fund may be released at the request of 14548

the director of housing and development for payment of allowable 14549  
costs or the making of loans under section 166.07 of the Revised 14550  
Code, for transfer to the loan guarantee fund established in 14551  
section 166.06 of the Revised Code, or for use for the purpose 14552  
of or transfer to the funds established by sections 122.35, 14553  
122.42, 122.54, 122.55, 122.56, 122.561, 122.57, 122.601, and 14554  
122.80 of the Revised Code and, until July 1, 2003, the fund 14555  
established by section 166.031 of the Revised Code, and, until 14556  
July 1, 2007, the fund established by section 122.26 of the 14557  
Revised Code, but only for such of those purposes as are within 14558  
the authorization of Section 13 of Article VIII, Ohio 14559  
Constitution, in all cases subject to the approval of the 14560  
controlling board. 14561

(C) The department of housing and development, in the 14562  
administration of the facilities establishment fund, is 14563  
encouraged to utilize and promote the utilization of, to the 14564  
maximum practicable extent, the other existing programs, 14565  
business incentives, and tax incentives that department is 14566  
required or authorized to administer or supervise. 14567

**Sec. 166.04.** (A) Prior to entering into each agreement to 14568  
provide assistance under sections 166.02, 166.06, and 166.07 of 14569  
the Revised Code, the director of housing and development 14570  
~~services~~ shall determine whether the assistance will conform to 14571  
the requirements of sections 166.01 to 166.11 of the Revised 14572  
Code. Such determination, and the facts upon which it is based, 14573  
shall be set forth, where required, by the director in 14574  
submissions made to the controlling board when the director 14575  
seeks a release of moneys under section 166.02 of the Revised 14576  
Code. An agreement to provide assistance under sections 166.02, 14577  
166.06, and 166.07 of the Revised Code shall set forth such 14578  
determination, which shall be conclusive for purposes of the 14579

validity and enforceability of such agreement and any loan 14580  
guarantees, loans, or other agreements entered into pursuant to 14581  
such agreement to provide assistance. 14582

(B) Whenever a person applies for financial assistance 14583  
under sections 166.02, 166.06, and 166.07 of the Revised Code 14584  
and the project for which assistance is requested is to relocate 14585  
facilities that are currently being operated by the person and 14586  
that are located in another county, municipal corporation, or 14587  
township, the person shall provide written notification of the 14588  
relocation to the appropriate local governmental bodies. Prior 14589  
to entering into an agreement to provide the assistance, the 14590  
director shall verify that such notification has been provided. 14591

(C) As used in division (B) of this section, "appropriate 14592  
local governmental bodies" means: 14593

(1) The board of county commissioners or legislative 14594  
authority of the county in which the facility to be replaced is 14595  
located; 14596

(2) The legislative authority of the municipal corporation 14597  
or the board of township trustees of the township in which the 14598  
facility to be replaced is located. 14599

**Sec. 166.05.** (A) In determining the projects to be 14600  
assisted and the nature, amount, and terms of assistance to be 14601  
provided for an eligible project under sections 166.02, 166.06, 14602  
and 166.07 of the Revised Code: 14603

(1) The director of housing and development ~~services~~ shall 14604  
take into consideration all of the following: 14605

(a) The number of jobs to be created or preserved, 14606  
directly or indirectly; 14607

- (b) Payrolls, and the taxes generated, at both state and 14608  
local levels, by the eligible project and by the employment 14609  
created or preserved by the eligible project; 14610
- (c) The size, nature, and cost of the eligible project, 14611  
including the prospect of the project for providing long-term 14612  
jobs in enterprises consistent with the changing economics of 14613  
the state and the nation; 14614
- (d) The needs, and degree of needs, of the area in which 14615  
the eligible project is to be located; 14616
- (e) The needs of any private sector enterprise to be 14617  
assisted; 14618
- (f) The competitive effect of the assistance on other 14619  
enterprises providing jobs for people of the state; 14620
- (g) The amount and kind of assistance, if any, to be 14621  
provided to the private sector enterprise by other governmental 14622  
agencies through tax exemption or abatement, financing 14623  
assistance with industrial development bonds, and otherwise, 14624  
with respect to the eligible project; 14625
- (h) The impact of the eligible project and its operations 14626  
on local government services, including school services, and on 14627  
public facilities; 14628
- (i) The effect of the assistance on the loss of or damage 14629  
to or destruction of prime farmland, or the removal from 14630  
agricultural production of prime farmland. As used in this 14631  
section, "prime farmland" means agricultural land that meets the 14632  
criteria for this classification as defined by the United States 14633  
soil conservation service. 14634
- (j) The length of time the operator of the project has 14635

been operating facilities within the state. 14636

(2) The benefits to the local area, including taxes, jobs, 14637  
and reduced unemployment and reduced welfare costs, among 14638  
others, may be accorded value in the leasing or sales of project 14639  
facilities and in loan and guarantee arrangements. 14640

(B) Prior to granting final approval of the assistance to 14641  
be provided, the director shall determine that the benefits to 14642  
be derived by the state and local area from the establishment or 14643  
development, and operation, of the eligible project will exceed 14644  
the cost of providing such assistance and shall submit to the 14645  
controlling board a copy of that determination including the 14646  
basis for the determination. 14647

(C) Financial statements and other data submitted to the 14648  
director of housing and development services or the controlling 14649  
board by any private sector person in connection with financial 14650  
assistance under sections 166.02, 166.06, and 166.07 of the 14651  
Revised Code, or any information taken from such statements or 14652  
data for any purpose, shall not be open to public inspection. 14653

**Sec. 166.06.** (A) Subject to any limitations as to 14654  
aggregate amounts thereof that may from time to time be 14655  
prescribed by the general assembly and to other applicable 14656  
provisions of this chapter, the director of housing and 14657  
development may, on behalf of the state, enter into contracts to 14658  
guarantee the repayment or payment of not more than ninety per 14659  
cent of the unpaid principal amount of loans made, including 14660  
bonds, notes, or other certificates issued or given to provide 14661  
funds, to pay allowable costs of eligible projects. Such 14662  
guarantees shall be secured solely by and payable solely from 14663  
the loan guarantee fund created by this section and unencumbered 14664  
and available moneys in the facilities establishment fund in the 14665

manner and to the extent provided in such guarantee contracts 14666  
consistent with this section. Such guarantees shall not 14667  
constitute general obligations of the state or of any political 14668  
subdivision, and moneys raised by taxation shall not be 14669  
obligated or pledged for the payment of such guarantees. 14670

(B) Before guaranteeing any such repayments or payments 14671  
the director shall determine that: 14672

(1) The project is an eligible project and is economically 14673  
sound; 14674

(2) The principal amount to be guaranteed does not exceed 14675  
ninety per cent of the allowable costs of the eligible project 14676  
as determined by the director. To assist the director in making 14677  
this determination, the director may, in the director's 14678  
discretion, engage an independent engineer, architect, 14679  
appraiser, or other professional pursuant to a contract to be 14680  
paid solely from the facilities establishment fund, subject to 14681  
controlling board approval. 14682

(3) The principal amount to be guaranteed has a 14683  
satisfactory maturity date or dates, which in no case shall be 14684  
later than twenty years from the effective date of the 14685  
guarantee; 14686

(4) The rate of interest on the loan to be guaranteed and 14687  
on any other loan made by the same parties or related persons 14688  
for the eligible project is not excessive; 14689

(5) The principal obligor, or primary guarantor, is 14690  
responsible and is reasonably expected to be able to meet the 14691  
payments under the loan, bonds, notes, or other certificates; 14692

(6) The loan or documents pertaining to the bonds, notes, 14693  
or other certificates to be guaranteed contains provisions for 14694

payment by the principal obligor, and is in such form and 14695  
contains such terms and provisions for the protection of the 14696  
lenders as are generally consistent with commercial practice, 14697  
including, where applicable, provisions with respect to property 14698  
insurance, repairs, alterations, payment of taxes and 14699  
assessments, delinquency charges, default remedies, acceleration 14700  
of maturity, prior, additional and secondary liens, and other 14701  
matters as the director may approve. 14702

(C) The contract of guarantee may make provision for the 14703  
conditions of, time for and manner of fulfillment of the 14704  
guarantee commitment, subrogation of the state to the rights of 14705  
the parties guaranteed and exercise of such parties' rights by 14706  
the state, giving the state the options of making payment of the 14707  
principal amount guaranteed in one or more installments and, if 14708  
deferred, to pay interest thereon from the loan guarantee fund 14709  
and the facilities establishment fund, any other terms or 14710  
conditions customary to such guarantees and as the director may 14711  
approve, and may contain provisions for securing the guarantee 14712  
in the manner consistent with this section, including, at the 14713  
discretion of the director, a lien provided for under section 14714  
9.661 of the Revised Code, and may contain covenants on behalf 14715  
of the state for the maintenance of the loan guarantee fund 14716  
created by this section and of receipts to it permitted by this 14717  
chapter, including covenants on behalf of the state to issue 14718  
obligations under section 166.08 of the Revised Code to provide 14719  
moneys to the loan guarantee fund to fulfill such guarantees and 14720  
covenants authorized by division (R)(1) of section 166.08 of the 14721  
Revised Code, and covenants restricting the aggregate amount of 14722  
guarantees that may be contracted under this section and 14723  
obligations that may be issued under section 166.08 of the 14724  
Revised Code, and terms pertinent to either, to better secure 14725

the parties guaranteed. 14726

(D) The "loan guarantee fund" of the economic development 14727  
program is hereby created as a special revenue fund and a trust 14728  
fund which shall be in the custody of the treasurer of state but 14729  
shall be separate and apart from and not a part of the state 14730  
treasury to consist of all grants, gifts, and contributions of 14731  
moneys or rights to moneys lawfully designated for or deposited 14732  
in such fund, all moneys and rights to moneys lawfully 14733  
appropriated and transferred to such fund, including moneys 14734  
received from the issuance of obligations under section 166.08 14735  
of the Revised Code, and moneys deposited to such fund pursuant 14736  
to division (F) of this section; provided that the loan 14737  
guarantee fund shall not be comprised, in any part, of moneys 14738  
raised by taxation. 14739

(E) The director may fix service charges for making a 14740  
guarantee. Such charges shall be payable at such times and place 14741  
and in such amounts and manner as may be prescribed by the 14742  
director. 14743

(F) The treasurer of state shall serve as agent for the 14744  
director in the making of deposits and withdrawals and 14745  
maintenance of records pertaining to the loan guarantee fund. 14746  
Prior to the director's entry into a contract providing for the 14747  
making of a guarantee payable from the loan guarantee fund, the 14748  
treasurer of state shall cause to be transferred from the 14749  
facilities establishment fund to the loan guarantee fund an 14750  
amount sufficient to make the aggregate balance therein, taking 14751  
into account the proposed loan guarantee, equal to the loan 14752  
guarantee reserve requirement. Thereafter, the treasurer of 14753  
state shall cause the balance in the loan guarantee fund to be 14754  
at least equal to the loan guarantee reserve requirement. Funds 14755



from the loan guarantee fund shall be disbursed under a 14756  
guarantee made pursuant to this section to satisfy a guaranteed 14757  
repayment or payment which is in default. The treasurer of state 14758  
shall first withdraw and transfer moneys then on deposit in the 14759  
loan guarantee fund. Whenever these moneys are inadequate to 14760  
meet the requirements of a guarantee, the treasurer of state 14761  
shall, without need of appropriation or further action by the 14762  
director, provide for a withdrawal and transfer to the loan 14763  
guarantee fund and then to the guaranteed party of moneys in 14764  
such amount as is necessary to meet the guarantee from 14765  
unencumbered and available moneys in the facilities 14766  
establishment fund. Such disbursements shall be made in the 14767  
manner and at the times provided in such guarantees. Within 14768  
ninety days following a disbursement of moneys from the loan 14769  
guarantee fund, the treasurer of state, without need of 14770  
appropriation or further action by the director, shall provide 14771  
for a withdrawal and transfer to the loan guarantee fund from 14772  
unencumbered and available moneys in the facilities 14773  
establishment fund, including moneys from the repayment of loans 14774  
made from that fund, of an amount sufficient to cause the 14775  
balance in the loan guarantee fund to be at least equal to the 14776  
loan guarantee reserve requirement. 14777

(G) Any guaranteed parties under this section, except to 14778  
the extent that their rights are restricted by the guarantee 14779  
documents, may by any suitable form of legal proceedings, 14780  
protect and enforce any rights under the laws of this state or 14781  
granted by such guarantee or guarantee documents. Such rights 14782  
include the right to compel the performance of all duties of the 14783  
director and the treasurer of state required by this section or 14784  
the guarantee or guarantee documents; and in the event of 14785  
default with respect to the payment of any guarantees, to apply 14786

to a court having jurisdiction of the cause to appoint a 14787  
receiver to receive and administer the moneys pledged to such 14788  
guarantee with full power to pay, and to provide for payment of, 14789  
such guarantee, and with such powers, subject to the direction 14790  
of the court, as are accorded receivers in general equity cases, 14791  
excluding any power to pledge or apply additional revenues or 14792  
receipts or other income or moneys of the state or governmental 14793  
agencies of the state to the payment of such guarantee. Each 14794  
duty of the director and the treasurer of state and their 14795  
officers and employees, and of each governmental agency and its 14796  
officers, members, or employees, required or undertaken pursuant 14797  
to this section or a guarantee made under authority of this 14798  
section, is hereby established as a duty of the director and the 14799  
treasurer of state, and of each such officer, member, or 14800  
employee having authority to perform such duty, specifically 14801  
enjoined by the law resulting from an office, trust, or station 14802  
within the meaning of section 2731.01 of the Revised Code. The 14803  
persons who are at the time the director and treasurer of state, 14804  
or their officers or employees, are not liable in their personal 14805  
capacities on any guarantees or contracts to make guarantees by 14806  
the director. 14807

(H) The determinations of the director under divisions (B) 14808  
and (C) of this section shall be conclusive for purposes of the 14809  
validity of a guarantee evidenced by a contract signed by the 14810  
director, and such guarantee shall be incontestable as to moneys 14811  
advanced under loans to which such guarantees are by their terms 14812  
applicable. 14813

**Sec. 166.07.** (A) The director of housing and development, 14814  
with the approval of the controlling board and subject to the 14815  
other applicable provisions of this chapter, may lend moneys in 14816  
the facilities establishment fund to persons for the purpose of 14817

paying allowable costs of an eligible project if the director 14818  
determines that: 14819

(1) The project is an eligible project and is economically 14820  
sound; 14821

(2) The borrower is unable to finance the necessary 14822  
allowable costs through ordinary financial channels upon 14823  
comparable terms; 14824

(3) The amount to be lent from the facilities 14825  
establishment fund will not exceed seventy-five per cent of the 14826  
total allowable costs of the eligible project, except that if 14827  
any part of the amount to be lent from the facilities 14828  
establishment fund is derived from the issuance and sale of 14829  
project financing obligations the amount to be lent will not 14830  
exceed ninety per cent of the total allowable costs of the 14831  
eligible project; 14832

(4) The eligible project could not be achieved in the 14833  
local area in which it is to be located if the portion of the 14834  
project to be financed by the loan instead were to be financed 14835  
by a loan guaranteed under section 166.06 of the Revised Code; 14836

(5) The repayment of the loan from the facilities 14837  
establishment fund will be adequately secured by a mortgage, 14838  
assignment, pledge, or lien provided for under section 9.661 of 14839  
the Revised Code, at such level of priority as the director may 14840  
require; 14841

(6) The borrower will hold at least a ten per cent equity 14842  
interest in the eligible project at the time the loan is made. 14843

(B) The determinations of the director under division (A) 14844  
of this section shall be conclusive for purposes of the validity 14845  
of a loan commitment evidenced by a loan agreement signed by the 14846

director. 14847

(C) ~~there~~ There is hereby established the micro-lending 14848  
program for the purpose of paying the allowable costs of 14849  
eligible projects of eligible small businesses. From any amount 14850  
that the general assembly designates for the purpose of the 14851  
micro-lending program, the director of housing and development 14852  
shall, either directly or indirectly, make loans under this 14853  
section to eligible small businesses. The director shall 14854  
establish eligibility criteria and loan terms for the program 14855  
that supplement eligibility criteria and loan terms otherwise 14856  
prescribed for loans under this section, and may prescribe 14857  
reduced service charges and fees. For the purpose of lending 14858  
under the micro-lending program, the director of housing and 14859  
development shall give precedence to projects of eligible small 14860  
businesses that foster the development of small entrepreneurial 14861  
enterprises, notwithstanding the considerations prescribed by 14862  
divisions (A) (1) (a) and (b) of section 166.05 of the Revised 14863  
Code to the extent those considerations otherwise may have the 14864  
effect of disqualifying projects of eligible small businesses. 14865  
The director may enter into agreements with for-profit or ~~non-~~ 14866  
~~profit~~ nonprofit organizations in this state to originate and 14867  
administer loans made. 14868

Fees, charges, rates of interest, times of payment of 14869  
interest and principal, and other terms, conditions, and 14870  
provisions of and security for loans made from the facilities 14871  
establishment fund pursuant to this section shall be such as the 14872  
director determines to be appropriate and in furtherance of the 14873  
purpose for which the loans are made. The moneys used in making 14874  
such loans shall be disbursed from the facilities establishment 14875  
fund upon order of the director. The director shall give special 14876  
consideration in setting the required job creation ratios and 14877

interest rates for loans that are for voluntary actions. 14878

(D) The director may take actions necessary or appropriate 14879  
to collect or otherwise deal with any loan made under this 14880  
section, including any action authorized by section 9.661 of the 14881  
Revised Code. 14882

(E) The director may fix service charges for the making of 14883  
a loan. Such charges shall be payable at such times and place 14884  
and in such amounts and manner as may be prescribed by the 14885  
director. 14886

**Sec. 166.08.** (A) As used in this chapter: 14887

(1) "Bond proceedings" means the resolution, order, trust 14888  
agreement, indenture, lease, and other agreements, amendments 14889  
and supplements to the foregoing, or any one or more or 14890  
combination thereof, authorizing or providing for the terms and 14891  
conditions applicable to, or providing for the security or 14892  
liquidity of, obligations issued pursuant to this section, and 14893  
the provisions contained in such obligations. 14894

(2) "Bond service charges" means principal, including 14895  
mandatory sinking fund requirements for retirement of 14896  
obligations, and interest, and redemption premium, if any, 14897  
required to be paid by the state on obligations. 14898

(3) "Bond service fund" means the applicable fund and 14899  
accounts therein created for and pledged to the payment of bond 14900  
service charges, which may be, or may be part of, the economic 14901  
development bond service fund created by division (S) of this 14902  
section including all moneys and investments, and earnings from 14903  
investments, credited and to be credited thereto. 14904

(4) "Issuing authority" means the treasurer of state, or 14905  
the officer who by law performs the functions of such officer. 14906

(5) "Obligations" means bonds, notes, or other evidence of obligation including interest coupons pertaining thereto, issued pursuant to this section.

(6) "Pledged receipts" means all receipts of the state representing the gross profit on the sale of spirituous liquor, as referred to in division (B) (4) of section 4301.10 of the Revised Code, after paying all costs and expenses of the division of liquor control and providing an adequate working capital reserve for the division of liquor control as provided in that division, but excluding the sum required by the second paragraph of section 4301.12 of the Revised Code, as in effect on May 2, 1980, to be paid into the state treasury; moneys accruing to the state from the lease, sale, or other disposition, or use, of project facilities, and from the repayment, including interest, of loans made from proceeds received from the sale of obligations; accrued interest received from the sale of obligations; income from the investment of the special funds; and any gifts, grants, donations, and pledges, and receipts therefrom, available for the payment of bond service charges.

(7) "Special funds" or "funds" means, except where the context does not permit, the bond service fund, and any other funds, including reserve funds, created under the bond proceedings, and the economic development bond service fund created by division (S) of this section to the extent provided in the bond proceedings, including all moneys and investments, and earnings from investment, credited and to be credited thereto.

(B) Subject to the limitations provided in section 166.11 of the Revised Code, the issuing authority, upon the

certification by the director of housing and development or, 14937  
~~prior to the effective date of this amendment~~ September 29, 14938  
2017, upon certification by the Ohio air quality development 14939  
authority regarding eligible advanced energy projects, to the 14940  
issuing authority of the amount of moneys or additional moneys 14941  
needed in the facilities establishment fund, the loan guarantee 14942  
fund, the innovation Ohio loan fund, the innovation Ohio loan 14943  
guarantee fund, the research and development loan fund, the 14944  
logistics and distribution infrastructure fund, the advanced 14945  
energy research and development fund, or the advanced energy 14946  
research and development taxable fund, as applicable, for the 14947  
purpose of paying, or making loans for, allowable costs from the 14948  
facilities establishment fund, allowable innovation costs from 14949  
the innovation Ohio loan fund, allowable costs from the research 14950  
and development loan fund, allowable costs from the logistics 14951  
and distribution infrastructure fund, allowable costs from the 14952  
advanced energy research and development fund, or allowable 14953  
costs from the advanced energy research and development taxable 14954  
fund, as applicable, or needed for capitalized interest, for 14955  
funding reserves, and for paying costs and expenses incurred in 14956  
connection with the issuance, carrying, securing, paying, 14957  
redeeming, or retirement of the obligations or any obligations 14958  
refunded thereby, including payment of costs and expenses 14959  
relating to letters of credit, lines of credit, insurance, put 14960  
agreements, standby purchase agreements, indexing, marketing, 14961  
remarketing and administrative arrangements, interest swap or 14962  
hedging agreements, and any other credit enhancement, liquidity, 14963  
remarketing, renewal, or refunding arrangements, all of which 14964  
are authorized by this section, or providing moneys for the loan 14965  
guarantee fund or the innovation Ohio loan guarantee fund, as 14966  
provided in this chapter or needed for the purposes of funds 14967  
established in accordance with or pursuant to sections 122.35, 14968

122.42, 122.54, 122.55, 122.56, 122.561, 122.57, and 122.80 of 14969  
the Revised Code which are within the authorization of Section 14970  
13 of Article VIII, Ohio Constitution, or, prior to ~~the~~ 14971  
~~effective date of this amendment~~ September 29, 2017, with 14972  
respect to certain eligible advanced energy projects, Section 2p 14973  
of Article VIII, Ohio Constitution, shall issue obligations of 14974  
the state under this section in the required amount; provided 14975  
that such obligations may be issued to satisfy the covenants in 14976  
contracts of guarantee made under section 166.06 or 166.15 of 14977  
the Revised Code, notwithstanding limitations otherwise 14978  
applicable to the issuance of obligations under this section. 14979  
The proceeds of such obligations, except for the portion to be 14980  
deposited in special funds, including reserve funds, as may be 14981  
provided in the bond proceedings, shall as provided in the bond 14982  
proceedings be deposited by the director of housing and 14983  
development to the facilities establishment fund, the loan 14984  
guarantee fund, the innovation Ohio loan guarantee fund, the 14985  
innovation Ohio loan fund, the research and development loan 14986  
fund, or the logistics and distribution infrastructure fund, or 14987  
be deposited by the Ohio air quality development authority prior 14988  
to ~~the effective date of this amendment~~ September 29, 2017, to 14989  
the advanced energy research and development fund or the 14990  
advanced energy research and development taxable fund. Bond 14991  
proceedings for project financing obligations may provide that 14992  
the proceeds derived from the issuance of such obligations shall 14993  
be deposited into such fund or funds provided for in the bond 14994  
proceedings and, to the extent provided for in the bond 14995  
proceedings, such proceeds shall be deemed to have been 14996  
deposited into the facilities establishment fund and transferred 14997  
to such fund or funds. The issuing authority may appoint 14998  
trustees, paying agents, and transfer agents and may retain the 14999  
services of financial advisors, accounting experts, and 15000



attorneys, and retain or contract for the services of marketing, 15001  
remarketing, indexing, and administrative agents, other 15002  
consultants, and independent contractors, including printing 15003  
services, as are necessary in the issuing authority's judgment 15004  
to carry out this section. The costs of such services are 15005  
allowable costs payable from the facilities establishment fund 15006  
or the research and development loan fund, allowable innovation 15007  
costs payable from the innovation Ohio loan fund, allowable 15008  
costs payable from the logistics and distribution infrastructure 15009  
fund, or allowable costs payable prior to ~~the effective date of~~ 15010  
~~this amendment~~ September 29, 2017, from the advanced energy 15011  
research and development fund or the advanced energy research 15012  
and development taxable fund, as applicable. 15013

(C) The holders or owners of such obligations shall have 15014  
no right to have moneys raised by taxation obligated or pledged, 15015  
and moneys raised by taxation shall not be obligated or pledged, 15016  
for the payment of bond service charges. Such holders or owners 15017  
shall have no rights to payment of bond service charges from any 15018  
moneys accruing to the state from the lease, sale, or other 15019  
disposition, or use, of project facilities, or from payment of 15020  
the principal of or interest on loans made, or fees charged for 15021  
guarantees made, or from any money or property received by the 15022  
director, treasurer of state, or the state under Chapter 122. of 15023  
the Revised Code, or from any other use of the proceeds of the 15024  
sale of the obligations, and no such moneys may be used for the 15025  
payment of bond service charges, except for accrued interest, 15026  
capitalized interest, and reserves funded from proceeds received 15027  
upon the sale of the obligations and except as otherwise 15028  
expressly provided in the applicable bond proceedings pursuant 15029  
to written directions by the director. The right of such holders 15030  
and owners to payment of bond service charges is limited to all 15031

or that portion of the pledged receipts and those special funds 15032  
pledged thereto pursuant to the bond proceedings in accordance 15033  
with this section, and each such obligation shall bear on its 15034  
face a statement to that effect. 15035

(D) Obligations shall be authorized by resolution or order 15036  
of the issuing authority and the bond proceedings shall provide 15037  
for the purpose thereof and the principal amount or amounts, and 15038  
shall provide for or authorize the manner or agency for 15039  
determining the principal maturity or maturities, not exceeding 15040  
twenty-five years from the date of issuance, the interest rate 15041  
or rates or the maximum interest rate, the date of the 15042  
obligations and the dates of payment of interest thereon, their 15043  
denomination, and the establishment within or without the state 15044  
of a place or places of payment of bond service charges. 15045  
Sections 9.98 to 9.983 of the Revised Code are applicable to 15046  
obligations issued under this section, subject to any applicable 15047  
limitation under section 166.11 of the Revised Code. The purpose 15048  
of such obligations may be stated in the bond proceedings in 15049  
terms describing the general purpose or purposes to be served. 15050  
The bond proceedings also shall provide, subject to the 15051  
provisions of any other applicable bond proceedings, for the 15052  
pledge of all, or such part as the issuing authority may 15053  
determine, of the pledged receipts and the applicable special 15054  
fund or funds to the payment of bond service charges, which 15055  
pledges may be made either prior or subordinate to other 15056  
expenses, claims, or payments, and may be made to secure the 15057  
obligations on a parity with obligations theretofore or 15058  
thereafter issued, if and to the extent provided in the bond 15059  
proceedings. The pledged receipts and special funds so pledged 15060  
and thereafter received by the state are immediately subject to 15061  
the lien of such pledge without any physical delivery thereof or 15062

further act, and the lien of any such pledges is valid and 15063  
binding against all parties having claims of any kind against 15064  
the state or any governmental agency of the state, irrespective 15065  
of whether such parties have notice thereof, and shall create a 15066  
perfected security interest for all purposes of Chapter 1309. of 15067  
the Revised Code, without the necessity for separation or 15068  
delivery of funds or for the filing or recording of the bond 15069  
proceedings by which such pledge is created or any certificate, 15070  
statement or other document with respect thereto; and the pledge 15071  
of such pledged receipts and special funds is effective and the 15072  
money therefrom and thereof may be applied to the purposes for 15073  
which pledged without necessity for any act of appropriation. 15074  
Every pledge, and every covenant and agreement made with respect 15075  
thereto, made in the bond proceedings may therein be extended to 15076  
the benefit of the owners and holders of obligations authorized 15077  
by this section, and to any trustee therefor, for the further 15078  
security of the payment of the bond service charges. 15079

(E) The bond proceedings may contain additional provisions 15080  
as to: 15081

(1) The redemption of obligations prior to maturity at the 15082  
option of the issuing authority at such price or prices and 15083  
under such terms and conditions as are provided in the bond 15084  
proceedings; 15085

(2) Other terms of the obligations; 15086

(3) Limitations on the issuance of additional obligations; 15087

(4) The terms of any trust agreement or indenture securing 15088  
the obligations or under which the same may be issued; 15089

(5) The deposit, investment and application of special 15090  
funds, and the safeguarding of moneys on hand or on deposit, 15091

without regard to Chapter 131. or 135. of the Revised Code, but 15092  
subject to any special provisions of this chapter, with respect 15093  
to particular funds or moneys, provided that any bank or trust 15094  
company which acts as depository of any moneys in the special 15095  
funds may furnish such indemnifying bonds or may pledge such 15096  
securities as required by the issuing authority; 15097

(6) Any or every provision of the bond proceedings being 15098  
binding upon such officer, board, commission, authority, agency, 15099  
department, or other person or body as may from time to time 15100  
have the authority under law to take such actions as may be 15101  
necessary to perform all or any part of the duty required by 15102  
such provision; 15103

(7) Any provision that may be made in a trust agreement or 15104  
indenture; 15105

(8) Any other or additional agreements with the holders of 15106  
the obligations, or the trustee therefor, relating to the 15107  
obligations or the security therefor, including the assignment 15108  
of mortgages or other security obtained or to be obtained for 15109  
loans under section 122.43, 166.07, or 166.16 of the Revised 15110  
Code. 15111

(F) The obligations may have the great seal of the state 15112  
or a facsimile thereof affixed thereto or printed thereon. The 15113  
obligations and any coupons pertaining to obligations shall be 15114  
signed or bear the facsimile signature of the issuing authority. 15115  
Any obligations or coupons may be executed by the person who, on 15116  
the date of execution, is the proper issuing authority although 15117  
on the date of such bonds or coupons such person was not the 15118  
issuing authority. If the issuing authority whose signature or a 15119  
facsimile of whose signature appears on any such obligation or 15120  
coupon ceases to be the issuing authority before delivery 15121

thereof, such signature or facsimile is nevertheless valid and 15122  
sufficient for all purposes as if the former issuing authority 15123  
had remained the issuing authority until such delivery; and if 15124  
the seal to be affixed to obligations has been changed after a 15125  
facsimile of the seal has been imprinted on such obligations, 15126  
such facsimile seal shall continue to be sufficient as to such 15127  
obligations and obligations issued in substitution or exchange 15128  
therefor. 15129

(G) All obligations are negotiable instruments and 15130  
securities under Chapter 1308. of the Revised Code, subject to 15131  
the provisions of the bond proceedings as to registration. The 15132  
obligations may be issued in coupon or in registered form, or 15133  
both, as the issuing authority determines. Provision may be made 15134  
for the registration of any obligations with coupons attached 15135  
thereto as to principal alone or as to both principal and 15136  
interest, their exchange for obligations so registered, and for 15137  
the conversion or reconversion into obligations with coupons 15138  
attached thereto of any obligations registered as to both 15139  
principal and interest, and for reasonable charges for such 15140  
registration, exchange, conversion, and reconversion. 15141

(H) Obligations may be sold at public sale or at private 15142  
sale, as determined in the bond proceedings. 15143

Obligations issued to provide moneys for the loan 15144  
guarantee fund or the innovation Ohio loan guarantee fund may, 15145  
as determined by the issuing authority, be sold at private sale, 15146  
and without publication of a notice of sale. 15147

(I) Pending preparation of definitive obligations, the 15148  
issuing authority may issue interim receipts or certificates 15149  
which shall be exchanged for such definitive obligations. 15150

(J) In the discretion of the issuing authority, 15151  
obligations may be secured additionally by a trust agreement or 15152  
indenture between the issuing authority and a corporate trustee 15153  
which may be any trust company or bank having a place of 15154  
business within the state. Any such agreement or indenture may 15155  
contain the resolution or order authorizing the issuance of the 15156  
obligations, any provisions that may be contained in any bond 15157  
proceedings, and other provisions which are customary or 15158  
appropriate in an agreement or indenture of such type, 15159  
including, but not limited to: 15160

(1) Maintenance of each pledge, trust agreement, 15161  
indenture, or other instrument comprising part of the bond 15162  
proceedings until the state has fully paid the bond service 15163  
charges on the obligations secured thereby, or provision 15164  
therefor has been made; 15165

(2) In the event of default in any payments required to be 15166  
made by the bond proceedings, or any other agreement of the 15167  
issuing authority made as a part of the contract under which the 15168  
obligations were issued, enforcement of such payments or 15169  
agreement by mandamus, the appointment of a receiver, suit in 15170  
equity, action at law, or any combination of the foregoing; 15171

(3) The rights and remedies of the holders of obligations 15172  
and of the trustee, and provisions for protecting and enforcing 15173  
them, including limitations on rights of individual holders of 15174  
obligations; 15175

(4) The replacement of any obligations that become 15176  
mutilated or are destroyed, lost, or stolen; 15177

(5) Such other provisions as the trustee and the issuing 15178  
authority agree upon, including limitations, conditions, or 15179

qualifications relating to any of the foregoing. 15180

(K) Any holders of obligations or trustees under the bond 15181  
proceedings, except to the extent that their rights are 15182  
restricted by the bond proceedings, may by any suitable form of 15183  
legal proceedings, protect and enforce any rights under the laws 15184  
of this state or granted by such bond proceedings. Such rights 15185  
include the right to compel the performance of all duties of the 15186  
issuing authority, the director of housing and development, the 15187  
Ohio air quality development authority, or the division of 15188  
liquor control required by this chapter or the bond proceedings; 15189  
to enjoin unlawful activities; and in the event of default with 15190  
respect to the payment of any bond service charges on any 15191  
obligations or in the performance of any covenant or agreement 15192  
on the part of the issuing authority, the director of housing 15193  
and development, the Ohio air quality development authority, or 15194  
the division of liquor control in the bond proceedings, to apply 15195  
to a court having jurisdiction of the cause to appoint a 15196  
receiver to receive and administer the pledged receipts and 15197  
special funds, other than those in the custody of the treasurer 15198  
of state, which are pledged to the payment of the bond service 15199  
charges on such obligations or which are the subject of the 15200  
covenant or agreement, with full power to pay, and to provide 15201  
for payment of bond service charges on, such obligations, and 15202  
with such powers, subject to the direction of the court, as are 15203  
accorded receivers in general equity cases, excluding any power 15204  
to pledge additional revenues or receipts or other income or 15205  
moneys of the issuing authority or the state or governmental 15206  
agencies of the state to the payment of such principal and 15207  
interest and excluding the power to take possession of, 15208  
mortgage, or cause the sale or otherwise dispose of any project 15209  
facilities. 15210

Each duty of the issuing authority and the issuing 15211  
authority's officers and employees, and of each governmental 15212  
agency and its officers, members, or employees, undertaken 15213  
pursuant to the bond proceedings or any agreement or lease, 15214  
lease-purchase agreement, or loan made under authority of this 15215  
chapter, and in every agreement by or with the issuing 15216  
authority, is hereby established as a duty of the issuing 15217  
authority, and of each such officer, member, or employee having 15218  
authority to perform such duty, specifically enjoined by the law 15219  
resulting from an office, trust, or station within the meaning 15220  
of section 2731.01 of the Revised Code. 15221

The person who is at the time the issuing authority, or 15222  
the issuing authority's officers or employees, are not liable in 15223  
their personal capacities on any obligations issued by the 15224  
issuing authority or any agreements of or with the issuing 15225  
authority. 15226

(L) The issuing authority may authorize and issue 15227  
obligations for the refunding, including funding and retirement, 15228  
and advance refunding with or without payment or redemption 15229  
prior to maturity, of any obligations previously issued by the 15230  
issuing authority. Such obligations may be issued in amounts 15231  
sufficient for payment of the principal amount of the prior 15232  
obligations, any redemption premiums thereon, principal 15233  
maturities of any such obligations maturing prior to the 15234  
redemption of the remaining obligations on a parity therewith, 15235  
interest accrued or to accrue to the maturity dates or dates of 15236  
redemption of such obligations, and any allowable costs 15237  
including expenses incurred or to be incurred in connection with 15238  
such issuance and such refunding, funding, and retirement. 15239  
Subject to the bond proceedings therefor, the portion of 15240  
proceeds of the sale of obligations issued under this division 15241



to be applied to bond service charges on the prior obligations 15242  
shall be credited to an appropriate account held by the trustee 15243  
for such prior or new obligations or to the appropriate account 15244  
in the bond service fund for such obligations. Obligations 15245  
authorized under this division shall be deemed to be issued for 15246  
those purposes for which such prior obligations were issued and 15247  
are subject to the provisions of this section pertaining to 15248  
other obligations, except as otherwise provided in this section; 15249  
provided that, unless otherwise authorized by the general 15250  
assembly, any limitations imposed by the general assembly 15251  
pursuant to this section with respect to bond service charges 15252  
applicable to the prior obligations shall be applicable to the 15253  
obligations issued under this division to refund, fund, advance 15254  
refund or retire such prior obligations. 15255

(M) The authority to issue obligations under this section 15256  
includes authority to issue obligations in the form of bond 15257  
anticipation notes and to renew the same from time to time by 15258  
the issuance of new notes. The holders of such notes or interest 15259  
coupons pertaining thereto shall have a right to be paid solely 15260  
from the pledged receipts and special funds that may be pledged 15261  
to the payment of the bonds anticipated, or from the proceeds of 15262  
such bonds or renewal notes, or both, as the issuing authority 15263  
provides in the resolution or order authorizing such notes. Such 15264  
notes may be additionally secured by covenants of the issuing 15265  
authority to the effect that the issuing authority and the state 15266  
will do such or all things necessary for the issuance of such 15267  
bonds or renewal notes in appropriate amount, and apply the 15268  
proceeds thereof to the extent necessary, to make full payment 15269  
of the principal of and interest on such notes at the time or 15270  
times contemplated, as provided in such resolution or order. For 15271  
such purpose, the issuing authority may issue bonds or renewal 15272

notes in such principal amount and upon such terms as may be 15273  
necessary to provide funds to pay when required the principal of 15274  
and interest on such notes, notwithstanding any limitations 15275  
prescribed by or for purposes of this section. Subject to this 15276  
division, all provisions for and references to obligations in 15277  
this section are applicable to notes authorized under this 15278  
division. 15279

The issuing authority in the bond proceedings authorizing 15280  
the issuance of bond anticipation notes shall set forth for such 15281  
bonds an estimated interest rate and a schedule of principal 15282  
payments for such bonds and the annual maturity dates thereof, 15283  
and for purposes of any limitation on bond service charges 15284  
prescribed under division (A) of section 166.11 of the Revised 15285  
Code, the amount of bond service charges on such bond 15286  
anticipation notes is deemed to be the bond service charges for 15287  
the bonds anticipated thereby as set forth in the bond 15288  
proceedings applicable to such notes, but this provision does 15289  
not modify any authority in this section to pledge receipts and 15290  
special funds to, and covenant to issue bonds to fund, the 15291  
payment of principal of and interest and any premium on such 15292  
notes. 15293

(N) Obligations issued under this section are lawful 15294  
investments for banks, societies for savings, savings and loan 15295  
associations, deposit guarantee associations, trust companies, 15296  
trustees, fiduciaries, insurance companies, including domestic 15297  
for life and domestic not for life, trustees or other officers 15298  
having charge of sinking and bond retirement or other special 15299  
funds of political subdivisions and taxing districts of this 15300  
state, the commissioners of the sinking fund of the state, the 15301  
administrator of workers' compensation, the state teachers 15302  
retirement system, the public employees retirement system, the 15303

school employees retirement system, and the Ohio police and fire 15304  
pension fund, notwithstanding any other provisions of the 15305  
Revised Code or rules adopted pursuant thereto by any 15306  
governmental agency of the state with respect to investments by 15307  
them, and are also acceptable as security for the deposit of 15308  
public moneys. 15309

(O) Unless otherwise provided in any applicable bond 15310  
proceedings, moneys to the credit of or in the special funds 15311  
established by or pursuant to this section may be invested by or 15312  
on behalf of the issuing authority only in notes, bonds, or 15313  
other obligations of the United States, or of any agency or 15314  
instrumentality of the United States, obligations guaranteed as 15315  
to principal and interest by the United States, obligations of 15316  
this state or any political subdivision of this state, and 15317  
certificates of deposit of any national bank located in this 15318  
state and any bank, as defined in section 1101.01 of the Revised 15319  
Code, subject to inspection by the superintendent of banks. If 15320  
the law or the instrument creating a trust pursuant to division 15321  
(J) of this section expressly permits investment in direct 15322  
obligations of the United States or an agency of the United 15323  
States, unless expressly prohibited by the instrument, such 15324  
moneys also may be invested in no-front-end-load money market 15325  
mutual funds consisting exclusively of obligations of the United 15326  
States or an agency of the United States and in repurchase 15327  
agreements, including those issued by the fiduciary itself, 15328  
secured by obligations of the United States or an agency of the 15329  
United States; and in common trust funds established in 15330  
accordance with section 1111.20 of the Revised Code and 15331  
consisting exclusively of any such securities, notwithstanding 15332  
division (A)(4) of that section. The income from such 15333  
investments shall be credited to such funds as the issuing 15334

authority determines, and such investments may be sold at such 15335  
times as the issuing authority determines or authorizes. 15336

(P) Provision may be made in the applicable bond 15337  
proceedings for the establishment of separate accounts in the 15338  
bond service fund and for the application of such accounts only 15339  
to the specified bond service charges on obligations pertinent 15340  
to such accounts and bond service fund and for other accounts 15341  
therein within the general purposes of such fund. Unless 15342  
otherwise provided in any applicable bond proceedings, moneys to 15343  
the credit of or in the several special funds established 15344  
pursuant to this section shall be disbursed on the order of the 15345  
treasurer of state, provided that no such order is required for 15346  
the payment from the bond service fund when due of bond service 15347  
charges on obligations. 15348

(Q) The issuing authority may pledge all, or such portion 15349  
as the issuing authority determines, of the pledged receipts to 15350  
the payment of bond service charges on obligations issued under 15351  
this section, and for the establishment and maintenance of any 15352  
reserves, as provided in the bond proceedings, and make other 15353  
provisions therein with respect to pledged receipts as 15354  
authorized by this chapter, which provisions are controlling 15355  
notwithstanding any other provisions of law pertaining thereto. 15356

(R) The issuing authority may covenant in the bond 15357  
proceedings, and any such covenants are controlling 15358  
notwithstanding any other provision of law, that the state and 15359  
applicable officers and governmental agencies of the state, 15360  
including the general assembly, so long as any obligations are 15361  
outstanding, shall: 15362

(1) Maintain statutory authority for and cause to be 15363  
charged and collected wholesale and retail prices for spirituous 15364

liquor sold by the state or its agents so that the pledged 15365  
receipts are sufficient in amount to meet bond service charges, 15366  
and the establishment and maintenance of any reserves and other 15367  
requirements provided for in the bond proceedings, and, as 15368  
necessary, to meet covenants contained in contracts of guarantee 15369  
made under section 166.06 of the Revised Code; 15370

(2) Take or permit no action, by statute or otherwise, 15371  
that would impair the exemption from federal income taxation of 15372  
the interest on the obligations. 15373

(S) There is hereby created the economic development bond 15374  
service fund, which shall be in the custody of the treasurer of 15375  
state but shall be separate and apart from and not a part of the 15376  
state treasury. All moneys received by or on account of the 15377  
issuing authority or state agencies and required by the 15378  
applicable bond proceedings, consistent with this section, to be 15379  
deposited, transferred, or credited to a bond service fund or 15380  
the economic development bond service fund, and all other moneys 15381  
transferred or allocated to or received for the purposes of the 15382  
fund, shall be deposited and credited to such fund and to any 15383  
separate accounts therein, subject to applicable provisions of 15384  
the bond proceedings, but without necessity for any act of 15385  
appropriation. During the period beginning with the date of the 15386  
first issuance of obligations and continuing during such time as 15387  
any such obligations are outstanding, and so long as moneys in 15388  
the pertinent bond service funds are insufficient to pay all 15389  
bond services charges on such obligations becoming due in each 15390  
year, a sufficient amount of the gross profit on the sale of 15391  
spirituous liquor included in pledged receipts are committed and 15392  
shall be paid to the bond service fund or economic development 15393  
bond service fund in each year for the purpose of paying the 15394  
bond service charges becoming due in that year without necessity 15395

for further act of appropriation for such purpose and 15396  
notwithstanding anything to the contrary in Chapter 4301. of the 15397  
Revised Code. The economic development bond service fund is a 15398  
trust fund and is hereby pledged to the payment of bond service 15399  
charges to the extent provided in the applicable bond 15400  
proceedings, and payment thereof from such fund shall be made or 15401  
provided for by the treasurer of state in accordance with such 15402  
bond proceedings without necessity for any act of appropriation. 15403

(T) The obligations, the transfer thereof, and the income 15404  
therefrom, including any profit made on the sale thereof, shall 15405  
at all times be free from taxation within the state. 15406

**Sec. 166.09.** There shall be credited to the facilities 15407  
establishment fund the moneys received by the state from the 15408  
repayment of loans and recovery on loan guarantees, including 15409  
interest thereon, made from the facilities establishment fund or 15410  
from the loan guarantee fund and from the sale, lease, or other 15411  
disposition of property acquired or constructed from moneys in 15412  
the facilities establishment fund with moneys derived from the 15413  
proceeds of the sale of obligations under section 166.08 of the 15414  
Revised Code. Such moneys shall be applied as provided in this 15415  
chapter pursuant to appropriations made by the general assembly. 15416  
Notwithstanding the foregoing, any amounts recovered on loan 15417  
guarantees shall be deposited to the credit of the loan 15418  
guarantee fund to the extent necessary to restore that fund to 15419  
the level required by any guarantee contract, and the other 15420  
moneys referred to in the first sentence of this section may be 15421  
deposited to the credit of separate accounts within the 15422  
facilities establishment fund or in the bond service fund and 15423  
pledged to the security of obligations, applied to the payment 15424  
of bond service charges without need for appropriation, released 15425  
from any such pledge and transferred to the facilities 15426

establishment fund or other account therein, all as and to the 15427  
extent provided in the bond proceedings pursuant to written 15428  
directions by the director of housing and development. Accounts 15429  
may be established by the director in the facilities 15430  
establishment fund for particular projects or otherwise. Income 15431  
from the investment of moneys in the facilities establishment 15432  
fund shall be credited to that fund and, as may be provided in 15433  
bond proceedings, to particular accounts therein. The treasurer 15434  
of state may withdraw from the facilities establishment fund or, 15435  
subject to provisions of the applicable bond proceedings, from 15436  
any special funds established pursuant to the bond proceedings, 15437  
or from any accounts in such funds, any amounts of investment 15438  
income required to be rebated and paid to the federal government 15439  
in order to maintain the exemption from federal income taxation 15440  
of interest on obligations issued under this chapter, which 15441  
withdrawal and payment may be made without necessity for 15442  
appropriation. 15443

**Sec. 166.12.** (A) The general assembly finds that in order 15444  
to maintain and enhance the competitiveness of the Ohio economy 15445  
and to improve the economic welfare of all of the people of the 15446  
state, it is necessary to ensure that high-value jobs based on 15447  
research, technology, and innovation will be available to the 15448  
people of this state. Further, the general assembly finds that 15449  
the attraction of such jobs and their presence in this state 15450  
will materially contribute to the economic welfare of all of the 15451  
people of the state. Accordingly, it is declared to be the 15452  
public policy of this state, through the operations under 15453  
sections 166.01 and 166.12 to 166.16 of the Revised Code, and 15454  
the loan and loan guarantee provisions contained in those 15455  
sections, applicable laws adopted pursuant to Section 13 of 15456  
Article VIII, Ohio Constitution, and other authority vested in 15457

the general assembly, to assist in and facilitate the 15458  
establishment or development of eligible innovation projects or 15459  
assist and cooperate with any governmental agency in achieving 15460  
that purpose. 15461

(B) In furtherance of that public policy and to implement 15462  
that purpose, the director of housing and development may: 15463

(1) After consultation with appropriate governmental 15464  
agencies, enter into agreements with persons engaged in 15465  
industry, commerce, distribution, or research and with 15466  
governmental agencies to induce such persons to acquire, 15467  
construct, reconstruct, rehabilitate, renovate, enlarge, 15468  
improve, equip, or furnish, or otherwise develop, eligible 15469  
innovation projects and make provision therein for project 15470  
facilities and governmental actions, as authorized by sections 15471  
166.01 and 166.12 to 166.16 of the Revised Code and other 15472  
applicable laws; 15473

(2) Provide for innovation Ohio loan guarantees and loans 15474  
under sections 166.15 and 166.16 of the Revised Code; 15475

(3) Subject to the release of such moneys by the 15476  
controlling board, contract for labor and materials needed for, 15477  
or contract with others, including governmental agencies, to 15478  
provide, eligible innovation projects the allowable innovation 15479  
costs of which are to be paid for or reimbursed from moneys in 15480  
the innovation Ohio loan fund, and contract for the operation of 15481  
such eligible innovation projects; 15482

(4) Subject to release thereof by the controlling board, 15483  
from moneys in the innovation Ohio loan fund, acquire or 15484  
contract to acquire by gift, exchange, or purchase, including 15485  
the obtaining and exercise of purchase options, innovation 15486



property, and convey or otherwise dispose of, or provide for the 15487  
conveyance or disposition of, innovation property so acquired or 15488  
contracted to be acquired by sale, exchange, lease, lease 15489  
purchase, conditional or installment sale, transfer, or other 15490  
disposition, including the grant of an option to purchase, to 15491  
any governmental agency or to any other person without necessity 15492  
for competitive bidding and upon such terms and conditions and 15493  
manner of consideration pursuant to, and as the director 15494  
determines to be appropriate to satisfy the objectives of, 15495  
Chapter 166. of the Revised Code; 15496

(5) Retain the services of or employ financial 15497  
consultants, appraisers, consulting engineers, superintendents, 15498  
managers, construction and accounting experts, attorneys, and 15499  
employees, agents, and independent contractors as are necessary 15500  
in the director's judgment and fix the compensation for their 15501  
services; 15502

(6) Receive and accept from any person grants, gifts, and 15503  
contributions of money, property, labor, and other things of 15504  
value, to be held, used, and applied only for the purpose for 15505  
which such grants, gifts, and contributions are made; 15506

(7) Enter into appropriate arrangements and agreements 15507  
with any governmental agency for the taking or provision by that 15508  
governmental agency of any governmental action with respect to 15509  
innovation projects; 15510

(8) Do all other acts and enter into contracts and execute 15511  
all instruments necessary or appropriate to carry out the 15512  
provisions of sections 166.01 and 166.12 to 166.16 of the 15513  
Revised Code; 15514

(9) With respect to property, including but not limited to 15515

innovation property, take such interests, including but not 15516  
limited to mortgages, security interests, assignments, and 15517  
exclusive or non-exclusive licenses, as may be necessary or 15518  
appropriate under the circumstances, to ensure that innovation 15519  
property is used within this state and that products or services 15520  
associated with that innovation property are produced or, in the 15521  
case of services, delivered, by persons employed within this 15522  
state; 15523

(10) Adopt rules necessary to implement any of the 15524  
provisions of sections 166.01 and 166.12 to 166.16 of the 15525  
Revised Code applicable to the director. 15526

(C) The determinations by the director that facilities or 15527  
property constitute eligible innovation projects and that costs 15528  
of such facilities or property are allowable innovation costs, 15529  
and all other determinations relevant thereto or to an action 15530  
taken or agreement entered into, shall be conclusive for 15531  
purposes of the validity and enforceability of rights of parties 15532  
arising from actions taken and agreements entered into under 15533  
sections 166.01 and 166.12 to 166.16 of the Revised Code. 15534

**Sec. 166.13.** (A) Prior to entering into each agreement to 15535  
provide innovation financial assistance under sections 166.12, 15536  
166.15, and 166.16 of the Revised Code, the director of housing 15537  
and development services shall determine whether the assistance 15538  
will conform to the requirements of sections 166.12 to 166.16 of 15539  
the Revised Code. Such determination, and the facts upon which 15540  
it is based, shall be set forth by the director in submissions 15541  
made to the controlling board when the director seeks a release 15542  
of moneys under section 166.12 of the Revised Code. An agreement 15543  
to provide assistance under sections 166.12, 166.15, and 166.16 15544  
of the Revised Code shall set forth the determination, which 15545

shall be conclusive for purposes of the validity and 15546  
enforceability of the agreement and any innovation loan 15547  
guarantees, innovation loans, or other agreements entered into 15548  
pursuant to the agreement to provide innovation financial 15549  
assistance. 15550

(B) Whenever a person applies for innovation financial 15551  
assistance under sections 166.12, 166.15, and 166.16 of the 15552  
Revised Code and the eligible innovation project for which 15553  
innovation financial assistance is requested is to relocate an 15554  
eligible innovation project that is currently being operated by 15555  
the person and that is located in another county, municipal 15556  
corporation, or township, the person shall provide written 15557  
notification to the appropriate local governmental bodies and 15558  
state officials. The director may not enter into an agreement to 15559  
provide innovation financial assistance until the director 15560  
determines that the appropriate local government bodies and 15561  
state officials have been notified. 15562

(C) As used in division (B) of this section: 15563

(1) "Appropriate local governmental bodies" means: 15564

(a) The boards of county commissioners or legislative 15565  
authorities of the county in which the project for which 15566  
innovation financial assistance is requested is located and of 15567  
the county in which the eligible innovation project to be 15568  
replaced is located; 15569

(b) The legislative authority of the municipal corporation 15570  
or the board of township trustees of the township in which the 15571  
eligible innovation project for which innovation financial 15572  
assistance is requested is located; and 15573

(c) The legislative authority of the municipal corporation 15574

or the board of township trustees of the township in which the 15575  
eligible innovation project to be replaced is located. 15576

(2) "State officials" means: 15577

(a) The state representative and state senator in whose 15578  
districts the project for which innovation financial assistance 15579  
is requested is located; 15580

(b) The state representative and state senator in whose 15581  
districts the innovation project to be replaced is located. 15582

**Sec. 166.14.** (A) In determining the eligible innovation 15583  
projects to be assisted and the nature, amount, and terms of 15584  
innovation financial assistance to be provided for an eligible 15585  
innovation project under sections 166.12 to 166.16 of the 15586  
Revised Code: 15587

(1) The director of housing and development ~~services~~ shall 15588  
take into consideration all of the following: 15589

(a) The number of jobs to be created or preserved by the 15590  
eligible innovation project, directly or indirectly; 15591

(b) Payrolls, and the taxes generated, at both state and 15592  
local levels, by or in connection with the eligible innovation 15593  
project and by the employment created or preserved by or in 15594  
connection with the eligible innovation project; 15595

(c) The size, nature, and cost of the eligible innovation 15596  
project, including the prospect of the eligible innovation 15597  
project for providing long-term jobs in enterprises consistent 15598  
with the changing economics of the state and the nation; 15599

(d) The needs of any private sector enterprise to be 15600  
assisted; 15601

(e) The amount and kind of assistance, if any, to be 15602  
provided to the private sector enterprise by other governmental 15603  
agencies through tax exemption or abatement, financing 15604  
assistance with industrial development bonds, and otherwise, 15605  
with respect to the eligible innovation project or with respect 15606  
to any providers of innovation property to be included as part 15607  
of the eligible innovation project; 15608

(f) The likelihood of the successful implementation of the 15609  
proposed eligible innovation project; 15610

(g) Whether the eligible innovation project involves the 15611  
use of technology in a targeted innovation industry sector. 15612

(2) The benefits to the local area, including taxes, jobs, 15613  
and reduced unemployment and reduced welfare costs, among 15614  
others, may be accorded value in the leasing or sales of 15615  
innovation project facilities and in loan and guarantee 15616  
arrangements. 15617

(3) In making determinations under division (A) (1) of this 15618  
section, the director may consider the effect of an eligible 15619  
innovation project upon any entity engaged to provide innovation 15620  
property to be acquired, leased, or licensed in connection with 15621  
such assistance. 15622

(B) Financial statements and other data submitted to the 15623  
director of housing and development services ~~services~~ or the controlling 15624  
board by any private sector person in connection with innovation 15625  
financial assistance under sections 166.12, 166.15, and 166.16 15626  
of the Revised Code, or any information taken from such 15627  
statements or data for any purpose, shall not be open to public 15628  
inspection. 15629

**Sec. 166.15.** (A) Subject to any limitations as to 15630

aggregate amounts thereof that may from time to time be 15631  
prescribed by the general assembly and to other applicable 15632  
provisions of this chapter, the director of housing and 15633  
development may, on behalf of the state, enter into contracts to 15634  
guarantee the repayment or payment of the unpaid principal 15635  
amount of loans made, including bonds, notes, or other 15636  
certificates issued or given to provide funds, to pay allowable 15637  
innovation costs of eligible innovation projects. The guarantees 15638  
shall be secured solely by and payable solely from the 15639  
innovation Ohio loan guarantee fund and unencumbered and 15640  
available moneys in the innovation Ohio loan fund, in the manner 15641  
and to the extent provided in guarantee contracts consistent 15642  
with this section. The guarantees shall not constitute general 15643  
obligations of the state or of any political subdivision, and 15644  
moneys raised by taxation shall not be obligated or pledged for 15645  
the payment of the guarantees. 15646

(B) Before guaranteeing any such repayments or payments, 15647  
the director shall determine that: 15648

(1) The project is an eligible innovation project and is 15649  
economically sound. 15650

(2) The principal amount to be guaranteed does not exceed 15651  
ninety per cent of the allowable innovation costs of the 15652  
eligible innovation project as determined by the director. In 15653  
making this determination, the director may, in the director's 15654  
discretion, engage an independent engineer, architect, 15655  
appraiser, or other professional to make it, pursuant to a 15656  
contract to be paid solely from the innovation Ohio loan fund, 15657  
subject to approval of the controlling board. 15658

(3) The principal amount to be guaranteed has a 15659  
satisfactory maturity date or dates, which in no case shall be 15660

later than twenty years from the effective date of the 15661  
guarantee. 15662

(4) The principal obligor, or primary guarantor, is 15663  
responsible and is reasonably expected to be able to meet the 15664  
payments under the loan, bonds, notes, or other certificates. 15665

(5) The loan or documents pertaining to the bonds, notes, 15666  
or other certificates to be guaranteed contains provisions for 15667  
payment by the principal obligor satisfactory to the director 15668  
and is in such form and contains such terms and provisions for 15669  
the protection of the lenders as are generally consistent with 15670  
commercial practice for the type of eligible innovation project 15671  
that is the subject of the assistance, including, where 15672  
applicable, provisions with respect to property insurance, 15673  
repairs, alterations, payment of taxes and assessments, 15674  
delinquency charges, default remedies, acceleration of maturity, 15675  
prior, additional, and secondary liens, and other matters as the 15676  
director may approve. 15677

(C) The contract of guarantee may make provision for the 15678  
conditions of, time for, and manner of fulfillment of the 15679  
guarantee commitment, subrogation of this state to the rights of 15680  
the parties guaranteed and exercise of such parties' rights by 15681  
this state, giving this state the options of making payment of 15682  
the principal amount guaranteed in one or more installments and, 15683  
if deferred, to pay interest thereon from the innovation Ohio 15684  
loan guarantee fund, and any other terms or conditions customary 15685  
to such guarantees and as the director may approve, and may 15686  
contain provisions for securing the guarantee in the manner 15687  
consistent with this section, covenants on behalf of this state 15688  
for the maintenance of the loan guarantee fund created by this 15689  
section and of receipts to it permitted by this chapter, 15690

including covenants on behalf of this state to issue obligations 15691  
under section 166.08 of the Revised Code to provide moneys to 15692  
the innovation Ohio loan guarantee fund to fulfill such 15693  
guarantees, and covenants restricting the aggregate amount of 15694  
guarantees that may be contracted under this section and 15695  
obligations that may be issued under section 166.08 of the 15696  
Revised Code, and terms pertinent to either, to better secure 15697  
the parties guaranteed. 15698

(D) The innovation Ohio loan guarantee fund is hereby 15699  
created as a special revenue fund and a trust fund which shall 15700  
be in the custody of the treasurer of state but shall be 15701  
separate and apart from and not a part of the state treasury and 15702  
shall consist of all grants, gifts, and contributions of moneys 15703  
or rights to moneys lawfully designated for or deposited in such 15704  
fund, all moneys and rights to moneys lawfully appropriated and 15705  
transferred to such fund, including moneys received from the 15706  
issuance of obligations under section 166.08 of the Revised 15707  
Code, and moneys deposited to such fund pursuant to division (F) 15708  
of this section. The innovation Ohio loan guarantee fund shall 15709  
not be comprised, in any part, of moneys raised by taxation. 15710

(E) The director may fix service charges for making a 15711  
guarantee. The charges shall be payable at such times and place 15712  
and in such amounts and manner as may be prescribed by the 15713  
director. 15714

(F) The treasurer of state shall serve as agent for the 15715  
director in the making of deposits and withdrawals and 15716  
maintenance of records pertaining to the innovation Ohio loan 15717  
guarantee fund. Prior to the director's entry into a contract 15718  
providing for the making of a guarantee payable from the 15719  
innovation Ohio loan guarantee fund, the treasurer of state 15720



shall cause to be transferred from the innovation Ohio loan fund 15721  
to the innovation Ohio loan guarantee fund an amount sufficient 15722  
to make the aggregate balance therein, taking into account the 15723  
proposed loan guarantee equal to the innovation Ohio loan 15724  
guarantee reserve requirement. Thereafter, the treasurer of 15725  
state shall cause the balance in the innovation Ohio loan 15726  
guarantee fund to be at least equal to the innovation Ohio loan 15727  
guarantee reserve requirement. Funds from the innovation Ohio 15728  
loan guarantee fund shall be disbursed under a guarantee made 15729  
pursuant to this section to satisfy a guaranteed repayment or 15730  
payment which is in default. After withdrawing moneys from the 15731  
innovation Ohio loan guarantee fund, the treasurer of state 15732  
shall transfer moneys in the innovation Ohio loan fund to the 15733  
innovation Ohio loan guarantee fund to satisfy any repayment 15734  
obligations. Whenever these moneys are inadequate to meet the 15735  
requirements of a guarantee, the treasurer of state shall, 15736  
without need of appropriation or further action by the director, 15737  
provide for a withdrawal and transfer to the innovation Ohio 15738  
loan guarantee fund and then to the guaranteed party of moneys 15739  
in such amount as is necessary to meet the guarantee, from 15740  
unencumbered and available moneys in the innovation Ohio loan 15741  
fund. The disbursements shall be made in the manner and at the 15742  
times provided in the guarantees. Within ninety days following a 15743  
disbursement of money from the innovation Ohio loan guarantee 15744  
fund, the treasurer of state, without need of appropriation or 15745  
further action by the director, shall provide for a withdrawal 15746  
and transfer to the innovation Ohio loan guarantee fund from 15747  
unencumbered and available moneys in the innovation Ohio loan 15748  
fund, including moneys from the repayment of loans made from 15749  
that fund, of an amount sufficient to cause the balance in the 15750  
innovation Ohio loan guarantee fund to be at least equal to the 15751  
innovation Ohio loan guarantee reserve requirement. 15752

(G) Any guaranteed parties under this section, except to 15753  
the extent that their rights are restricted by the guarantee 15754  
documents, may by any suitable form of legal proceedings, 15755  
protect and enforce any rights under the laws of this state or 15756  
granted by such guarantee or guarantee documents. Such rights 15757  
include the right to compel the performance of all duties of the 15758  
director and the treasurer of state required by this section or 15759  
the guarantee or guarantee documents; and in the event of 15760  
default with respect to the payment of any guarantees, to apply 15761  
to a court having jurisdiction of the cause to appoint a 15762  
receiver to receive and administer the moneys pledged to such 15763  
guarantee with full power to pay, and to provide for payment of, 15764  
such guarantee, and with such powers, subject to the direction 15765  
of the court, as are accorded receivers in general equity cases, 15766  
excluding any power to pledge or apply additional revenues or 15767  
receipts or other income or moneys of this state or governmental 15768  
agencies of the state to the payment of such guarantee. Each 15769  
duty of the director and the treasurer of state and their 15770  
officers and employees, and of each governmental agency and its 15771  
officers, members, or employees, required or undertaken pursuant 15772  
to this section or a guarantee made under authority of this 15773  
section, is hereby established as a duty of the director and the 15774  
treasurer of state, and of each such officer, member, or 15775  
employee having authority to perform such duty, specifically 15776  
enjoined by the law resulting from an office, trust, or station 15777  
within the meaning of section 2731.01 of the Revised Code. The 15778  
persons who are at the time the director and treasurer of state, 15779  
or their officers or employees, are not liable in their personal 15780  
capacities on any guarantees or contracts to make guarantees by 15781  
the director. 15782

(H) The determinations of the director under divisions (B) 15783

and (C) of this section shall be conclusive for purposes of the 15784  
validity of a guarantee evidenced by a contract signed by the 15785  
director, and such guarantee shall be incontestable as to money 15786  
advanced under loans to which such guarantees are by their terms 15787  
applicable. 15788

**Sec. 166.16.** (A) The director of housing and development, 15789  
with the approval of the controlling board and subject to the 15790  
other applicable provisions of this chapter, may lend moneys in 15791  
the innovation Ohio loan fund to persons for the purpose of 15792  
paying allowable innovation costs of an eligible innovation 15793  
project if the director determines that: 15794

(1) The project is an eligible innovation project and is 15795  
economically sound. 15796

(2) The borrower is unable to finance the necessary 15797  
allowable costs through ordinary financial channels upon 15798  
comparable terms. 15799

(3) The amount to be lent from the innovation Ohio loan 15800  
fund will not exceed ninety per cent of the total costs of the 15801  
eligible innovation project. 15802

(4) The repayment of the loan from the innovation Ohio 15803  
loan fund will be secured by a mortgage, lien, assignment, or 15804  
pledge, or other interest in property or innovation property at 15805  
such level of priority and value as the director may determine 15806  
necessary, provided that, in making such a determination, the 15807  
director may take into account the value of any rights granted 15808  
by the borrower to the director to control the use of any 15809  
property or innovation property of the borrower under the 15810  
circumstances described in the loan documents. 15811

(B) The determinations of the director under division (A) 15812

of this section shall be conclusive for purposes of the validity 15813  
of a loan commitment evidenced by a loan agreement signed by the 15814  
director. 15815

(C) Fees, charges, rates of interest, times of payment of 15816  
interest and principal, and other terms, conditions, and 15817  
provisions of and security for loans made from the innovation 15818  
Ohio loan fund shall be such as the director determines to be 15819  
appropriate and in furtherance of the purpose for which the 15820  
loans are made. The moneys used in making the loans shall be 15821  
disbursed from the innovation Ohio loan fund upon order of the 15822  
director. Unless otherwise specified in any indenture or other 15823  
instrument securing obligations under division (D) of section 15824  
166.08 of the Revised Code, any payments of principal and 15825  
interest from loans made from the innovation Ohio loan fund 15826  
shall be paid to the innovation Ohio loan fund and used for the 15827  
purpose of making loans. 15828

(D) There is hereby created in the state treasury the 15829  
innovation Ohio loan fund. The fund shall consist of grants, 15830  
gifts, and contributions of moneys or rights to moneys lawfully 15831  
designated for or deposited in such fund, all moneys and rights 15832  
to moneys lawfully appropriated and transferred to such fund, 15833  
including moneys received from the issuance of obligations for 15834  
purposes of allowable innovation costs under section 166.08 of 15835  
the Revised Code, and moneys deposited to such fund pursuant to 15836  
divisions (C) and (G) of this section. All investment earnings 15837  
on the cash balance in the fund shall be credited to the fund. 15838  
The fund shall not be comprised, in any part, of moneys raised 15839  
by taxation. 15840

(E) The director may take actions necessary or appropriate 15841  
to collect or otherwise deal with any loan made under this 15842

section. 15843

(F) The director may fix service charges for the making of 15844  
a loan. The charges shall be payable at such times and place and 15845  
in such amounts and manner as may be prescribed by the director. 15846

(G) (1) There shall be credited to the innovation Ohio loan 15847  
fund the moneys received by this state from the repayment of 15848  
innovation Ohio loans and recovery on loan guarantees, including 15849  
interest thereon, made from the innovation Ohio loan fund or 15850  
from the innovation Ohio loan guarantee fund and from the sale, 15851  
lease, or other disposition of property acquired or constructed 15852  
with moneys in the innovation Ohio loan fund with moneys derived 15853  
from the proceeds of the sale of obligations under section 15854  
166.08 of the Revised Code. Such moneys shall be applied as 15855  
provided in this chapter pursuant to appropriations made by the 15856  
general assembly. 15857

(2) Notwithstanding division (G) (1) of this section, any 15858  
amounts recovered on innovation Ohio loan guarantees shall be 15859  
deposited to the credit of the innovation Ohio loan guarantee 15860  
fund to the extent necessary to restore that fund to the 15861  
innovation Ohio loan guarantee reserve requirement or any level 15862  
in excess thereof required by any guarantee contract. Money in 15863  
the innovation Ohio loan guarantee fund in excess of the 15864  
innovation Ohio loan guarantee reserve requirement, but subject 15865  
to the provisions and requirements of any guarantee contracts, 15866  
may be transferred to the innovation Ohio loan fund by the 15867  
treasurer of state upon the order of the director of housing and 15868  
development. 15869

(3) In addition to the requirements of division (G) (1) of 15870  
this section, moneys referred to in that division may be 15871  
deposited to the credit of separate accounts within the 15872

innovation Ohio loan fund or in the bond service fund and 15873  
pledged to the security of obligations, applied to the payment 15874  
of bond service charges without need for appropriation, released 15875  
from any such pledge and transferred to the innovation Ohio loan 15876  
fund, all as and to the extent provided in the bond proceedings 15877  
pursuant to written directions by the director of housing and 15878  
development. Accounts may be established by the director in the 15879  
innovation Ohio loan fund for particular projects or otherwise. 15880  
The director may withdraw from the innovation Ohio loan fund or, 15881  
subject to provisions of the applicable bond proceedings, from 15882  
any special funds established pursuant to the bond proceedings, 15883  
or from any accounts in such funds, any amounts of investment 15884  
income required to be rebated and paid to the federal government 15885  
in order to maintain the exemption from federal income taxation 15886  
of interest on obligations issued under this chapter, which 15887  
withdrawal and payment may be made without necessity for 15888  
appropriation. 15889

**Sec. 166.17.** (A) The general assembly finds that in order 15890  
to enhance the economic opportunities available to and improve 15891  
the economic welfare of all the people of the state, and to 15892  
maintain and enhance the competitiveness of the Ohio economy, it 15893  
is necessary to ensure that the people of the state will 15894  
continue to have access to high-value jobs in technology, and 15895  
that, to facilitate such continued access, it is necessary to 15896  
provide incentives to retain and attract businesses that will 15897  
develop new or improved technologies, processes, and products, 15898  
or apply existing technologies in new ways. Further, the general 15899  
assembly finds that the attraction of such jobs and their 15900  
presence in this state will materially contribute to the 15901  
economic welfare of all the people of the state. Accordingly, it 15902  
is declared to be the public policy of this state, through 15903

operations under sections 166.17 to 166.21, 5733.352, and 15904  
5747.331 of the Revised Code and the provisions for financial 15905  
assistance contained in those sections, other applicable laws 15906  
adopted pursuant to Section 13 of Article VIII, Ohio 15907  
Constitution, and other authority vested in the general 15908  
assembly, to assist in and facilitate the establishment or 15909  
development of eligible research and development projects or 15910  
assist and cooperate with any governmental agency in achieving 15911  
that purpose. 15912

(B) In furtherance of that public policy and to implement 15913  
that purpose, the director of housing and development may do any 15914  
of the following: 15915

(1) After consultation with appropriate governmental 15916  
agencies, enter into agreements with persons engaged in 15917  
industry, commerce, distribution, or research and with 15918  
governmental agencies, to induce such persons to acquire, 15919  
construct, reconstruct, rehabilitate, renovate, enlarge, 15920  
improve, equip, furnish, or develop eligible research and 15921  
development projects, or to enable governmental agencies to 15922  
acquire, construct, reconstruct, rehabilitate, renovate, 15923  
enlarge, improve, equip, furnish, or develop eligible research 15924  
and development projects for lease to persons engaged in 15925  
industry, commerce, distribution, or research; 15926

(2) Provide for loans under section 166.21 of the Revised 15927  
Code to finance eligible research and development projects; 15928

(3) Subject to the release of moneys in the research and 15929  
development loan fund by the controlling board, contract for 15930  
labor and materials needed for, or contract with others, 15931  
including governmental agencies, to provide, eligible research 15932  
and development projects, the allowable costs of which are to be 15933

paid for or reimbursed from such moneys, and contract for the 15934  
operation of those projects; 15935

(4) From moneys in the research and development loan fund, 15936  
subject to release thereof by the controlling board, acquire or 15937  
contract to acquire property by gift, exchange, or purchase, 15938  
including by obtaining and exercising purchase options, and 15939  
convey or otherwise dispose of, or provide for the conveyance or 15940  
disposition of, that property by sale, exchange, lease, lease 15941  
purchase, conditional or installment sale, transfer, or other 15942  
disposition, including the grant of an option to purchase, to 15943  
any governmental agency or to any other person without necessity 15944  
for competitive bidding and upon such terms and conditions and 15945  
manner of consideration pursuant to, and as the director 15946  
determines to be appropriate to satisfy the objectives of, 15947  
Chapter 166. of the Revised Code; 15948

(5) Retain the services of or employ financial 15949  
consultants, appraisers, consulting engineers, superintendents, 15950  
managers, construction and accounting experts, attorneys, 15951  
employees, agents, and independent contractors as are necessary 15952  
in the director's judgment, and fix the compensation for their 15953  
services; 15954

(6) Receive and accept from any person, grants, gifts, and 15955  
contributions of money, property, labor, and other things of 15956  
value, to be held, used, and applied only for the purpose for 15957  
which such grants, gifts, and contributions are made; 15958

(7) Enter into arrangements and agreements with any 15959  
governmental agency for the agency to take or provide any 15960  
governmental action with respect to eligible research and 15961  
development projects; 15962



(8) Do all other acts, enter into contracts, execute all 15963  
instruments, and make all certifications necessary or 15964  
appropriate to carry out sections 166.01, 166.17 to 166.21, 15965  
5733.352, and 5747.331 of the Revised Code; 15966

(9) With respect to property that is the subject of or 15967  
related to research and development financial assistance, take 15968  
such interests, including, but not limited to, mortgages, 15969  
security interests, leasehold interests, assignments, and 15970  
exclusive or nonexclusive licenses, as may be necessary or 15971  
appropriate under the circumstances, to ensure that the property 15972  
is used within this state and that products or services 15973  
associated with that property are produced or, in the case of 15974  
services, delivered, by persons employed within this state; 15975

(10) Adopt rules necessary to implement any of the 15976  
provisions of sections 166.17 to 166.21, 5733.352, and 5747.331 15977  
of the Revised Code that are applicable to the director. 15978

(C) The determination by the director that facilities or 15979  
property constitute an eligible research and development project 15980  
and that the costs of such facilities or property are allowable 15981  
costs related to the project, and all other determinations 15982  
relevant thereto, or to an action taken or agreement entered 15983  
into, shall be conclusive for purposes of the validity and 15984  
enforceability of rights of parties arising from actions taken 15985  
and agreements entered into under sections 166.17 to 166.21, 15986  
5733.352, and 5747.331 of the Revised Code. 15987

**Sec. 166.18.** (A) Prior to entering into each agreement to 15988  
provide research and development financial assistance, the 15989  
director of housing and development services shall determine 15990  
whether the assistance will conform to the requirements of 15991  
sections 166.17 to 166.21, 5733.352, and 5747.331 of the Revised 15992

Code. Such determination, and the facts upon which it is based, 15993  
shall be set forth by the director in submissions made to the 15994  
controlling board when the director seeks a release of moneys 15995  
under section 166.17 of the Revised Code. An agreement to 15996  
provide research and development financial assistance under 15997  
section 166.17 or 166.21 of the Revised Code shall set forth the 15998  
determination, which shall be conclusive for purposes of the 15999  
validity and enforceability of the agreement, and any loans or 16000  
other agreements entered into pursuant to the agreement, to 16001  
provide research and development financial assistance. 16002

(B) Whenever a person applies for research and development 16003  
financial assistance, and the eligible research and development 16004  
project for which that assistance is requested is to relocate an 16005  
eligible research and development project that is currently 16006  
being operated by the person and that is located in another 16007  
county, municipal corporation, or township within the state, the 16008  
person shall provide written notification to the appropriate 16009  
local governmental bodies and state officials. The director may 16010  
not enter into an agreement to provide research and development 16011  
financial assistance until the director determines that the 16012  
appropriate local government bodies and state officials have 16013  
been notified. 16014

(C) As used in division (B) of this section: 16015

(1) "Appropriate local governmental bodies" means all of 16016  
the following: 16017

(a) The board of county commissioners of or legislative 16018  
authorities of special districts in the county in which the 16019  
eligible research and development project for which research and 16020  
development financial assistance is requested is located and of 16021  
the county in which the project will be located; 16022

(b) The legislative authority of the municipal corporation 16023  
or the board of township trustees of the township in which the 16024  
eligible research and development project for which research and 16025  
development financial assistance is requested is located and of 16026  
the municipal corporation or township in which the project will 16027  
be located. 16028

(2) "State officials" means both of the following: 16029

(a) The state representative and state senator in whose 16030  
district the eligible research and development project for which 16031  
research and development financial assistance is requested is 16032  
located; 16033

(b) The state representative and state senator in whose 16034  
district the eligible research and development project will be 16035  
located. 16036

**Sec. 166.19.** (A) (1) In determining the eligible research 16037  
and development projects to be assisted and the nature, amount, 16038  
and terms of the research and development financial assistance 16039  
to be provided, the director of housing and development ~~services~~ 16040  
shall consider all of the following: 16041

(a) The number of jobs to be created or preserved, 16042  
directly or indirectly, by or in connection with the eligible 16043  
research and development project; 16044

(b) Payrolls, and the taxes generated at both state and 16045  
local levels, by the eligible research and development project 16046  
and by the employment created or preserved by or in connection 16047  
with the project; 16048

(c) The size, nature, and cost of the eligible research 16049  
and development project; 16050

(d) The likelihood that the eligible research and 16051  
development project will create long-term jobs in enterprises 16052  
consistent with the changing economy of the state and nation; 16053

(e) The needs of any private sector enterprise to be 16054  
assisted, taking into consideration the amount and kind of 16055  
assistance, if any, to be provided to the private sector 16056  
enterprise by other governmental agencies through tax exemption 16057  
or abatement, financing assistance with industrial development 16058  
bonds, and otherwise, with respect to the eligible research and 16059  
development project or with respect to any providers of research 16060  
and development property to be included as part of the project; 16061

(f) The likelihood that the eligible research and 16062  
development project will be successfully implemented. 16063

(2) The director may consider the benefits to the local 16064  
area, including taxes, jobs, and reduced unemployment and 16065  
reduced welfare costs, in the leasing or sale of eligible 16066  
research and development project facilities and in loan 16067  
arrangements. 16068

(3) The director may consider the effect of an eligible 16069  
research and development project upon any entity engaged to 16070  
provide research and development property to be acquired, 16071  
leased, or licensed in connection with research and development 16072  
financial assistance. 16073

(B) Financial statements and other data submitted to the 16074  
director of housing and development services ~~services~~ or the controlling 16075  
board by any private sector person in connection with research 16076  
and development financial assistance, or any information taken 16077  
from such statements or data for any purpose, shall not be open 16078  
to public inspection. 16079

**Sec. 166.20.** There is hereby created in the state treasury 16080  
the research and development loan fund. The fund shall consist 16081  
of moneys received from the issuance of obligations for research 16082  
and development purposes under section 166.08 of the Revised 16083  
Code; moneys deposited to the fund pursuant to divisions (C) and 16084  
(G) of section 166.21 of the Revised Code; service charges 16085  
imposed under section 166.21 of the Revised Code; and any 16086  
grants, gifts, or contributions of money received by the 16087  
director of housing and development to be used for making loans 16088  
under section 166.21 of the Revised Code. All investment 16089  
earnings on the cash balance in the fund shall be credited to 16090  
the fund. The fund shall not be comprised, in any part, of 16091  
moneys raised by taxation. 16092

**Sec. 166.21.** (A) The director of housing and development- 16093  
~~services~~, with the approval of the controlling board and subject 16094  
to other applicable provisions of this chapter, may lend moneys 16095  
in the research and development loan fund to persons for the 16096  
purpose of paying allowable costs of eligible research and 16097  
development projects, if the director determines that all of the 16098  
following conditions are met: 16099

(1) The project is an eligible research and development 16100  
project and is economically sound; 16101

(2) The amount to be lent from the research and 16102  
development loan fund will not exceed seventy-five per cent of 16103  
the total costs of the eligible research and development 16104  
project; 16105

(3) The repayment of the loan from the research and 16106  
development loan fund will be secured by a mortgage, assignment, 16107  
pledge, lien provided for under section 9.661 of the Revised 16108  
Code, or other interest in property or other assets of the 16109

borrower, at such level of priority and value as the director 16110  
considers necessary, provided that, in making such a 16111  
determination, the director shall take into account the value of 16112  
any rights granted by the borrower to the director to control 16113  
the use of any assets of the borrower under the circumstances 16114  
described in the loan documents. 16115

(B) The determinations of the director under division (A) 16116  
of this section shall be conclusive for purposes of the validity 16117  
of a loan commitment evidenced by a loan agreement signed by the 16118  
director. 16119

(C) Fees, charges, rates of interest, times of payment of 16120  
interest and principal, and other terms and conditions of, and 16121  
security for, loans made from the research and development loan 16122  
fund shall be such as the director determines to be appropriate 16123  
and in furtherance of the purpose for which the loans are made. 16124  
The moneys used in making loans shall be disbursed from the fund 16125  
upon order of the director. Unless otherwise specified in any 16126  
indenture or other instrument securing obligations under 16127  
division (D) of section 166.08 of the Revised Code, any payments 16128  
of principal and interest from loans made from the fund shall be 16129  
paid to the fund and used for the purpose of making loans under 16130  
this section. 16131

(D) (1) As used in this division, "qualified research and 16132  
development loan payments" means payments of principal and 16133  
interest on a loan made from the research and development loan 16134  
fund. 16135

(2) Each year, the director may, upon request, issue a 16136  
certificate to a borrower of moneys from the research and 16137  
development loan fund indicating the amount of the qualified 16138  
research and development loan payments made by or on behalf of 16139

the borrower during the calendar year immediately preceding the 16140  
tax year, as defined in section 5733.04 of the Revised Code, or 16141  
taxable year, as defined in section 5747.01 of the Revised Code, 16142  
for which the certificate is issued. In addition to indicating 16143  
the amount of qualified research and development loan payments, 16144  
the certificate shall include a determination of the director 16145  
that as of the thirty-first day of December of the calendar year 16146  
for which the certificate is issued, the borrower is not in 16147  
default under the loan agreement, lease, or other instrument 16148  
governing repayment of the loan, including compliance with the 16149  
job creation and retention commitments that are part of the 16150  
qualified research and development project. If the director 16151  
determines that a borrower is in default under the loan 16152  
agreement, lease, or other instrument governing repayment of the 16153  
loan, the director may reduce the amount, percentage, or term of 16154  
the credit allowed under section 5733.352, 5747.331, or 5751.52 16155  
of the Revised Code with respect to the certificate issued to 16156  
the borrower. The director shall not issue a certificate in an 16157  
amount that exceeds one hundred fifty thousand dollars. 16158

(E) The director may take actions necessary or appropriate 16159  
to collect or otherwise deal with any loan made under this 16160  
section. 16161

(F) The director may fix service charges for the making of 16162  
a loan. The charges shall be payable at such times and place and 16163  
in such amounts and manner as may be prescribed by the director. 16164

(G) (1) There shall be credited to the research and 16165  
development loan fund moneys received by this state from the 16166  
repayment of loans, including interest thereon, made from the 16167  
fund, and moneys received from the sale, lease, or other 16168  
disposition of property acquired or constructed with moneys in 16169

the fund derived from the proceeds of the sale of obligations 16170  
under section 166.08 of the Revised Code. Moneys in the fund 16171  
shall be applied as provided in this chapter pursuant to 16172  
appropriations made by the general assembly. 16173

(2) In addition to the requirements in division (G) (1) of 16174  
this section, moneys referred to in that division may be 16175  
deposited to the credit of separate accounts established by the 16176  
director of housing and development services—within the research 16177  
and development loan fund or in the bond service fund and 16178  
pledged to the security of obligations, applied to the payment 16179  
of bond service charges without need for appropriation, released 16180  
from any such pledge and transferred to the research and 16181  
development loan fund, all as and to the extent provided in the 16182  
bond proceedings pursuant to written directions of the director. 16183  
Accounts may be established by the director in the research and 16184  
development loan fund for particular projects or otherwise. The 16185  
director may withdraw from the fund or, subject to provisions of 16186  
the applicable bond proceedings, from any special funds 16187  
established pursuant to the bond proceedings, or from any 16188  
accounts in such funds, any amounts of investment income 16189  
required to be rebated and paid to the federal government in 16190  
order to maintain the exemption from federal income taxation of 16191  
interest on obligations issued under this chapter, which 16192  
withdrawal and payment may be made without the necessity for 16193  
appropriation. 16194

**Sec. 166.25.** (A) The director of housing and development— 16195  
~~services~~, with the approval of the controlling board and subject 16196  
to the other applicable provisions of this chapter, may lend 16197  
money in the logistics and distribution infrastructure fund to 16198  
persons for the purpose of paying allowable costs of eligible 16199  
logistics and distribution projects. 16200



(B) In determining the eligible logistics and distribution projects to be assisted and the nature, amount, and terms of assistance to be provided for an eligible logistics and distribution project, the director shall consult with appropriate governmental agencies, including the department of transportation and the Ohio rail development commission.

(C) Any loan made pursuant to this section shall be evidenced by a loan agreement, which shall contain such terms as the director determines necessary or appropriate, including performance measures and reporting requirements. The director may take actions necessary or appropriate to collect or otherwise deal with any loan made under this section, including requiring a loan recipient to repay the amount of the loan plus interest at a rate of three per cent above the federal short term interest rate or any other rate determined by the director.

**Sec. 166.27.** (A) As used in this section, "minority" has the same meaning as in section 184.17 of the Revised Code, except that the individual must be a resident of this state. The term also includes an economically disadvantaged individual who is a resident of this state.

(B) The director of housing and development shall conduct outreach activities in Ohio that seek to include minorities in the loan program for logistics and distribution projects established under section 166.25 of the Revised Code. The outreach activities shall include the following, when appropriate:

(1) Identifying and partnering with historically black colleges and universities;

(2) Working with all institutions of higher education in

the state to support minority faculty and students involved in 16230  
logistics and distribution fields; 16231

(3) Developing a plan to contact by telephone minority- 16232  
owned businesses and entrepreneurs and other economically 16233  
disadvantaged businesses to notify them of opportunities to 16234  
participate in the loan program for logistics and distribution 16235  
projects; 16236

(4) Identifying minority professional and technical trade 16237  
associations and economic development assistance organizations 16238  
and notifying them of the loan program for logistics and 16239  
distribution projects; 16240

(5) Partnering with regional councils to foster local 16241  
efforts to support minority-owned businesses or otherwise 16242  
identify networks of minority-owned businesses, entrepreneurs, 16243  
and individuals operating locally; 16244

(6) Identifying minority firms and notifying them of the 16245  
opportunities that exist within the investment community, 16246  
including the Ohio venture capital authority created under 16247  
section 150.02 of the Revised Code. 16248

(C) The director shall publish an annual report that 16249  
includes all of the following: 16250

(1) Details of loans awarded for logistics and 16251  
distribution projects; 16252

(2) The status of loan recipients' projects funded in 16253  
previous years; 16254

(3) The amount of loans awarded for projects in 16255  
economically distressed areas, and if possible to ascertain, the 16256  
impact of the loans to those areas. 16257

(D) To the extent possible, outreach activities described 16258  
in this section shall be conducted in conjunction with the EDGE 16259  
program created in section 122.922 of the Revised Code. 16260

**Sec. 167.02.** (A) Membership in the regional council shall 16261  
be the counties, municipal corporations, townships, special 16262  
districts, school districts, and other political subdivisions 16263  
entering into the agreement establishing the council or admitted 16264  
to membership subsequently pursuant to the agreement 16265  
establishing the council or the bylaws of the council. 16266  
Representation on the council may be in the manner as provided 16267  
in the agreement establishing the council. 16268

(B) If the agreement establishing the council does not set 16269  
forth the manner for determining representation on the council 16270  
such representation shall consist of one representative from 16271  
each county, municipal corporation, township, special district, 16272  
school district, or other political subdivision entering into 16273  
the agreement, or subsequently admitted to membership in the 16274  
council. The representative from each member county, municipal 16275  
corporation, township, special district, school district, or 16276  
other political subdivision shall be elected chief executive 16277  
thereof, or, if such county, municipal corporation, township, 16278  
special district, school district, or other political 16279  
subdivision does not have an elected chief executive, a member 16280  
of its governing body chosen by such body to be its 16281  
representative. 16282

(C) Records containing the names of the political 16283  
subdivisions that are members of a regional council of 16284  
governments or the names of the representatives from those 16285  
political subdivisions who serve on the council are public 16286  
records within the meaning of section 149.43 of the Revised 16287

Code, and those names are not considered to be trade secrets 16288  
under section 1333.61 of the Revised Code. 16289

(D) The director of housing and development ~~services~~ shall 16290  
assist the council in securing the cooperation of all 16291  
appropriate agencies of the state or of the United States to aid 16292  
in promoting the orderly growth and development of the area, 16293  
solving the problems of local government, and discharging the 16294  
responsibilities and duties of local government in the most 16295  
efficient possible manner. 16296

(E) Any county, municipal corporation, township, special 16297  
district, school district, or other political subdivision which 16298  
has become a member of the council may withdraw by formal action 16299  
of its governing board and upon sixty days notice to council 16300  
after such action, or in the manner provided in the agreement 16301  
establishing the council, provided no such procedure relative to 16302  
withdrawals in the agreement establishing the council shall 16303  
require the political subdivision desiring to withdraw to retain 16304  
its membership in the council for a period in excess of two 16305  
years. 16306

**Sec. 169.05.** (A) Every holder required to file a report 16307  
under section 169.03 of the Revised Code shall, at the time of 16308  
filing, pay to the director of commerce ten per cent of the 16309  
aggregate amount of unclaimed funds as shown on the report, 16310  
except for aggregate amounts of fifty dollars or less in which 16311  
case one hundred per cent shall be paid. The funds may be 16312  
deposited by the director in the state treasury to the credit of 16313  
the unclaimed funds trust fund, which is hereby created, or 16314  
placed with a financial organization. Any interest earned on 16315  
money in the trust fund shall be credited to the trust fund. The 16316  
remainder of the aggregate amount of unclaimed funds as shown on 16317

the report, plus earnings accrued to date of payment to the 16318  
director, shall, at the option of the director, be retained by 16319  
the holder or paid to the director for deposit as agent for the 16320  
mortgage funds with a financial organization as defined in 16321  
section 169.01 of the Revised Code, with the funds to be in 16322  
income-bearing accounts to the credit of the mortgage funds, or 16323  
the holder may enter into an agreement with the director 16324  
specifying the obligations of the United States in which funds 16325  
are to be invested, and agree to pay the interest on the 16326  
obligations to the state. Holders retaining any funds not in 16327  
obligations of the United States shall enter into an agreement 16328  
with the director specifying the classification of income- 16329  
bearing account in which the funds will be held and pay the 16330  
state interest on the funds at a rate equal to the prevailing 16331  
market rate for similar funds. Moneys that the holder is 16332  
required to pay to the director rather than to retain may be 16333  
deposited with the treasurer of state, or placed with a 16334  
financial organization. 16335

Securities and other intangible property transferred to 16336  
the director shall, within a reasonable time, be converted to 16337  
cash and the proceeds deposited as provided for other funds. 16338

One-half of the funds evidenced by agreements, in income- 16339  
bearing accounts, or on deposit with the treasurer of state 16340  
shall be allocated on the records of the director to the 16341  
mortgage insurance fund created by section 122.561 of the 16342  
Revised Code. Out of the remaining half, after allocation of 16343  
sufficient moneys to the minority business bonding fund to meet 16344  
the provisions of division (B) of this section, the remainder 16345  
shall be allocated on the records of the director to the housing 16346  
development fund created by division (A) of section 175.11 of 16347  
the Revised Code. 16348

(B) The director shall serve as agent for the director of housing and development and as agent for the Ohio housing finance agency in making deposits and withdrawals and maintaining records pertaining to the minority business bonding fund created by section 122.88 of the Revised Code, the mortgage insurance fund, and the housing development fund created by section 175.11 of the Revised Code. Funds from the mortgage insurance fund are available to the director of housing and development when those funds are to be disbursed to prevent or cure, or upon the occurrence of, a default of a mortgage insured pursuant to section 122.451 of the Revised Code. Funds from the housing development fund are available upon request to the Ohio housing finance agency, in an amount not to exceed the funds allocated on the records of the director, for the purposes of section 175.05 of the Revised Code. Funds from the minority business bonding fund are available to the director of housing and development upon request to pay obligations on bonds the director writes pursuant to section 122.88 of the Revised Code; except that, unless the general assembly authorizes additional amounts, the total maximum amount of moneys that may be allocated to the minority business bonding fund under this division is ten million dollars.

When funds are to be disbursed, the appropriate agency shall call upon the director to transfer the necessary funds to it. The director shall first withdraw the funds paid by the holders and deposited with the treasurer of state or in a financial institution as agent for the funds. Whenever these funds are inadequate to meet the request, the director shall provide for a withdrawal of funds, within a reasonable time and in the amount necessary to meet the request, from financial institutions in which the funds were retained or placed by a

holder and from other holders who have retained funds, in an 16380  
equitable manner as the director prescribes. In the event that 16381  
the amount to be withdrawn from any one holder is less than five 16382  
hundred dollars, the amount to be withdrawn is at the director's 16383  
discretion. The director shall then transfer to the agency the 16384  
amount of funds requested. 16385

Funds deposited in the unclaimed funds trust fund are 16386  
subject to call by the director when necessary to pay claims the 16387  
director allows under section 169.08 of the Revised Code, in 16388  
accordance with the director's rules, to defray the necessary 16389  
costs of making publications this chapter requires and to pay 16390  
other operating and administrative expenses the department of 16391  
commerce incurs in the administration and enforcement of this 16392  
chapter. 16393

The unclaimed funds trust fund shall be assessed a 16394  
proportionate share of the administrative costs of the 16395  
department of commerce in accordance with procedures the 16396  
director of commerce prescribes. The assessment shall be paid 16397  
from the unclaimed funds trust fund to the division of 16398  
administration fund. 16399

(C) Earnings on the accounts in financial organizations to 16400  
the credit of the mortgage funds shall, at the option of the 16401  
financial organization, be credited to the accounts at times and 16402  
at rates as earnings are paid on other accounts of the same 16403  
classification held in the financial organization or paid to the 16404  
director. The director shall be notified annually, and at other 16405  
times as the director may request, of the amount of the earnings 16406  
credited to the accounts. Interest on unclaimed funds a holder 16407  
retains shall be paid to the director or credited as specified 16408  
in the agreement under which the organization retains the funds. 16409

Interest payable to the director under an agreement to invest 16410  
unclaimed funds in income-bearing accounts or obligations of the 16411  
United States shall be paid annually by the holder to the 16412  
director. Any earnings or interest the director receives under 16413  
this division shall be deposited in and credited to the mortgage 16414  
funds. 16415

**Sec. 173.08.** (A) The resident services coordinator program 16416  
is established in the department of aging to fund resident 16417  
services coordinators. The coordinators shall provide 16418  
information to low-income and special-needs tenants, including 16419  
the elderly, who live in financially assisted rental housing 16420  
complexes, and assist those tenants in identifying and obtaining 16421  
community and program services and other benefits for which they 16422  
are eligible. 16423

(B) The resident services coordinator program fund is 16424  
hereby created in the state treasury to support the resident 16425  
services coordinator program established pursuant to this 16426  
section. The fund consists of all moneys the department of 16427  
housing and development sets aside pursuant to division (A) (3) 16428  
of section 174.02 of the Revised Code and moneys the general 16429  
assembly appropriates to the fund. 16430

**Sec. 174.01.** As used in this chapter: 16431

(A) "Financial assistance" means grants, loans, loan 16432  
guarantees, an equity position in a project, or loan subsidies. 16433

(B) "Grant" means funding the department of housing and 16434  
development or the Ohio housing finance agency provides for 16435  
which the relevant agency does not require repayment. 16436

(C) "Housing" means housing for owner-occupancy and 16437  
multifamily rental housing. 16438



(D) "Housing for owner-occupancy" means housing that is 16439  
intended for occupancy by an owner as a principal residence. 16440  
"Housing for owner-occupancy" may be any type of structure and 16441  
may be owned in any type of ownership. 16442

(E) "Housing trust fund" means the low- and moderate- 16443  
income housing trust fund created and administered pursuant to 16444  
Chapter 174. of the Revised Code. 16445

(F) "Lending institution" means any financial institution 16446  
qualified to conduct business in this state, a subsidiary 16447  
corporation that is wholly owned by a financial institution 16448  
qualified to conduct business in this state, and a mortgage 16449  
lender whose regular business is originating, servicing, or 16450  
brokering real estate loans and who is qualified to do business 16451  
in this state. 16452

(G) "Loan" means any extension of credit or other form of 16453  
financing or indebtedness directly or indirectly to a borrower 16454  
with the expectation that it will be repaid in accordance with 16455  
the terms of the underlying loan agreement or other pertinent 16456  
document. "Loan" includes financing extended to lending 16457  
institutions and indebtedness purchased from lending 16458  
institutions. 16459

(H) "Loan guarantee" means any agreement in favor of a 16460  
lending institution or other lender in which the credit and 16461  
resources of the housing trust fund are pledged to secure the 16462  
payment or collection of financing extended to a borrower for 16463  
the acquisition, construction, improvement, rehabilitation or 16464  
preservation of housing, or to refinance any financing 16465  
previously extended for those purposes by any lender. 16466

(I) "Loan subsidy" means any deposit of funds into a 16467

lending institution with the authorization or direction that the  
income or revenues the deposit earns, or could have earned at  
competitive rates, be applied directly or indirectly to the  
benefit of housing assistance or financial assistance.

(J) "Low- and moderate-income persons" means individuals  
and families who qualify as low- and moderate-income persons  
pursuant to guidelines the department establishes.

(K) "Multifamily rental housing" means multiple unit  
housing intended for rental occupancy.

(L) "Nonprofit organization" means a nonprofit  
organization in good standing and qualified to conduct business  
in this state including any corporation whose members are  
members of a metropolitan housing authority.

**Sec. 174.02.** (A) The low- and moderate-income housing  
trust fund is hereby created in the state treasury. The fund  
consists of all appropriations made to the fund, housing trust  
fund fees collected by county recorders pursuant to section  
317.36 of the Revised Code and deposited into the fund pursuant  
to section 319.63 of the Revised Code, and all grants, gifts,  
loan repayments, and contributions of money made from any source  
to the department of housing and development for deposit in the  
fund. All investment earnings of the fund shall be credited to  
the fund. The director of housing and development shall allocate  
a portion of the money in the fund to an account of the Ohio  
housing finance agency. The department shall administer the  
fund. The Ohio housing finance agency shall use money allocated  
to it for implementing and administering its programs and duties  
under sections 174.03 and 174.05 of the Revised Code, and the  
department shall use the remaining money in the fund for  
implementing and administering its programs and duties under

sections 174.03 to 174.06 of the Revised Code. Use of all money 16498  
drawn from the fund is subject to the following restrictions: 16499

(1) (a) Not more than five per cent of the current year 16500  
appropriation authority for the fund shall be allocated between 16501  
grants to community development corporations for the community 16502  
development corporation grant program and grants and loans to 16503  
the Ohio community development finance fund, a private nonprofit 16504  
corporation. 16505

(b) In any year in which the amount in the fund exceeds 16506  
one hundred thousand dollars and at least that much is allocated 16507  
for the uses described in this section, not less than one 16508  
hundred thousand dollars shall be used to provide training, 16509  
technical assistance, and capacity building assistance to 16510  
nonprofit development organizations. 16511

(2) Not more than ten per cent of any current year 16512  
appropriation authority for the fund shall be used for the 16513  
emergency shelter housing grants program to make grants to 16514  
private, nonprofit organizations and municipal corporations, 16515  
counties, and townships for emergency shelter housing for the 16516  
homeless and emergency shelter facilities serving unaccompanied 16517  
youth seventeen years of age and younger. The grants shall be 16518  
distributed pursuant to rules the director adopts and qualify as 16519  
matching funds for funds obtained pursuant to the McKinney Act, 16520  
101 Stat. 85 (1987), 42 U.S.C.A. 11371 to 11378. 16521

(3) In any fiscal year in which the amount in the fund 16522  
exceeds the amount awarded pursuant to division (A) (1) (b) of 16523  
this section by at least two hundred fifty thousand dollars, at 16524  
least two hundred fifty thousand dollars from the fund shall be 16525  
provided to the department of aging for the resident services 16526  
coordinator program as established in section 173.08 of the 16527

Revised Code. 16528

(4) Of all current year appropriation authority for the 16529  
fund, not more than five per cent shall be used for 16530  
administration. 16531

(5) Not less than forty-five per cent of the funds awarded 16532  
during any one fiscal year shall be for grants and loans to 16533  
nonprofit organizations under section 174.03 of the Revised 16534  
Code. 16535

(6) Not less than fifty per cent of the funds awarded 16536  
during any one fiscal year, excluding the amounts awarded 16537  
pursuant to divisions (A) (1), (2), and (7) of this section, 16538  
shall be for grants and loans for activities that provide 16539  
housing and housing assistance to families and individuals in 16540  
rural areas and small cities that are not eligible to 16541  
participate as a participating jurisdiction under the "HOME 16542  
Investment Partnerships Act," 104 Stat. 4094 (1990), 42 U.S.C. 16543  
12701 note, 12721. 16544

(7) No money in the fund shall be used to pay for any 16545  
legal services other than the usual and customary legal services 16546  
associated with the acquisition of housing. 16547

(8) Money in the fund may be used as matching money for 16548  
federal funds received by the state, counties, municipal 16549  
corporations, and townships for the activities listed in section 16550  
174.03 of the Revised Code. 16551

(B) If, after the second quarter of any year, it appears 16552  
to the director that the full amount of the money in the fund 16553  
designated in that year for activities that provide housing and 16554  
housing assistance to families and individuals in rural areas 16555  
and small cities under division (A) of this section will not be 16556

used for that purpose, the director may reallocate all or a 16557  
portion of that amount for other housing activities. In 16558  
determining whether or how to reallocate money under this 16559  
division, the director may consult with and shall receive advice 16560  
from the housing trust fund advisory committee. 16561

**Sec. 174.03.** (A) The department of housing and development 16562  
and the Ohio housing finance agency shall each develop programs 16563  
under which, in accordance with rules adopted under this 16564  
section, they may make grants, loans, loan guarantees, and loan 16565  
subsidies to counties, municipal corporations, townships, local 16566  
housing authorities, and nonprofit organizations and may make 16567  
loans, loan guarantees, and loan subsidies to private developers 16568  
and private lenders to assist in activities that provide housing 16569  
and housing assistance for specifically targeted low- and 16570  
moderate-income families and individuals. There is no minimum 16571  
housing project size for awards under this division for any 16572  
project that is developed for a special needs population and 16573  
that is supported by a social service agency where the housing 16574  
project is located. Activities for which grants, loans, loan 16575  
guarantees, and loan subsidies may be made under this section 16576  
include all of the following: 16577

(1) Acquiring, financing, constructing, leasing, 16578  
rehabilitating, remodeling, improving, and equipping publicly or 16579  
privately owned housing; 16580

(2) Providing supportive services related to housing and 16581  
the homeless, including housing counseling. Not more than twenty 16582  
per cent of the current year appropriation authority for the 16583  
low- and moderate-income housing trust fund that remains after 16584  
the award of funds made pursuant to divisions (A) (1) and ~~(A) (2)~~ 16585  
of section 174.02 of the Revised Code, shall be awarded in any 16586

fiscal year for supportive services. 16587

(3) Providing rental assistance payments or other project 16588  
operating subsidies that lower tenant rents; 16589

(4) Improving the quality of life of tenants by providing 16590  
education for tenants and residents of manufactured home 16591  
communities regarding their rights and responsibilities, 16592  
planning and implementing activities designed to improve 16593  
conflict resolution and the capacity of tenants to negotiate and 16594  
mediate with landlords, and developing tenant and resident 16595  
councils and organizations; 16596

(5) Promoting capacity building initiatives related to the 16597  
creation of county housing trust funds. 16598

(B) Grants, loans, loan guarantees, and loan subsidies may 16599  
be made to counties, municipal corporations, townships, and 16600  
nonprofit organizations for the additional purposes of providing 16601  
technical assistance, design and finance services and 16602  
consultation, and payment of pre-development and administrative 16603  
costs related to any of the activities listed above. 16604

(C) In developing programs under this section, the 16605  
department and the agency shall invite, accept, and consider 16606  
public comment, and recommendations from the housing trust fund 16607  
advisory committee created under section 174.06 of the Revised 16608  
Code, on how the programs should be designed to most effectively 16609  
benefit low- and moderate-income families and individuals. The 16610  
programs developed under this section shall respond collectively 16611  
to housing and housing assistance needs of low- and moderate- 16612  
income families and individuals statewide. 16613

(D) The department and the agency, in accordance with 16614  
Chapter 119. of the Revised Code, shall each adopt rules to 16615

administer programs developed under this section. The rules 16616  
shall prescribe procedures and forms that counties, municipal 16617  
corporations, townships, local housing authorities, and 16618  
nonprofit organizations shall use in applying for grants, loans, 16619  
loan guarantees, and loan subsidies and that private developers 16620  
and private lenders shall use in applying for loans, loan 16621  
guarantees, and loan subsidies; eligibility criteria for the 16622  
receipt of funds; procedures for reviewing and granting or 16623  
denying applications; procedures for paying out funds; 16624  
conditions on the use of funds; procedures for monitoring the 16625  
use of funds; and procedures under which a recipient shall be 16626  
required to repay funds that are improperly used. The rules 16627  
shall do both of the following: 16628

(1) Require each recipient of a grant or loan made from 16629  
the low- and moderate-income housing trust fund for activities 16630  
that provide, or assist in providing, a rental housing project, 16631  
to reasonably ensure that the rental housing project will remain 16632  
affordable to those families and individuals targeted for the 16633  
rental housing project for the useful life of the rental housing 16634  
project or for thirty years, whichever is longer; 16635

(2) Require each recipient of a grant or loan made from 16636  
the low- and moderate-income housing trust fund for activities 16637  
that provide, or assist in providing, a housing project to 16638  
prepare and implement a plan to reasonably assist any families 16639  
and individuals displaced by the housing project in obtaining 16640  
decent affordable housing. 16641

(E) In prescribing eligibility criteria and conditions for 16642  
the use of funds, neither the department nor the agency is 16643  
limited to the criteria and conditions specified in this section 16644  
and each may prescribe additional eligibility criteria and 16645

conditions that relate to the purposes for which grants, loans, 16646  
loan guarantees, and loan subsidies may be made. However, the 16647  
department and agency are limited by the following specifically 16648  
targeted low- and moderate-income guidelines: 16649

(1) Not less than seventy-five per cent of the money 16650  
granted and loaned under this section in any fiscal year shall 16651  
be for activities that provide affordable housing and housing 16652  
assistance to families and individuals whose incomes are equal 16653  
to or less than fifty per cent of the median income for the 16654  
county in which they live, as determined by the department under 16655  
section 174.04 of the Revised Code. 16656

(2) Any money granted and loaned under this section in any 16657  
fiscal year that is not granted or loaned pursuant to division 16658  
(F) (1) of this section shall be for activities that provide 16659  
affordable housing and housing assistance to families and 16660  
individuals whose incomes are equal to or less than eighty per 16661  
cent of the median income for the county in which they live, as 16662  
determined by the department under section 174.04 of the Revised 16663  
Code. 16664

(F) In making grants, loans, loan guarantees, and loan 16665  
subsidies under this section, the department and the agency 16666  
shall give preference to viable projects and activities that 16667  
benefit those families and individuals whose incomes are equal 16668  
to or less than thirty-five per cent of the median income for 16669  
the county in which they live, as determined by the department 16670  
under section 174.04 of the Revised Code. 16671

(G) The department and the agency shall monitor the 16672  
programs developed under this section to ensure that money 16673  
granted and loaned under this section is not used in a manner 16674  
that violates division (H) of section 4112.02 of the Revised 16675



Code or discriminates against families with children. 16676

**Sec. 174.04.** (A) The department of housing and development 16677  
shall make an annual determination of the median income for 16678  
persons in each county. 16679

(B) The director of housing and development shall 16680  
determine appropriate income limits for identifying or 16681  
classifying low- and moderate-income persons for the purposes of 16682  
sections 174.01 to 174.07 of the Revised Code. In making the 16683  
determination, the director shall take into consideration the 16684  
amount of income available for housing, family size, the cost 16685  
and condition of available housing, ability to pay the amounts 16686  
the private market charges for decent, safe, and sanitary 16687  
housing without federal subsidy or state assistance, and the 16688  
income eligibility standards of federal programs. Income limits 16689  
may vary from area to area within the state. 16690

**Sec. 174.05.** (A) Annually, the department of housing and 16691  
development shall submit a report to the president of the senate 16692  
and the speaker of the house of representatives describing the 16693  
activities of the department under sections 174.01 to 174.07 of 16694  
the Revised Code during the previous state fiscal year. 16695

(B) Annually, the Ohio housing finance agency shall submit 16696  
a report to the president of the senate and the speaker of the 16697  
house of representatives describing the activities of the agency 16698  
under sections 174.02, 174.03, and 174.05 of the Revised Code 16699  
during the previous state fiscal year. 16700

**Sec. 174.06.** (A) There is hereby created the housing trust 16701  
fund advisory committee. The committee consists of the following 16702  
~~seven~~: 16703

(1) Seven members, appointed by the governor, with advice 16704

and consent of the ~~Senate~~ senate, who possess knowledge and 16705  
experience with respect to the housing needs of low- and 16706  
moderate-income persons: 16707

~~(1)~~ (a) One member to represent lenders; 16708

~~(2)~~ (b) One member to represent affordable housing 16709  
developers; 16710

~~(3)~~ (c) One member to represent organizations working to 16711  
address the housing and other needs of homeless Ohioans; 16712

~~(4)~~ (d) Two members to represent counties or other local 16713  
government entities; 16714

~~(5)~~ (e) One member to represent real estate brokers 16715  
licensed under Chapter 4735. of the Revised Code; 16716

~~(6)~~ (f) A county recorder. 16717

(2) Two members of the senate, appointed by the president 16718  
of the senate. 16719

(3) Two members of the house of representatives, appointed 16720  
by the speaker of the house of representatives. 16721

(B) (1) Terms of office for members appointed by the 16722  
governor are ~~for~~ four years, with each term ending on the same 16723  
day of the same month as did the term that it succeeds. Each 16724  
legislative member shall serve for the biennium in which the 16725  
member was appointed by the speaker of the house of 16726  
representatives or the president of the senate, ending on the 16727  
thirty-first day of December of each even-numbered year. 16728

(2) Each member shall hold office from the date of 16729  
appointment until the end of the term for which the member was 16730  
appointed. Vacancies shall be filled in the manner prescribed 16731

for the original appointment. A member appointed to fill a  
vacancy occurring prior to the expiration of a term shall hold  
office for the remainder of that term. A member shall continue  
in office subsequent to the expiration of a term until a  
successor takes office or until a period of sixty days has  
elapsed, whichever occurs first.

~~(2)~~ (3) The governor may remove a member the governor  
appointed for misfeasance, malfeasance, or willful neglect of  
duty. Each legislative member serves at the pleasure of the  
member's appointing authority.

(C) (1) The committee shall select a chairperson from among  
its members. The committee shall meet at least once each  
calendar year and upon the call of the chair. Members of the  
committee serve without compensation, but shall be reimbursed  
for reasonable and necessary expenses incurred in the discharge  
of duties.

(2) The department of housing and development shall  
provide the committee with a meeting place, supplies, and staff  
assistance as the committee requests.

(D) The committee shall assist the department and the Ohio  
housing finance agency in defining housing needs and priorities,  
recommend to the department and agency at least annually how the  
programs developed under section 174.02 of the Revised Code  
should be designed to most effectively benefit low- and  
moderate-income persons, consider an allocation of funds for  
projects of fifteen units or less, and advise the director of  
housing and development on whether and how to reallocate money  
in the low- and moderate-income housing trust fund under  
division (B) of section 174.02 of the Revised Code.

**Sec. 174.07.** The department of housing and development, on 16761  
its own and on the behalf of the Ohio housing finance agency and 16762  
the Ohio department of aging, shall obtain controlling board 16763  
approval prior to making any grant, loan, loan guarantee, or 16764  
loan subsidy greater than fifty thousand dollars from or 16765  
allocated from the low- and moderate-income housing trust fund. 16766

**Sec. 175.03.** (A) (1) The Ohio housing finance agency 16767  
consists of ~~eleven~~fifteen voting members and four nonvoting 16768  
members. The governor, with the advice and consent of the 16769  
senate, shall appoint nine of the voting members. The speaker of 16770  
the house of representatives shall appoint two of the voting 16771  
members from among the members of the house of representatives. 16772  
The president of the senate shall appoint two of the voting 16773  
members from among the members of the senate. The other two 16774  
voting members are the director of commerce and the director of 16775  
housing and development or their respective designees. The four 16776  
nonvoting members shall be two members of the house of 16777  
representatives, one from each major political party, to be 16778  
appointed by the speaker of the house of representatives, and 16779  
two members of the senate, one from each major political party, 16780  
to be appointed by the president of the senate. 16781

(2) The governor shall appoint one member with experience 16782  
in residential housing construction; one with experience in 16783  
residential housing mortgage lending, loan servicing, or 16784  
brokering at an institution insured by the federal deposit 16785  
insurance corporation; one with experience in the licensed 16786  
residential housing brokerage business; one with experience with 16787  
the housing needs of senior citizens; one with a background in 16788  
labor representation in the construction industry; one to 16789  
represent the interests of nonprofit multifamily housing 16790  
development organizations; one to represent the interests of 16791

for-profit multifamily housing development organizations; and 16792  
two who are public members. 16793

(3) The governor shall receive recommendations from the 16794  
Ohio housing council for appointees to represent the interests 16795  
of nonprofit multifamily housing development organizations and 16796  
for-profit multifamily housing development organizations. 16797

(4) Not more than six of the ~~appointed~~ voting members of 16798  
the agency appointed by the governor may be of the same 16799  
political party. 16800

(B) (1) ~~Of the initial appointments the governor makes, one~~ 16801  
~~member representing the public has an initial term ending~~ 16802  
~~January 31, 2010, the other member representing the public has~~ 16803  
~~an initial term ending January 31, 2008, the member with a~~ 16804  
~~background in labor representation in the construction industry~~ 16805  
~~has an initial term ending January 31, 2011, the member with~~ 16806  
~~experience in residential housing mortgage lending, loan~~ 16807  
~~servicing, or brokering has an initial term ending January 31,~~ 16808  
~~2008, the member with experience with the housing needs of~~ 16809  
~~senior citizens has an initial term ending January 31, 2006, the~~ 16810  
~~member representing the interests of nonprofit multifamily~~ 16811  
~~housing development organizations has an initial term ending~~ 16812  
~~January 31, 2007, the member representing the interests of for-~~ 16813  
~~profit multifamily housing development organizations has an~~ 16814  
~~initial term ending January 31, 2006, and the member with~~ 16815  
~~experience in residential housing construction and the member~~ 16816  
~~with experience in licensed residential housing brokerage each~~ 16817  
~~has an initial term ending January 31, 2009. Thereafter, each~~ 16818  
Each voting member appointed ~~voting member~~ by the governor shall 16819  
serve for a term of six years with each term ending on the 16820  
thirty-first day of January, six years following the termination 16821

date of the term it succeeds. Each legislative member shall 16822  
serve for the biennium in which the member was appointed by the 16823  
speaker of the house of representatives or the president of the 16824  
senate, ending on the thirty-first day of December of each even- 16825  
numbered year. There is no limit on the number of terms a member 16826  
may serve. 16827

(2) Each appointed voting member shall hold office from 16828  
the date of appointment until the end of the term for which the 16829  
member is appointed. Each nonvoting member shall hold office 16830  
until the end of that member's term as a member of the general 16831  
assembly. Any member appointed to fill a vacancy occurring prior 16832  
to the expiration of a term continues in office for the 16833  
remainder of that term. Any appointed member shall continue in 16834  
office subsequent to the expiration date of the member's term 16835  
until the member's successor takes office or until sixty days 16836  
have elapsed, whichever occurs first. 16837

(3) The governor may remove ~~an any voting member the~~ 16838  
~~governor appointed voting member from office~~ for misfeasance, 16839  
nonfeasance, or malfeasance in office. The speaker of the house 16840  
of representatives may remove a member that is a member of the 16841  
house of representatives, and the president of the senate may 16842  
remove a member that is a senator. Each legislative member 16843  
serves at the pleasure of the member's appointing authority. 16844

(C) (1) Except as otherwise provided in this section, 16845  
members and agency employees shall comply with Chapter 102. and 16846  
sections 2921.42 and 2921.43 of the Revised Code. 16847

(2) An agency member who is a director, officer, employee, 16848  
or owner of a lending institution is not in violation of Chapter 16849  
102. and is not subject to section 2921.42 of the Revised Code 16850  
with respect to a loan to an applicant from the lending 16851

institution or a contract between the agency and the lending 16852  
institution for the purchase, administration, or servicing of 16853  
loans if the member abstains from participation in any matter 16854  
that affects the interests of the member's lending institution. 16855

(3) An agency member who represents multifamily housing 16856  
interests is not in violation of division (D) or (E) of section 16857  
102.03 or division (A) of section 2921.42 of the Revised Code in 16858  
regard to a contract the agency enters into if both of the 16859  
following apply: 16860

(a) The contract is entered into for a loan, grant, or 16861  
participation in a program the agency administers or funds and 16862  
the contract is awarded pursuant to rules or guidelines the 16863  
agency adopts. 16864

(b) The member does not participate in the discussion or 16865  
vote on the contract if the contract secures a grant or loan 16866  
that directly benefits the member, a family member, or a 16867  
business associate of the member. 16868

(4) (a) Each ~~appointed~~-voting agency member appointed by 16869  
the governor shall receive compensation at the rate of two 16870  
hundred fifty dollars per agency meeting attended in person, not 16871  
to exceed a maximum of four thousand dollars per year. 16872

(b) The compensation rate for ~~appointed~~-voting members 16873  
appointed by the governor applies until six years after July 1, 16874  
2005, at which time the members may increase the compensation 16875  
for members who are appointed or reappointed after that time. 16876  
~~All~~ 16877

(c) All voting members are entitled to reimbursement in 16878  
accordance with section 126.31 of the Revised Code for expenses 16879  
incurred in the discharge of official duties. 16880

**Sec. 175.04.** (A) The governor shall appoint a chairperson 16881  
from among the voting members. The agency members shall elect a 16882  
voting member as vice-chairperson. The agency members may 16883  
appoint other officers, who need not be members of the agency, 16884  
as the agency deems necessary. 16885

(B) ~~Six-Eight~~ voting members of the agency constitute a 16886  
quorum and the affirmative vote of ~~six-eight~~ voting members is 16887  
necessary for any action the agency takes. No vacancy in agency 16888  
membership impairs the right of a quorum to exercise all of the 16889  
agency's rights and perform all the agency's duties. Agency 16890  
meetings may be held at any place within the state. Meetings 16891  
shall comply with section 121.22 of the Revised Code. 16892

(C) The agency shall maintain accounting records in 16893  
accordance with generally accepted accounting principals and 16894  
other required accounting standards. 16895

(D) The agency shall develop policies and guidelines for 16896  
the administration of its programs and annually shall conduct at 16897  
least one public hearing to obtain input from any interested 16898  
party regarding the administration of its programs. The hearing 16899  
shall be held at a time and place as the agency determines and 16900  
when a quorum of the agency is present. 16901

(E) The agency shall appoint committees and subcommittees 16902  
comprised of members of the agency to handle matters it deems 16903  
appropriate. 16904

(1) The agency shall adopt an annual plan to address this 16905  
state's housing needs. The agency shall appoint an annual plan 16906  
committee to develop the plan and present it to the agency for 16907  
consideration. 16908

(2) The annual plan committee shall select an advisory 16909



board from a list of interested individuals the executive 16910  
director provides or on its own recommendation. The advisory 16911  
board shall provide input on the plan at committee meetings 16912  
prior to the annual public hearing. At the public hearing, the 16913  
committee shall discuss advisory board comments. The advisory 16914  
board may include, but is not limited to, persons who represent 16915  
state agencies, local governments, public corporations, 16916  
nonprofit organizations, community development corporations, 16917  
housing advocacy organizations for low- and moderate-income 16918  
persons, realtors, syndicators, investors, lending institutions 16919  
as recommended by a statewide banking organization, and other 16920  
entities participating in the agency's programs. 16921

Each agency program that allows for loans to be made to 16922  
finance housing for owner occupancy that benefits other than 16923  
low- and moderate-income households, or for loans to be made to 16924  
individuals under bonds issued pursuant to division (B) of 16925  
section 175.08 of the Revised Code, shall be presented to the 16926  
advisory board and included in the annual plan as approved by 16927  
the agency before the program's implementation. 16928

(F) The agency shall prepare an annual financial report 16929  
describing its activities during the reporting year and submit 16930  
that report in accordance with division (H) of this section and 16931  
to the governor, the speaker of the house of representatives, 16932  
and the president of the senate within three months after the 16933  
end of the reporting year. The report shall include the agency's 16934  
audited financial statements, prepared in accordance with 16935  
generally accepted accounting principles and appropriate 16936  
accounting standards. 16937

(G) The agency shall prepare an annual report of its 16938  
programs describing how the programs have met this state's 16939

housing needs. The agency shall submit the report in accordance 16940  
with division (H) of this section and to the governor, the 16941  
speaker of the house of representatives, and the president of 16942  
the senate within three months after the end of the reporting 16943  
year. 16944

(H) (1) The agency shall submit, within a time frame agreed 16945  
to by the agency and the chairs, the annual financial report 16946  
described in division (F) of this section and the annual report 16947  
of programs described in division (G) of this section to the 16948  
chairs of the committees dealing with housing issues in the 16949  
house of representatives and the senate. 16950

(2) Within forty-five days of issuance of the annual 16951  
financial report, the agency's executive director shall request 16952  
to appear in person before the committees described in division 16953  
(H) (1) of this section to testify in regard to the financial 16954  
report and the report of programs. The testimony shall include 16955  
each of the following: 16956

(a) An overview of the annual plan adopted pursuant to 16957  
division (E) (1) of this section; 16958

(b) An evaluation of whether the objectives in the annual 16959  
plan were met through a comparison of the annual plan with the 16960  
annual financial report and report of programs; 16961

(c) A complete listing by award and amount of all business 16962  
and contractual relationships in excess of one hundred thousand 16963  
dollars between the agency and other entities and organizations 16964  
that participated in agency programs during the fiscal year 16965  
reported by the agency's annual financial report and report of 16966  
programs; 16967

(d) A complete listing by award and amount of the low- 16968

income housing tax credit syndication and direct investor 16969  
entities for projects that received tax credit reservations and 16970  
IRS Form 8609 during the fiscal year. 16971

**Sec. 175.06.** (A) The Ohio housing finance agency shall do 16972  
all of the following related to carrying out its programs: 16973

(1) Upon the governor's designation, serve as the housing 16974  
credit agency for the state and perform all responsibilities of 16975  
a housing credit agency pursuant to Section 42 of the Internal 16976  
Revenue Code and similar applicable laws; 16977

(2) Require that housing that benefits from the agency's 16978  
assistance be available without discrimination in accordance 16979  
with Chapter 4112. of the Revised Code and applicable provisions 16980  
of federal law; 16981

(3) Demonstrate measurable and objective transparency; 16982

(4) Efficiently award funding to maximize affordable 16983  
housing production using cost-effective strategies; 16984

(5) Encourage national equity investment in low-income 16985  
housing tax credit projects; 16986

(6) Utilize resources to provide competitive homebuyer 16987  
programs to serve low- and moderate-income persons. 16988

(B) The Ohio housing finance agency may do any of the 16989  
following related to carrying out its programs: 16990

(1) Issue bonds, provide security for assets, make 16991  
deposits, purchase or make loans, provide economic incentives 16992  
for the development of housing, and provide financial assistance 16993  
for emergency housing; 16994

(2) Serve as a public housing agency and contract with the 16995

United States department of housing and urban development to 16996  
administer the department's rent subsidy program, housing 16997  
subsidy program, and monitoring programs for low- and moderate- 16998  
income persons. The agency shall ensure that any contract into 16999  
which it enters provides for sufficient compensation to the 17000  
agency for its services. 17001

(3) Develop and administer programs under which the agency 17002  
uses moneys from the housing trust fund as allocated by the 17003  
department of housing and development to extend financial 17004  
assistance pursuant to sections 174.01 to 174.07 of the Revised 17005  
Code; 17006

(4) Make financial assistance available; 17007

(5) Guarantee and commit to guarantee the repayment of 17008  
financing that a lending institution extends for housing, 17009  
guaranteeing that debt with any of the agency's reserve funds 17010  
not raised by taxation and not otherwise obligated for debt 17011  
service, including the housing development fund established 17012  
pursuant to section 175.11 of the Revised Code and any fund 17013  
created under division (B) (14) of section 175.05 of the Revised 17014  
Code; 17015

(6) Make, commit to make, and participate in making 17016  
financial assistance, including federally insured mortgage 17017  
loans, available to finance the construction and rehabilitation 17018  
of housing or to refinance existing housing; 17019

(7) Invest in, purchase, and take from lenders the 17020  
assignment of notes or other evidence of debt including 17021  
federally insured mortgage loans, or participate with lenders in 17022  
notes and loans for homeownership, development, or refinancing 17023  
of housing; 17024

(8) Sell at public or private sale any mortgage or	17025
mortgage backed securities the agency holds;	17026
(9) Issue bonds to carry out the agency's purposes as set	17027
forth in this chapter;	17028
(10) Extend or otherwise make available housing assistance	17029
on terms the agency determines.	17030
(C) The Ohio housing finance agency may issue bonds and	17031
extend financial assistance from any fund the agency administers	17032
for the prompt replacement, repair, or refinancing of damaged	17033
housing if both of the following apply:	17034
(1) The governor declares that a state of emergency exists	17035
with respect to a county, region, or political subdivision of	17036
this state, or declares that a county, region, or political	17037
subdivision has experienced a disaster as defined in section	17038
5502.21 of the Revised Code.	17039
(2) The agency determines that the emergency or disaster	17040
has substantially damaged or destroyed housing in the area of	17041
the emergency or disaster.	17042
(D) The agency shall establish guidelines for extending	17043
financial assistance for emergency housing. The guidelines shall	17044
include eligibility criteria for assistance and the terms and	17045
conditions under which the agency may extend financial	17046
assistance.	17047
<b>Sec. 175.15.</b> The Ohio housing finance agency and the <del>Ohio</del>	17048
<u>department of housing and development services</u> <del>agency</del> shall	17049
include pregnancy as a priority in its housing assistance	17050
programs and local emergency shelter programs. In consultation	17051
with the <del>Ohio</del> <u>department of housing and development services</u>	17052
<del>agency</del> , the Ohio housing finance agency may adopt rules in	17053

accordance with Chapter 119. of the Revised Code that are 17054  
necessary to implement the requirements of this section. 17055

**Sec. 176.01.** (A) Any municipal corporation, county, or 17056  
township may, alone or jointly with one or more contiguous or 17057  
overlapping other municipal corporations, counties, or 17058  
townships, establish or designate a housing advisory board. 17059

(B) The purposes of a housing advisory board are: 17060

(1) To receive and review comprehensive plans for the 17061  
development and maintenance of affordable housing submitted to 17062  
the housing advisory board pursuant to division (A) (2) of 17063  
section 176.04 of the Revised Code by any such political 17064  
subdivision it serves; 17065

(2) To receive and review written descriptions submitted 17066  
to the housing advisory board pursuant to division (A) (3) of 17067  
section 176.04 of the Revised Code by any subdivision it serves 17068  
of the purposes to which such subdivision proposes to apply the 17069  
proceeds of general obligations such subdivision proposes to 17070  
issue or the moneys raised by taxation that such subdivision 17071  
proposes to expend pursuant to Section 16 of Article VIII, Ohio 17072  
Constitution; 17073

(3) To advise the subdivisions it serves regarding the 17074  
plans and descriptions it receives pursuant to divisions (B) (1) 17075  
and (2) of this section; and 17076

(4) To perform such other advisory functions for any 17077  
subdivision it serves related to such subdivision's programs to 17078  
provide, or assist in providing, housing as such subdivision may 17079  
request it to perform. 17080

(C) Every housing advisory board shall include balanced 17081  
representation of each of the following groups located within 17082

the political subdivisions served by the board: 17083

    (1) Institutions that lend money for housing; 17084

    (2) Nonprofit builders and developers of housing; 17085

    (3) For-profit builders and developers of housing; 17086

    (4) For-profit builders and developers of rental housing; 17087

    (5) Real estate brokers licensed under Chapter 4735. of 17088  
the Revised Code; 17089

    (6) Other persons with professional knowledge regarding 17090  
local housing needs and fair housing issues within the 17091  
subdivisions served by the board; 17092

    (7) Residents of areas of the subdivisions served by the 17093  
board that could receive housing assistance from such 17094  
subdivisions; 17095

    (8) Any metropolitan housing authority operating within 17096  
the subdivisions served by the board; 17097

    (9) The elected officials of the political subdivisions 17098  
served by the board; 17099

    (10) Such other groups or individuals that the appointing 17100  
authority determines are necessary to provide balanced advice on 17101  
housing plans and programs. 17102

    (D) The board of county commissioners shall do one of the 17103  
following: 17104

        (1) Appoint the members of a county housing advisory 17105  
board; 17106

        (2) Designate an existing board, commission, or committee 17107  
of the county to serve as the county housing advisory board and, 17108

if necessary to achieve the balanced representation required by 17109  
division (C) of this section, appoint additional members to 17110  
serve with or in an advisory capacity to the existing board, 17111  
commission, or committee when it meets as a county housing 17112  
advisory board. 17113

Subject to the requirements of division (C) of this 17114  
section and any requirements governing membership in an existing 17115  
county board, commission, or committee that is designated to 17116  
serve as the county housing advisory board, the number of 17117  
members of a county housing advisory board and the length of 17118  
their terms shall be determined by the board of county 17119  
commissioners. 17120

(E) The mayor of a municipal corporation, with the consent 17121  
of the legislative authority of the municipal corporation, shall 17122  
do one of the following: 17123

(1) Appoint the members of a municipal corporation housing 17124  
advisory board; 17125

(2) Designate an existing board, commission, or committee 17126  
of the municipal corporation to serve as the municipal 17127  
corporation housing advisory board and, if necessary to achieve 17128  
the balanced representation required by division (C) of this 17129  
section, appoint additional members to serve with or in an 17130  
advisory capacity to the existing board, commission, or 17131  
committee when it meets as a municipal corporation housing 17132  
advisory board. 17133

Subject to the requirements of division (C) of this 17134  
section and any requirements governing membership in an existing 17135  
municipal corporation board, commission, or committee that is 17136  
designated to serve as the municipal corporation housing 17137



advisory board, the number of members of the municipal 17138  
corporation housing board and the length of their terms shall be 17139  
determined by the legislative authority of the municipal 17140  
corporation. 17141

(F) The board of township trustees shall do one of the 17142  
following: 17143

(1) Appoint the members of a township housing advisory 17144  
board; 17145

(2) Designate an existing board, commission, or committee 17146  
of the township to serve as the township housing advisory board 17147  
and, if necessary to achieve the balanced representation 17148  
required by division (C) of this section, appoint additional 17149  
members to serve with or in an advisory capacity to the existing 17150  
board, commission, or committee when it meets as a township 17151  
housing advisory board. 17152

Subject to the requirements of division (C) of this 17153  
section and any requirements governing membership in an existing 17154  
township board, commission, or committee that is designated to 17155  
serve as the township housing advisory board, the number of 17156  
members of the township advisory board and the length of their 17157  
terms shall be determined by the board of township trustees. 17158

(G) Whenever any municipal corporation enters into an 17159  
agreement to use the services of a county housing advisory board 17160  
pursuant to section 176.02 of the Revised Code and the municipal 17161  
corporation has a population of fifty thousand or greater, the 17162  
board shall include at least one member who is a resident of the 17163  
municipal corporation. The board of county commissioners shall 17164  
appoint each such member from a list of names submitted to the 17165  
board of county commissioners by the legislative authority of 17166

the municipal corporation to be represented. 17167

(H) Any housing advisory board established or designated 17168  
under this section shall, within thirty days after its first 17169  
meeting, notify the department of housing and development in 17170  
writing of the formation of the board and of its initial 17171  
members. Thereafter, each housing advisory board shall provide 17172  
to the department such reports and information regarding the 17173  
board's activities as the department may require. 17174

**Sec. 176.07.** The director of housing and development, in 17175  
consultation with the public and the housing trust fund advisory 17176  
committee created under section 174.06 of the Revised Code, 17177  
shall develop regulations applicable to all existing and future 17178  
state housing loan, loan guarantee, loan subsidy, and grant 17179  
programs. The regulations shall require recipients of financing 17180  
from state housing programs, that provide or assist in providing 17181  
multi-family rental housing, to do both of the following: 17182

(A) Reasonably ensure that the multi-family rental housing 17183  
will be affordable to those families and individuals targeted 17184  
for the multi-family rental housing for the useful life of the 17185  
multi-family rental housing or thirty years, whichever is 17186  
longer; 17187

(B) Prepare and implement a plan to reasonably assist any 17188  
families and individuals displaced by the multi-family housing 17189  
in obtaining decent affordable housing. 17190

The department of housing and development shall distribute 17191  
a copy of these regulations to each local housing advisory board 17192  
to serve as a guideline for carrying out the requirements of 17193  
divisions (D) (2) and (3) of section 176.04 of the Revised Code. 17194

**Sec. 184.01.** (A) There is hereby created the third 17195

frontier commission in the department of housing and 17196  
development. The purpose of the commission is to coordinate and 17197  
administer science and technology programs to promote the 17198  
welfare of the people of the state and to maximize the economic 17199  
growth of the state through expansion of both of the following: 17200

(1) The state's high technology research and development 17201  
capabilities; 17202

(2) The state's product and process innovation and 17203  
commercialization. 17204

(B) (1) The commission shall consist of eleven members: the 17205  
director of housing and development, the chancellor of higher 17206  
education, the governor's science and technology advisor, the 17207  
chief investment officer of the nonprofit corporation formed 17208  
under section 187.01 of the Revised Code, and seven persons 17209  
appointed by the governor with the advice and consent of the 17210  
senate. 17211

(2) Of the seven persons appointed by the governor, one 17212  
shall represent the central region, which is composed of the 17213  
counties of Delaware, Fairfield, Fayette, Franklin, Hocking, 17214  
Knox, Licking, Logan, Madison, Marion, Morrow, Perry, Pickaway, 17215  
Ross, and Union; one shall represent the west central region, 17216  
which is composed of the counties of Champaign, Clark, Darke, 17217  
Greene, Miami, Montgomery, Preble, and Shelby; one shall 17218  
represent the northeast region, which is composed of the 17219  
counties of Ashland, Ashtabula, Carroll, Crawford, Columbiana, 17220  
Cuyahoga, Erie, Geauga, Holmes, Huron, Lake, Lorain, Mahoning, 17221  
Medina, Portage, Richland, Stark, Summit, Trumbull, Tuscarawas, 17222  
and Wayne; one shall represent the northwest region, which is 17223  
composed of the counties of Allen, Auglaize, Defiance, Fulton, 17224  
Hancock, Hardin, Henry, Lucas, Mercer, Ottawa, Paulding, Putnam, 17225

Sandusky, Seneca, Van Wert, Williams, Wood, and Wyandot; one 17226  
shall represent the southeast region, which shall represent the 17227  
counties of Adams, Athens, Belmont, Coshocton, Gallia, Guernsey, 17228  
Harrison, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, 17229  
Muskingum, Noble, Pike, Scioto, Vinton, and Washington; one 17230  
shall represent the southwest region, which is composed of the 17231  
counties of Butler, Brown, Clermont, Clinton, Hamilton, 17232  
Highland, and Warren; and one shall represent the public at 17233  
large. Of the initial appointments, two shall be for one year, 17234  
two shall be for two years, and two shall be for three years as 17235  
assigned by the governor. Thereafter, appointments shall be for 17236  
three-year terms. Members may be reappointed and vacancies shall 17237  
be filled in the same manner as appointments. A person must have 17238  
a background in business or research in order to be eligible for 17239  
appointment to the commission. 17240

(3) The governor shall select a chairperson from among the 17241  
members, who shall serve in that role at the pleasure of the 17242  
governor. Sections 101.82 to 101.87 of the Revised Code do not 17243  
apply to the commission. 17244

(C) The commission shall meet at least once during each 17245  
quarter of the calendar year or at the call of the chairperson. 17246  
A majority of all members of the commission constitutes a 17247  
quorum, and no action shall be taken without the concurrence of 17248  
a majority of the members. 17249

(D) The commission shall administer any money that may be 17250  
appropriated to it by the general assembly. The commission may 17251  
use such money for research and commercialization and for any 17252  
other purposes that may be designated by the commission. 17253

(E) The department shall provide office space and 17254  
facilities for the commission. Administrative costs associated 17255

with the operation of the commission or with any program or 17256  
activity administered by the commission shall be paid from 17257  
amounts appropriated to the commission or to the department for 17258  
such purposes. 17259

(F) The attorney general shall serve as the legal 17260  
representative for the commission and may appoint other counsel 17261  
as necessary for that purpose in accordance with section 109.07 17262  
of the Revised Code. 17263

(G) Members of the commission shall serve without 17264  
compensation, but shall receive their reasonable and necessary 17265  
expenses incurred in the conduct of commission business. 17266

(H) Members of the commission shall file financial 17267  
disclosure statements described in division (B) of section 17268  
102.02 of the Revised Code. 17269

**Sec. 184.151.** The third frontier commission shall conduct 17270  
public meetings twice each year at which a representative of the 17271  
department of housing and development shall testify regarding 17272  
the number of applicants for support for research and 17273  
development projects and the other information contained in the 17274  
most recent report made by the commission under section 184.15 17275  
of the Revised Code. The representative shall also testify 17276  
regarding the monitoring activities of, and data obtained by, 17277  
the department pursuant to section 184.16 of the Revised Code. 17278  
In addition to oral testimony, the representative shall provide 17279  
a written report of all the information for which testimony is 17280  
required under this section. 17281

**Sec. 184.16.** The department of housing and development 17282  
shall monitor each research and development project receiving 17283  
support under section 184.11 of the Revised Code to ensure the 17284

following: 17285

(A) Fiscal accountability, so that the support is used in 17286  
accordance with the agreement entered into under section 184.113 17287  
of the Revised Code; 17288

(B) Operating progress, so that the project is managed to 17289  
achieve the requirements of the agreement entered into under 17290  
section 184.113 of the Revised Code and so that problems may be 17291  
promptly identified and remedied; 17292

(C) Desired outcomes, including job creation and other 17293  
anticipated economic impacts. 17294

**Sec. 187.01.** As used in this chapter, "JobsOhio" means the 17295  
nonprofit corporation formed under this section, and includes 17296  
any subsidiary of that corporation. In any section of law that 17297  
refers to the nonprofit corporation formed under this section, 17298  
reference to the corporation includes reference to any such 17299  
subsidiary unless otherwise specified or clearly appearing from 17300  
the context. 17301

The governor is hereby authorized to form a nonprofit 17302  
corporation, to be named "JobsOhio," with the purposes of 17303  
promoting economic development, job creation, job retention, job 17304  
training, and the recruitment of business to this state. Except 17305  
as otherwise provided in this chapter, the corporation shall be 17306  
organized and operated in accordance with Chapter 1702. of the 17307  
Revised Code. The governor shall sign and file articles of 17308  
incorporation for the corporation with the secretary of state. 17309  
The legal existence of the corporation shall begin upon the 17310  
filing of the articles. 17311

In addition to meeting the requirements for articles of 17312  
incorporation in Chapter 1702. of the Revised Code, the articles 17313

of incorporation for the nonprofit corporation shall set forth 17314  
the following: 17315

(A) The designation of the name of the corporation as 17316  
JobsOhio; 17317

(B) The creation of a board of directors consisting of 17318  
nine directors, to be appointed by the governor, who satisfy the 17319  
qualifications prescribed by section 187.02 of the Revised Code; 17320

(C) A requirement that the governor make initial 17321  
appointments to the board within sixty days after the filing of 17322  
the articles of incorporation. Of the initial appointments made 17323  
to the board, two shall be for a term ending one year after the 17324  
date the articles were filed, two shall be for a term ending two 17325  
years after the date the articles were filed, and five shall be 17326  
for a term ending four years after the date the articles were 17327  
filed. The articles shall state that, following the initial 17328  
appointments, the governor shall appoint directors to terms of 17329  
office of four years, with each term of office ending on the 17330  
same day of the same month as did the term that it succeeds. If 17331  
any director dies, resigns, or the director's status changes 17332  
such that any of the requirements of division (C) of section 17333  
187.02 of the Revised Code are no longer met, that director's 17334  
seat on the board shall become immediately vacant. The governor 17335  
shall forthwith fill the vacancy by appointment for the 17336  
remainder of the term of office of the vacated seat. 17337

(D) A requirement that the governor appoint one director 17338  
to be chairperson of the board and procedures for electing 17339  
directors to serve as officers of the corporation and members of 17340  
an executive committee; 17341

(E) A provision for the appointment of a chief investment 17342

officer of the corporation by the recommendation of the board 17343  
and approval of the governor. The chief investment officer shall 17344  
serve at the pleasure of the board and shall have the power to 17345  
execute contracts, spend corporation funds, and hire employees 17346  
on behalf of the corporation. If the position of chief 17347  
investment officer becomes vacant for any reason, the vacancy 17348  
shall be filled in the same manner as provided in this division. 17349

(F) Provisions requiring the board to do all of the 17350  
following: 17351

(1) Adopt one or more resolutions providing for 17352  
compensation of the chief investment officer; 17353

(2) Approve an employee compensation plan recommended by 17354  
the chief investment officer; 17355

(3) Approve a contract with the director of housing and 17356  
development ~~services~~ for the corporation to assist the director 17357  
and the department of housing and development ~~services agency~~ 17358  
with providing services or otherwise carrying out the functions 17359  
or duties of the agency, including the operation and management 17360  
of programs, offices, divisions, or boards, as may be determined 17361  
by the director of housing and development ~~services~~ in 17362  
consultation with the governor; 17363

(4) Approve all major contracts for services recommended 17364  
by the chief investment officer; 17365

(5) Establish an annual strategic plan and standards of 17366  
measure to be used in evaluating the corporation's success in 17367  
executing the plan; 17368

(6) Establish a conflicts of interest policy that, at a 17369  
minimum, complies with section 187.06 of the Revised Code; 17370



(7) Hold a minimum of four board of directors meetings per 17371  
year at which a quorum of the board is physically present, and 17372  
such other meetings, at which directors' physical presence is 17373  
not required, as may be necessary. Meetings at which a quorum of 17374  
the board is required to be physically present are subject to 17375  
divisions (C), (D), and (E) of section 187.03 of the Revised 17376  
Code. 17377

(8) Establish a records retention policy and present the 17378  
policy, and any subsequent changes to the policy, at a meeting 17379  
of the board of directors at which a quorum of the board is 17380  
required to be physically present pursuant to division (F) (7) of 17381  
this section; 17382

(9) Adopt standards of conduct for the directors. 17383

(G) A statement that directors shall not receive any 17384  
compensation from the corporation, except that directors may be 17385  
reimbursed for actual and necessary expenses incurred in 17386  
connection with services performed for the corporation; 17387

(H) A provision authorizing the board to amend provisions 17388  
of the corporation's articles of incorporation or regulations, 17389  
except provisions required by this chapter; 17390

(I) Procedures by which the corporation would be dissolved 17391  
and by which all corporation rights and assets would be 17392  
distributed to the state or to another corporation organized 17393  
under this chapter. These procedures shall incorporate any 17394  
separate procedures subsequently set forth in this chapter for 17395  
the dissolution of the corporation. The articles shall state 17396  
that no dissolution shall take effect until the corporation has 17397  
made adequate provision for the payment of any outstanding 17398  
bonds, notes, or other obligations. 17399

(J) A provision establishing an audit committee to be 17400  
comprised of directors. The articles shall require that the 17401  
audit committee hire a firm of independent certified public 17402  
accountants, selected in consultation with the auditor of state, 17403  
to perform, once each year, a financial audit of the corporation 17404  
and of any nonprofit entity the sole member of which is 17405  
JobsOhio. The articles also shall require all of the following: 17406

(1) Commencing with JobsOhio's fiscal year beginning July 17407  
1, 2012, the financial statements to be audited are to be 17408  
prepared in accordance with accounting principles and standards 17409  
set forth in all applicable pronouncements of the governmental 17410  
accounting standards board; 17411

(2) The firm of independent certified public accountants 17412  
hired is to conduct a supplemental compliance and control review 17413  
pursuant to a written agreement by and among the firm, the 17414  
auditor of state, JobsOhio, and any nonprofit entity the sole 17415  
member of which is JobsOhio; and 17416

(3) A copy of each financial audit report and each report 17417  
of the results of the compliance and control review are to be 17418  
provided to the governor, the auditor of state, the speaker of 17419  
the house of representatives, and the president of the senate. 17420

(K) A provision authorizing a majority of the 17421  
disinterested directors to remove a director for misconduct, as 17422  
that term may be defined in the articles or regulations of the 17423  
corporation. The removal of a director under this division 17424  
creates a vacancy on the board that the governor shall fill by 17425  
appointment for the remainder of the term of office of the 17426  
vacated seat. 17427

**Sec. 187.03.** (A) JobsOhio may perform such functions as 17428

permitted and shall perform such duties as prescribed by law and 17429  
as set forth in any contract entered into under section 187.04 17430  
of the Revised Code, but shall not be considered a state or 17431  
public department, agency, office, body, institution, or 17432  
instrumentality for purposes of section 1.60 or Chapter 102., 17433  
121., 125., or 149. of the Revised Code. JobsOhio and its board 17434  
of directors are not subject to the following sections of 17435  
Chapter 1702. of the Revised Code: sections 1702.03, 1702.08, 17436  
1702.09, 1702.21, 1702.24, 1702.26, 1702.27, 1702.28, 1702.29, 17437  
1702.301, 1702.33, 1702.34, 1702.37, 1702.38, 1702.40 to 17438  
1702.52, 1702.521, 1702.54, 1702.57, 1702.58, 1702.59, 1702.60, 17439  
1702.80, and 1702.99. Nothing in this division shall be 17440  
construed to impair the powers and duties of the Ohio ethics 17441  
commission described in section 102.06 of the Revised Code to 17442  
investigate and enforce section 102.02 of the Revised Code with 17443  
regard to individuals required to file statements under division 17444  
(B) (2) of this section. 17445

(B) (1) Directors and employees of JobsOhio are not 17446  
employees or officials of the state and, except as provided in 17447  
division (B) (2) of this section, are not subject to Chapter 17448  
102., 124., 145., or 4117. of the Revised Code. 17449

(2) The chief investment officer, any other officer or 17450  
employee with significant administrative, supervisory, 17451  
contracting, or investment authority, and any director of 17452  
JobsOhio shall file, with the Ohio ethics commission, a 17453  
financial disclosure statement pursuant to section 102.02 of the 17454  
Revised Code that includes, in place of the information required 17455  
by divisions (A) (2) (b), (g), (h), and (i) of that section, the 17456  
information required by divisions (A) and (B) of section 102.022 17457  
of the Revised Code. The governor shall comply with all 17458  
applicable requirements of section 102.02 of the Revised Code. 17459

(3) Actual or in-kind expenditures for the travel, meals, 17460  
or lodging of the governor or of any public official or employee 17461  
designated by the governor for the purpose of this division 17462  
shall not be considered a violation of section 102.03 of the 17463  
Revised Code if the expenditures are made by the corporation, or 17464  
on behalf of the corporation by any person, in connection with 17465  
the governor's performance of official duties related to 17466  
JobsOhio. The governor may designate any person, including a 17467  
person who is a public official or employee as defined in 17468  
section 102.01 of the Revised Code, for the purpose of this 17469  
division if such expenditures are made on behalf of the person 17470  
in connection with the governor's performance of official duties 17471  
related to JobsOhio. A public official or employee so designated 17472  
by the governor shall comply with all applicable requirements of 17473  
section 102.02 of the Revised Code. 17474

At the times and frequency agreed to under division (B) (2) 17475  
(b) of section 187.04 of the Revised Code, beginning in 2012, 17476  
the corporation shall file with the department of housing and 17477  
development a written report of all such expenditures paid or 17478  
incurred during the preceding calendar year. The report shall 17479  
state the dollar value and purpose of each expenditure, the date 17480  
of each expenditure, the name of the person that paid or 17481  
incurred each expenditure, and the location, if any, where 17482  
services or benefits of an expenditure were received, provided 17483  
that any such information that may disclose proprietary 17484  
information as defined in division (C) of this section shall not 17485  
be included in the report. 17486

(4) The prohibition applicable to former public officials 17487  
or employees in division (A) (1) of section 102.03 of the Revised 17488  
Code does not apply to any person appointed to be a director or 17489  
hired as an employee of JobsOhio. 17490

(5) Notwithstanding division (A) (2) of section 145.01 of the Revised Code, any person who is a former state employee shall no longer be considered a public employee for purposes of Chapter 145. of the Revised Code upon commencement of employment with JobsOhio.

(6) Any director, officer, or employee of JobsOhio may request an advisory opinion from the Ohio ethics commission with regard to questions concerning the provisions of sections 102.02 and 102.022 of the Revised Code to which the person is subject.

(C) Meetings of the board of directors at which a quorum of the board is required to be physically present pursuant to division (F) of section 187.01 of the Revised Code shall be open to the public except, by a majority vote of the directors present at the meeting, such a meeting may be closed to the public only for one or more of the following purposes:

(1) To consider business strategy of the corporation;

(2) To consider proprietary information belonging to potential applicants or potential recipients of business recruitment, retention, or creation incentives. For the purposes of this division, "proprietary information" means marketing plans, specific business strategy, production techniques and trade secrets, financial projections, or personal financial statements of applicants or members of the applicants' immediate family, including, but not limited to, tax records or other similar information not open to the public inspection.

(3) To consider legal matters, including litigation, in which the corporation is or may be involved;

(4) To consider personnel matters related to an individual employee of the corporation.

(D) The board of directors shall establish a reasonable method whereby any person may obtain the time and place of all public meetings described in division (C) of this section. The method shall provide that any person, upon request and payment of a reasonable fee, may obtain reasonable advance notification of all such meetings.

(E) The board of directors shall promptly prepare, file, and maintain minutes of all public meetings described in division (C) of this section.

(F) Not later than the first day of July of each year, the chief investment officer of JobsOhio shall prepare and submit a report of the corporation's activities for the preceding year to the governor, the speaker and minority leader of the house of representatives, and the president and minority leader of the senate. The annual report shall include the following:

(1) An analysis of the state's economy;

(2) A description of the structure, operation, and financial status of the corporation;

(3) A description of the corporation's strategy to improve the state economy and the standards of measure used to evaluate its progress;

(4) An evaluation of the performance of current strategies and major initiatives;

(5) An analysis of any statutory or administrative barriers to successful economic development, business recruitment, and job growth in the state identified by JobsOhio during the preceding year.

**Sec. 187.04.** (A) The director of housing and development—

~~services~~, as soon as practical after February 18, 2011, shall 17548  
execute a contract with JobsOhio for the corporation to assist 17549  
the director and the department of housing and development 17550  
~~services agency~~ with providing services or otherwise carrying 17551  
out the functions or duties of the agency, including the 17552  
operation and management of programs, offices, divisions, or 17553  
boards, as may be determined by the director in consultation 17554  
with the governor. The approval or disapproval of awards 17555  
involving public money shall remain functions of the agency. All 17556  
contracts for grants, loans, and tax incentives involving public 17557  
money shall be between the agency and the recipient and shall be 17558  
enforced by the agency. JobsOhio may not execute contracts 17559  
obligating the agency for loans, grants, tax credits, or 17560  
incentive awards recommended by JobsOhio to the agency. Prior to 17561  
execution, all contracts between the director and JobsOhio 17562  
entered into under this section that obligate the agency to pay 17563  
JobsOhio for services rendered are subject to controlling board 17564  
approval. 17565

The term of an initial contract entered into under this 17566  
section shall not extend beyond June 30, 2013. Thereafter, the 17567  
director and JobsOhio may renew the contract for subsequent 17568  
fiscal biennia, but at no time shall a particular contract be 17569  
effective for longer than a fiscal biennium of the general 17570  
assembly. 17571

JobsOhio's provision of services to the agency as 17572  
described in this section shall be pursuant to a contract 17573  
entered into under this section. If at any time the director 17574  
determines that the contract with JobsOhio may not be renewed 17575  
for the subsequent fiscal biennium, the director shall notify 17576  
JobsOhio of the director's decision not later than one hundred 17577  
twenty days prior to the end of the current fiscal biennium. If 17578

the director does not provide such written notice to JobsOhio 17579  
prior to one hundred days before the end of the current fiscal 17580  
biennium, the contract shall be renewed upon such terms as the 17581  
parties may agree, subject to the requirements of this section. 17582

(B) A contract entered into under this section shall 17583  
include all of the following: 17584

(1) Terms assigning to the corporation the duties of 17585  
advising and assisting the director in the director's evaluation 17586  
of the agency and the formulation of recommendations under 17587  
section 187.05 of the Revised Code; 17588

(2) Terms designating records created or received by 17589  
JobsOhio that shall be made available to the public under the 17590  
same conditions as are public records under section 149.43 of 17591  
the Revised Code. Documents designated to be made available to 17592  
the public pursuant to the contract shall be kept on file with 17593  
the agency. 17594

Among records to be designated under this division shall 17595  
be the following: 17596

(a) The corporation's federal income tax returns; 17597

(b) The report of expenditures described in division (B) 17598  
(3) of section 187.03 of the Revised Code. The records shall be 17599  
filed with the agency at such times and frequency as agreed to 17600  
by the corporation and the agency, which shall not be less 17601  
frequently than quarterly. 17602

(c) The annual total compensation paid to each officer and 17603  
employee of the corporation; 17604

(d) A copy of the report for each financial audit of the 17605  
corporation and of each supplemental compliance and control 17606



review of the corporation performed by a firm of independent 17607  
certified public accountants pursuant to division (J) of section 17608  
187.01 of the Revised Code. 17609

(e) Records of any fully executed incentive proposals, to 17610  
be filed annually; 17611

(f) Records pertaining to the monitoring of commitments 17612  
made by incentive recipients, to be filed annually; 17613

(g) A copy of the minutes of all public meetings described 17614  
in division (C) of section 187.03 of the Revised Code not 17615  
otherwise closed to the public. 17616

(3) The following statement acknowledging that JobsOhio is 17617  
not acting as an agent of the state: 17618

"JobsOhio shall have no power or authority to bind the 17619  
state or to assume or create an obligation or responsibility, 17620  
expressed or implied, on behalf of the state or in its name, nor 17621  
shall JobsOhio represent to any person that it has any such 17622  
power or authority, except as expressly provided in this 17623  
contract." 17624

(C) (1) Records created by JobsOhio are not public records 17625  
for the purposes of Chapter 149. of the Revised Code, regardless 17626  
of who may have custody of the records, unless the record is 17627  
designated to be available to the public by the contract under 17628  
division (B) (2) of this section. 17629

(2) Records received by JobsOhio from any person or entity 17630  
that is not subject to section 149.43 of the Revised Code are 17631  
not public records for purposes of Chapter 149. of the Revised 17632  
Code, regardless of who may have custody of the records, unless 17633  
the record is designated to be available to the public by the 17634  
contract under division (B) (2) of this section. 17635

(3) Records received by JobsOhio from a public office as 17636  
defined in section 149.011 of the Revised Code that are not 17637  
public records under section 149.43 of the Revised Code when in 17638  
the custody of the public office are not public records for the 17639  
purposes of section 149.43 of the Revised Code regardless of who 17640  
has custody of the records. 17641

(4) Division (B) of section 4701.19 of the Revised Code 17642  
applies to any work papers of the firm of independent certified 17643  
public accountants engaged to perform the annual financial audit 17644  
and the supplemental compliance and control review described in 17645  
division (J) of section 187.01 of the Revised Code, and to the 17646  
financial audit report and any report of the supplemental 17647  
compliance and control review, unless the record is designated 17648  
to be available to the public by the contract under division (B) 17649  
(2) of this section. 17650

(D) Any contract executed under authority of this section 17651  
shall not negate, impair, or otherwise adversely affect the 17652  
obligation of this state to pay debt charges on securities 17653  
executed by the director or issued by the treasurer of state, 17654  
Ohio public facilities commission, or any other issuing 17655  
authority under Chapter 122., 151., 165., or 166. of the Revised 17656  
Code to fund economic development programs of the state, or to 17657  
abide by any pledge or covenant relating to the payment of those 17658  
debt charges made in any related proceedings. As used in this 17659  
division, "debt charges," "proceedings," and "securities" have 17660  
the same meanings as in section 133.01 of the Revised Code. 17661

(E) Nothing in this section, other than the requirement of 17662  
controlling board approval, shall prohibit the agency from 17663  
contracting with JobsOhio to perform any of the following 17664  
functions: 17665

(1) Promoting and advocating for the state; 17666

(2) Making recommendations to the agency; 17667

(3) Performing research for the agency; 17668

(4) Establishing and managing programs or offices on 17669  
behalf of the agency, by contract; 17670

(5) Negotiating on behalf of the state. 17671

(F) Nothing in this section, other than the requirement of 17672  
controlling board approval, shall prohibit the agency from 17673  
compensating JobsOhio from funds currently appropriated to the 17674  
agency to perform the functions described in division (E) of 17675  
this section. 17676

**Sec. 187.05.** The director of housing and development- 17677  
~~services~~, as soon as practical after February 18, 2011, shall, 17678  
in consultation with the governor, evaluate all powers, 17679  
functions, and duties of the department of housing and 17680  
~~development-services-agency~~. Within six months after February 17681  
18, 2011, the director shall submit a report to the general 17682  
assembly recommending statutory changes necessary to improve the 17683  
functioning and efficiency of the agency-department and to 17684  
transfer specified powers, functions, and duties of the ~~agency-~~ 17685  
department to other existing agencies of the state or to 17686  
JobsOhio, or eliminate specified powers, functions, or duties. 17687  
The recommendations shall be submitted in writing to the speaker 17688  
and minority leader of the house of representatives and the 17689  
president and minority leader of the senate. 17690

After submitting the report, the director, in consultation 17691  
with the governor, shall continue to evaluate the ~~agency-~~ 17692  
department and make additional recommendations on such matters 17693  
to the general assembly. 17694

**Sec. 187.061.** (A) Each officer and employee of JobsOhio 17695  
shall do all of the following: 17696

(1) Sign an ethical conduct statement prescribed by the 17697  
board of directors of JobsOhio; 17698

(2) Complete an annual course or program of study on 17699  
ethics. The course or program of study shall be reviewed and 17700  
approved by the board of directors. 17701

(3) Comply with the gift policy prescribed by the board of 17702  
directors. 17703

(B) Prior to the renewal of the contract between the 17704  
director of housing and development ~~services~~ and JobsOhio as 17705  
described in section 187.04 of the Revised Code, the board of 17706  
directors shall submit to the controlling board a comprehensive 17707  
review of the ethics policies and procedures that have been 17708  
adopted by JobsOhio. 17709

**Sec. 191.02.** There is hereby established the Ohio 17710  
broadband pole replacement and undergrounding program within the 17711  
department of housing and development to advance the provision 17712  
of qualifying broadband service access to residences and 17713  
businesses in an unserved area by reimbursing certain costs of 17714  
pole replacements, mid-span pole installations, and 17715  
undergrounding. 17716

The department shall administer and provide staff 17717  
assistance for the program. The department shall be responsible 17718  
for receiving and reviewing program applications and for sending 17719  
completed applications to the broadband expansion program 17720  
authority for final review and award of program reimbursements. 17721

**Sec. 191.03.** (A) The department of housing and development 17722  
shall establish an administrative process to award program 17723

reimbursements under the Ohio broadband pole replacement and 17724  
undergrounding program according to the provisions of sections 17725  
191.03 to 191.45 of the Revised Code. 17726

(B) The broadband expansion program authority shall award 17727  
program reimbursements after reviewing program applications and 17728  
determining whether the applications meet the program's 17729  
requirements for reimbursement. 17730

**Sec. 191.10.** In accordance with sections 191.10 to 191.45 17731  
of the Revised Code, a provider may submit an application for a 17732  
program reimbursement under the Ohio broadband pole replacement 17733  
and undergrounding program, if the provider has deployed 17734  
qualifying broadband infrastructure in an unserved area and has 17735  
paid any of the following costs in connection with the 17736  
deployment of such broadband infrastructure: 17737

(A) Pole replacement costs; 17738

(B) Mid-span pole installation costs; 17739

(C) Undergrounding costs. 17740

The application shall be submitted on a form prescribed by 17741  
the department of housing and development. 17742

**Sec. 191.13.** (A) Not later than sixty days after the pole 17743  
replacement fund created in section 191.27 of the Revised Code 17744  
receives funds for the purpose of providing program 17745  
reimbursements under the Ohio broadband pole replacement and 17746  
undergrounding program, the department of housing and 17747  
development shall develop and publish an application form for 17748  
the program and post the form on the department web site. 17749

(B) An application shall include the following 17750  
information: 17751

- (1) The number, cost, and locations of pole replacements, 17752  
mid-span pole installations, and undergrounding for which 17753  
reimbursement is requested; 17754
- (2) Documentation sufficient to establish that the pole 17755  
replacements, mid-span pole installations, and undergrounding 17756  
described in the application have been completed; 17757
- (3) Documentation sufficient to establish how the costs 17758  
for which reimbursement is requested comport with the 17759  
reimbursement requirements under the program; 17760
- (4) The reimbursement amount requested under the program; 17761
- (5) Documentation of any broadband grant funding awarded 17762  
or received for the area described in the application; 17763
- (6) Accounting information that is sufficient to 17764  
demonstrate that costs for which a program reimbursement is 17765  
requested are eligible for a program reimbursement pursuant to 17766  
division (C) of section 191.21 of the Revised Code, if the 17767  
applicant has received any grant funding described in division 17768  
(B) (5) of this section; 17769
- (7) A notarized statement, from an officer or agent of the 17770  
applicant, that the contents of the application are true and 17771  
accurate and that the applicant accepts the requirements of the 17772  
program as a condition of receiving a program reimbursement; 17773
- (8) Any information necessary to demonstrate the 17774  
applicant's compliance, and agreement to comply, with any 17775  
conditions associated with the reimbursement awarded to the 17776  
applicant; 17777
- (9) Any other information the department considers 17778  
necessary for final review and for the award and payment of 17779

program reimbursements. 17780

(C) If any federal funds are used for any awards under the 17781  
program, the application form shall identify and describe any 17782  
additional federal conditions required in connection with the 17783  
use of the federal funds. 17784

**Sec. 191.15.** (A) Before receiving a program reimbursement 17785  
under the Ohio broadband pole replacement and undergrounding 17786  
program, each applicant shall agree to do the following: 17787

(1) Not later than ninety days after receipt of a program 17788  
reimbursement, activate qualifying broadband service to end 17789  
users utilizing the broadband infrastructure for which the 17790  
applicant has received reimbursement for pole replacement, mid- 17791  
span pole installation, or undergrounding costs; 17792

(2) Certify the application's compliance with the 17793  
requirements of sections 191.10 to 191.24 of the Revised Code; 17794

(3) Comply with any federal requirements associated with 17795  
the funding used by the broadband expansion program authority in 17796  
connection with the award; 17797

(4) Refund all or any portion of reimbursements received 17798  
under the program as specified in section 191.30 of the Revised 17799  
Code, if pursuant to that section the applicant is found to have 17800  
materially violated any of the requirements of sections 191.10 17801  
to 191.24 of the Revised Code. 17802

(B) For an application regarding a pole replacement or 17803  
mid-span pole installation, the applicant shall do the following 17804  
if the applicant is the pole owner, or affiliate of the pole 17805  
owner: 17806

(1) Comply with division (A) of this section; 17807

(2) Commit that the pole owner will comply with all 17808  
applicable pole attachment regulations and requirements imposed 17809  
by the state or federal government; 17810

(3) Commit that the pole owner will exclude from its costs 17811  
used to calculate its rates or charges for access to its utility 17812  
poles for which the applicant has been reimbursed as follows: 17813

(a) Under the Ohio broadband pole replacement and 17814  
undergrounding program or any other broadband grant program; 17815

(b) By a provider, for make-ready charges; 17816

(4) (a) Commit that the pole owner will maintain and make 17817  
available, upon reasonable request, to the department of housing 17818  
and development or to a party subject to the rates and charges 17819  
described in division (B) (3) of this section, accounting 17820  
documentation sufficient to demonstrate compliance with division 17821  
(B) (3) of this section; 17822

(b) Division (B) (4) (a) of this section does not apply to 17823  
an electric distribution utility as defined in section 4928.01 17824  
of the Revised Code, unless the electric distribution utility is 17825  
the applicant. 17826

**Sec. 191.17.** (A) Not later than sixty days after receiving 17827  
an application forwarded by the department of housing and 17828  
development, the broadband expansion program authority shall 17829  
award program reimbursements to the applicant for costs 17830  
described in divisions (A) and (B) of section 191.21 of the 17831  
Revised Code after reviewing the application, and establishing 17832  
the applicant's eligibility for reimbursement under the Ohio 17833  
broadband pole replacement and undergrounding program. 17834

(B) For pole replacement or mid-span pole installation 17835  
costs described under division (A) of section 191.21 of the 17836



Revised Code, reimbursements shall be in an amount equal to the 17837  
lesser of either of the following: 17838

(1) Seven thousand five hundred dollars multiplied by the 17839  
number of pole replacements and mid-span pole installations in 17840  
an application; 17841

(2) Seventy-five per cent of the total eligible costs 17842  
therein. 17843

(C) For undergrounding costs described under division (B) 17844  
of section 191.21 of the Revised Code, reimbursements shall be 17845  
in an amount not to exceed seventy-five per cent of the total 17846  
eligible costs therein, except that the reimbursements may not 17847  
exceed the reimbursement amount that would be available under 17848  
division (B) of this section, if the applicant did a pole 17849  
replacement or mid-span pole installation instead of 17850  
undergrounding that infrastructure. 17851

**Sec. 191.19.** (A) The department of housing and 17852  
development, at the direction of the broadband expansion program 17853  
authority, shall issue program reimbursements awarded for 17854  
applications approved under the Ohio broadband pole replacement 17855  
and undergrounding program. The reimbursements shall be made 17856  
using money available for this purpose in the broadband pole 17857  
replacement fund created in section 191.27 of the Revised Code. 17858  
The authority shall award, and the department shall fund, 17859  
reimbursements until funds available for that purpose are no 17860  
longer available. 17861

(B) If, upon the exhaustion of the fund, there are any 17862  
applications pending, the applications shall be denied. 17863  
Applications that have been denied pursuant to this division may 17864  
be resubmitted to the department, and, if sufficient money is 17865

later deposited in the fund, reimbursements may be awarded 17866  
according to the application and award process under sections 17867  
191.10 to 191.24 of the Revised Code. 17868

**Sec. 191.27.** There is hereby created in the state treasury 17869  
the broadband pole replacement fund consisting of money credited 17870  
or transferred to the fund, money appropriated by the general 17871  
assembly, including from available federal funds, or money 17872  
authorized for expenditure by the state controlling board under 17873  
section 131.35 of the Revised Code from available federal funds, 17874  
and grants, gifts, and contributions made directly to the fund. 17875  
Money in the fund shall be used by the department of housing and 17876  
development to provide reimbursements awarded under the Ohio 17877  
broadband pole replacement and undergrounding program and by the 17878  
director of housing and development to administer the program. 17879

**Sec. 191.30.** (A) The department of housing and development 17880  
shall direct an applicant that has been awarded a program 17881  
reimbursement under the Ohio broadband pole replacement and 17882  
undergrounding program to refund, with interest, all or any 17883  
portion of the reimbursements the applicant received under the 17884  
program, if the department finds, upon substantial evidence and 17885  
after notice and the opportunity to respond, that the applicant 17886  
materially violated any of the requirements agreed to under 17887  
sections 191.10 to 191.24 of the Revised Code with respect to 17888  
all or any portion of the reimbursements received. The interest 17889  
included with a refund under this section shall be at the 17890  
applicable federal funds rate as specified in division (B) of 17891  
section 1304.84 of the Revised Code. 17892

(B) At the direction of the department, refunds submitted 17893  
under division (A) of this section shall be deposited into the 17894  
broadband pole replacement fund created in section 191.27 of the 17895

Revised Code or the general revenue fund. 17896

**Sec. 191.33.** Not later than sixty days after the first 17897  
amount of money is deposited to the credit of the broadband pole 17898  
replacement fund created in section 191.27 of the Revised Code, 17899  
the department of housing and development shall publish and 17900  
regularly update on its web site the following program 17901  
information: 17902

(A) The number of program applications received, 17903  
processed, and rejected by the broadband expansion program 17904  
authority; 17905

(B) The number, reimbursement amount, and status of 17906  
program reimbursements awarded by the authority; 17907

(C) The number of providers receiving reimbursements; 17908

(D) The balance remaining in the fund at the time of the 17909  
latest program update on the web site. 17910

**Sec. 191.35.** Beginning not later than one year after the 17911  
first amount of money is deposited to the credit of the 17912  
broadband pole replacement fund created in section 191.27 of the 17913  
Revised Code and annually thereafter, the auditor of state shall 17914  
audit the fund and its administration by the broadband expansion 17915  
program authority and the department of housing and development 17916  
for compliance with the requirements of sections 191.02 to 17917  
191.45 of the Revised Code. 17918

**Sec. 191.37.** Not later than one year after each time money 17919  
in the broadband pole replacement fund created in section 191.27 17920  
of the Revised Code is exhausted, the broadband expansion 17921  
program authority shall identify, examine, and report on the 17922  
deployment of qualifying broadband infrastructure under the Ohio 17923  
broadband pole replacement and undergrounding program and the 17924

technology facilitated by the program reimbursements the 17925  
authority has awarded. The report shall be published on the 17926  
department of housing and development web site. 17927

**Sec. 191.40.** Not later than ninety days after ~~the~~ 17928  
~~effective date of this section October 3, 2023,~~ the director of 17929  
housing and development shall adopt rules under Chapter 119. of 17930  
the Revised Code that are necessary for successful and efficient 17931  
administration of the broadband pole replacement and 17932  
undergrounding program. 17933

**Sec. 191.44.** The department of housing and development in 17934  
coordination with the Ohio broadband expansion program authority 17935  
shall do the following, for the period ending six months after 17936  
the date described in section 191.43 of the Revised Code: 17937

(A) Complete the review of any program applications that 17938  
were submitted prior to the date described in section 191.43 of 17939  
the Revised Code and pay program reimbursements for the approved 17940  
applications; 17941

(B) Complete the review of any program applications 17942  
submitted not later than four months after the date described in 17943  
section 191.43 of the Revised Code and pay program 17944  
reimbursements for the approved applications, if the 17945  
reimbursements are for costs that were incurred prior to the 17946  
date described in section 191.43 of the Revised Code. 17947

**Sec. 191.45.** If there is an outstanding balance in the 17948  
broadband pole replacement fund after the Ohio broadband pole 17949  
replacement program reimbursements are paid pursuant to section 17950  
191.44 of the Revised Code, the remaining balance shall be 17951  
returned to the original funding sources as determined by the 17952  
department of housing and development. 17953

**Sec. 308.21.** (A) The board of trustees of a regional 17954  
airport authority, the board of directors of a port authority, 17955  
or the legislative authority of a municipal corporation that 17956  
owns, operates, or maintains a qualifying airport may, by 17957  
resolution adopted before January 1, 2024, create an airport 17958  
development district for the purpose of developing and 17959  
implementing plans for public infrastructure improvements that 17960  
benefit the qualifying airport and to finance expenditures to 17961  
attract or retain airlines, increase the number of scheduled 17962  
flights to and from the qualifying airport, or increase use of 17963  
the airport by aircraft having greater passenger capacity or 17964  
greater first-class seating availability. The resolution shall 17965  
include a development plan for the district that, at minimum, 17966  
specifies all of the following: 17967

(1) The manner in which the nonprofit corporation that is 17968  
to govern the district will be formed, operated, and organized; 17969

(2) The manner in which the board of directors of the 17970  
nonprofit corporation that is to govern the district are 17971  
appointed; 17972

(3) A plan for the public infrastructure improvements and 17973  
other expenditures to be financed by the district; 17974

(4) A description of the territory of the district, which 17975  
shall consist of all parcels of real property that are located 17976  
within five miles of the qualifying airport. For the purpose of 17977  
this division, a parcel is located within five miles of a 17978  
qualifying airport if the distance between any portion of the 17979  
parcel and any portion of the qualifying airport is five miles 17980  
or less. 17981

(B) After adopting a resolution under division (A) of this 17982

section, the board of trustees of the regional airport 17983  
authority, board of directors of the port authority, or 17984  
legislative authority of the municipal corporation shall submit 17985  
a copy to the director of housing and development. 17986

(C) An airport development district is not a political 17987  
subdivision for any purpose prescribed in the Revised Code. A 17988  
district shall be considered a public agency under section 17989  
102.01 of the Revised Code and a public authority under section 17990  
4115.03 of the Revised Code. Districts are subject to sections 17991  
121.22 and 121.23 of the Revised Code, but are not subject to 17992  
sections 121.81 to 121.82 of the Revised Code. 17993

**Sec. 321.261.** (A) In each county treasury there shall be 17994  
created the treasurer's delinquent tax and assessment collection 17995  
fund and the prosecuting attorney's delinquent tax and 17996  
assessment collection fund. Except as otherwise provided in this 17997  
division, two and one-half per cent of all delinquent real 17998  
property, personal property, and manufactured and mobile home 17999  
taxes and assessments collected by the county treasurer shall be 18000  
deposited in the treasurer's delinquent tax and assessment 18001  
collection fund, and two and one-half per cent of such 18002  
delinquent taxes and assessments shall be deposited in the 18003  
prosecuting attorney's delinquent tax and assessment collection 18004  
fund. The board of county commissioners shall appropriate to the 18005  
county treasurer from the treasurer's delinquent tax and 18006  
assessment collection fund, and shall appropriate to the 18007  
prosecuting attorney from the prosecuting attorney's delinquent 18008  
tax and assessment collection fund, money to the credit of the 18009  
respective fund, and except as provided in division (D) of this 18010  
section, the appropriation shall be used only for the following 18011  
purposes: 18012

(1) By the county treasurer or the county prosecuting attorney in connection with the collection of delinquent real property, personal property, and manufactured and mobile home taxes and assessments, including proceedings related to foreclosure of the state's lien for such taxes against such property;

(2) With respect to any portion of the amount appropriated from the treasurer's delinquent tax and assessment collection fund for the benefit of a county land reutilization corporation organized under Chapter 1724. of the Revised Code, the county land reutilization corporation. Upon the deposit of amounts in the treasurer's delinquent tax and assessment collection fund, any amounts allocated at the direction of the treasurer to the support of the county land reutilization corporation shall be paid out of such fund to the corporation upon a warrant of the county auditor.

If the balance in the treasurer's or prosecuting attorney's delinquent tax and assessment collection fund exceeds three times the amount deposited into the fund in the preceding year, the treasurer or prosecuting attorney, on or before the twentieth day of October of the current year, may direct the county auditor to forgo the allocation of delinquent taxes and assessments to that officer's respective fund in the ensuing year. If the county auditor receives such direction, the auditor shall cause the portion of taxes and assessments that otherwise would be credited to the fund under this section in that ensuing year to be allocated and distributed among taxing units' funds as otherwise provided in this chapter and other applicable law.

(B) During the period of time that a county land reutilization corporation is functioning as such on behalf of a

county, the board of county commissioners, upon the request of 18043  
the county treasurer, may designate by resolution that an 18044  
additional amount, not exceeding five per cent of all 18045  
collections of delinquent real property, personal property, and 18046  
manufactured and mobile home taxes and assessments, shall be 18047  
deposited in the treasurer's delinquent tax and assessment 18048  
collection fund and be available for appropriation by the board 18049  
for the use of the corporation. Any such amounts so deposited 18050  
and appropriated under this division shall be paid out of the 18051  
treasurer's delinquent tax and assessment collection fund to the 18052  
corporation upon a warrant of the county auditor. 18053

(C) Annually by the first day of December, the county 18054  
treasurer and the prosecuting attorney each shall submit a 18055  
report to the board of county commissioners regarding the use of 18056  
the moneys appropriated from their respective delinquent tax and 18057  
assessment collection funds. Each report shall specify the 18058  
amount appropriated from the fund during the current calendar 18059  
year, an estimate of the amount so appropriated that will be 18060  
expended by the end of the year, a summary of how the amount 18061  
appropriated has been expended in connection with delinquent tax 18062  
collection activities or land reutilization, and an estimate of 18063  
the amount that will be credited to the fund during the ensuing 18064  
calendar year. 18065

The annual report of a county land reutilization 18066  
corporation required by section 1724.05 of the Revised Code 18067  
shall include information regarding the amount and use of the 18068  
moneys that the corporation received from the treasurer's 18069  
delinquent tax and assessment collection fund. 18070

(D) (1) In any county, if the county treasurer or 18071  
prosecuting attorney determines that the balance to the credit 18072



of that officer's corresponding delinquent tax and assessment 18073  
collection fund exceeds the amount required to be used as 18074  
prescribed by division (A) of this section, the county treasurer 18075  
or prosecuting attorney may expend the excess to prevent 18076  
residential mortgage foreclosures in the county and to address 18077  
problems associated with other foreclosed real property. The 18078  
amount used for that purpose in any year may not exceed the 18079  
amount that would cause the fund to have a reserve of less than 18080  
twenty per cent of the amount expended in the preceding year for 18081  
the purposes of division (A) of this section. 18082

Money authorized to be expended under division (D) (1) of 18083  
this section shall be used to provide financial assistance in 18084  
the form of loans to borrowers in default on their home 18085  
mortgages, including for the payment of late fees, to clear 18086  
arrearage balances, and to augment moneys used in the county's 18087  
foreclosure prevention program. The money also may be used to 18088  
assist county land reutilization corporations, municipal 18089  
corporations, or townships in the county, upon their application 18090  
to the county treasurer, prosecuting attorney, or the county 18091  
department of housing and development, in the nuisance abatement 18092  
of deteriorated residential buildings in foreclosure, or vacant, 18093  
abandoned, tax-delinquent, or blighted real property, including 18094  
paying the costs of boarding up such buildings, lot maintenance, 18095  
and demolition. 18096

(2) In a county having a population of more than one 18097  
hundred thousand according to the department of housing and 18098  
development's 2006 census estimate, if the county treasurer or 18099  
prosecuting attorney determines that the balance to the credit 18100  
of that officer's corresponding delinquent tax and assessment 18101  
collection fund exceeds the amount required to be used as 18102  
prescribed by division (A) of this section, the county treasurer 18103

or prosecuting attorney may expend the excess to assist county 18104  
land reutilization corporations, townships, or municipal 18105  
corporations located in the county as provided in division (D) 18106  
(2) of this section, provided that the combined amount so 18107  
expended each year in a county shall not exceed five million 18108  
dollars. Upon application for the funds by a county land 18109  
reutilization corporation, township, or municipal corporation, 18110  
the county treasurer or prosecuting attorney may assist the 18111  
county land reutilization corporation, township, or municipal 18112  
corporation in abating foreclosed residential nuisances, 18113  
including paying the costs of securing such buildings, lot 18114  
maintenance, and demolition. At the prosecuting attorney's 18115  
discretion, the prosecuting attorney also may apply the funds to 18116  
costs of prosecuting alleged violations of criminal and civil 18117  
laws governing real estate and related transactions, including 18118  
fraud and abuse. 18119

**Sec. 321.262.** Notwithstanding section 321.261 of the 18120  
Revised Code, in a county having a population of more than four 18121  
hundred thousand according to the department of housing and 18122  
development's 2006 census estimate, if the county treasurer or 18123  
prosecuting attorney determines that the amount appropriated to 18124  
the office from the county's delinquent tax and assessment 18125  
collection fund exceeds the amount required to be used as 18126  
prescribed by that section, the county treasurer or prosecuting 18127  
attorney may expend the excess to provide financial assistance 18128  
in the form of loans to borrowers in default on their home 18129  
mortgages, including for the payment of late fees, to clear 18130  
arrearage balances, and to augment moneys used in the county's 18131  
foreclosure prevention program, provided that the combined 18132  
amount so expended each year in the county shall not exceed 18133  
three million dollars. 18134

**Sec. 333.03.** (A) A person seeking to enter into an 18135  
agreement and obtain payments under section 333.02 of the 18136  
Revised Code shall provide both of the following to the board of 18137  
county commissioners: 18138

(1) A certification by the person's chief financial 18139  
officer, or the equivalent if that position does not exist, that 18140  
the criteria listed in division (B) of section 333.01 of the 18141  
Revised Code will be met; and 18142

(2) An application on a form or in a format acceptable to 18143  
the board that describes the proposed impact facility, including 18144  
the projected level of investment in and new jobs to be created 18145  
at the facility, the rationale used for determining that more 18146  
than fifty per cent of the facility's visitors live at least 18147  
fifty miles from the facility, the types of activities to be 18148  
conducted at the facility, the projected levels of sales to 18149  
occur at the facility, a calculation of the facility's square 18150  
footage that will be dedicated to educational or exhibition 18151  
activities, and any other information the board of county 18152  
commissioners reasonably requests about the expected operations 18153  
of the facility. 18154

(B) The board of county commissioners shall request the 18155  
director of housing and development services to certify that the 18156  
proposed facility meets the criteria for an impact facility 18157  
listed in division (B) of section 333.01 of the Revised Code. 18158  
The board of county commissioners may, but need not, make 18159  
findings of fact that a proposed facility meets the criteria for 18160  
an impact facility listed in division (B) of section 333.01 of 18161  
the Revised Code before or after requesting the certification. 18162  
If the director of housing and development services certifies a 18163  
proposed facility as an impact facility under this section, and 18164

if the board makes such findings, the findings and certification 18165  
are conclusive and not subject to reopening at any time. 18166

**Sec. 333.04.** (A) After review of the items submitted under 18167  
division (A) of section 333.03 of the Revised Code, and after 18168  
receipt of the certification from the director of housing and 18169  
development ~~services~~ under division (B) of that section, a board 18170  
of county commissioners, before June 1, 2015, may enter into an 18171  
agreement under section 333.02 of the Revised Code, provided 18172  
that the board has determined all of the following: 18173

(1) The proposed impact facility is economically sound; 18174

(2) Construction of the proposed impact facility has not 18175  
begun prior to the day the agreement is entered into; 18176

(3) The impact facility will benefit the county by 18177  
increasing employment opportunities and strengthening the local 18178  
and regional economy; and 18179

(4) Receiving payments from the board of county 18180  
commissioners is a major factor in the person's decision to go 18181  
forward with construction of the impact facility. 18182

(B) An agreement entered into under this section shall 18183  
include all of the following: 18184

(1) A description of the impact facility that is the 18185  
subject of the agreement, including the existing investment 18186  
level, if any, the proposed amount of investments, the scheduled 18187  
starting and completion dates for the facility, and the number 18188  
and type of full-time equivalent positions to be created at the 18189  
facility; 18190

(2) The percentage of the county sales and use tax 18191  
collected at the impact facility that will be used to make 18192

payments to the person entering into the agreement; 18193

(3) The term of the payments and the first calendar 18194  
quarter in which the person may apply for a payment under 18195  
section 333.06 of the Revised Code; 18196

(4) A requirement that the amount of payments made to the 18197  
person during the term established under division (B) (3) of this 18198  
section shall not exceed the person's qualifying investment, and 18199  
that all payments cease when that amount is reached; 18200

(5) A requirement that the person maintain operations at 18201  
the impact facility for at least the term established under 18202  
division (B) (3) of this section; 18203

(6) A requirement that the person annually certify to the 18204  
board of county commissioners, on or before a date established 18205  
by the board in the agreement, the level of investment in, the 18206  
number of employees and type of full-time equivalent positions 18207  
at, and the amount of county sales and use tax collected and 18208  
remitted to the tax commissioner or treasurer of state from 18209  
sales made at, the facility; 18210

(7) A provision stating that the creation of the proposed 18211  
impact facility does not involve the relocation of any full-time 18212  
equivalent positions or any tangible personal property to the 18213  
impact facility from another facility owned by the person, or a 18214  
related member of the person, that is located in another 18215  
political subdivision of this state, other than the political 18216  
subdivision in which the impact facility is or will be located; 18217

(8) A detailed explanation of how the person determined 18218  
that more than fifty per cent of the visitors to the facility 18219  
live at least fifty miles from the facility. 18220

(C) No payment may be made under this chapter to a person 18221

that is found to be in violation of the provision described in 18222  
division (B) (7) of this section. 18223

**Sec. 333.05.** (A) Except as otherwise provided in this 18224  
division, if a person fails to meet or comply with any provision 18225  
of an agreement entered into under section 333.02 of the Revised 18226  
Code, the board of county commissioners may amend the agreement 18227  
to reduce the percentage or term, or both, of the payments the 18228  
person is entitled to receive under the agreement. The reduction 18229  
shall commence in the calendar quarter immediately following the 18230  
calendar quarter in which the board amends the agreement. If a 18231  
person fails to comply with the provision described in division 18232  
(B) (7) of section 333.04 of the Revised Code, no payments may be 18233  
made under this chapter to that person after the person is found 18234  
to be in violation. 18235

(B) A board of county commissioners shall submit to the 18236  
department of housing and development and to the tax 18237  
commissioner a copy of each agreement entered into under section 18238  
333.02 of the Revised Code and any modifications to an agreement 18239  
within thirty days after finalization or modification of the 18240  
agreement. 18241

**Sec. 340.13.** (A) As used in this section: 18242

(1) "Minority business enterprise" has the same meaning as 18243  
in section 122.71 of the Revised Code. 18244

(2) "EDGE business enterprise" has the same meaning as in 18245  
section 122.922 of the Revised Code. 18246

(B) Any minority business enterprise that desires to bid 18247  
on a contract under division (C) of this section shall first 18248  
apply to the department of housing and development for 18249  
certification as a minority business enterprise. Any EDGE 18250

business enterprise that desires to bid on a contract under 18251  
division (D) of this section shall first apply to the department 18252  
of housing and development for certification as an EDGE business 18253  
enterprise. The director of housing and development shall 18254  
approve the application of any minority business enterprise or 18255  
EDGE business enterprise that complies with the rules adopted 18256  
under section 122.71 or 122.922 of the Revised Code, 18257  
respectively. The director shall prepare and maintain a list of 18258  
minority business enterprises and EDGE business enterprises 18259  
certified under those sections. 18260

(C) From the contracts to be awarded for the purchases of 18261  
equipment, materials, supplies, or services, other than 18262  
contracts entered into under section 340.036 of the Revised 18263  
Code, each board of alcohol, drug addiction, and mental health 18264  
services shall select a number of contracts with an aggregate 18265  
value of approximately fifteen per cent of the total estimated 18266  
value of contracts to be awarded in the current fiscal year. The 18267  
board shall set aside the contracts so selected for bidding by 18268  
minority business enterprises only. The bidding procedures for 18269  
such contracts shall be the same as for all other contracts 18270  
awarded under section 307.86 of the Revised Code, except that 18271  
only minority business enterprises certified and listed pursuant 18272  
to division (B) of this section shall be qualified to submit 18273  
bids. 18274

(D) To the extent that a board is authorized to enter into 18275  
contracts for construction, the board shall strive to attain a 18276  
yearly contract dollar procurement goal the aggregate value of 18277  
which equals approximately five per cent of the aggregate value 18278  
of construction contracts for the current fiscal year for EDGE 18279  
business enterprises only. 18280

(E) (1) In the case of contracts set aside under division 18281  
(C) of this section, if no bid is submitted by a minority 18282  
business enterprise, the contract shall be awarded according to 18283  
normal bidding procedures. The board shall from time to time set 18284  
aside such additional contracts as are necessary to replace 18285  
those contracts previously set aside on which no minority 18286  
business enterprise bid. 18287

(2) If a board, after having made a good faith effort, is 18288  
unable to comply with the goal of procurement for contracting 18289  
with EDGE business enterprises pursuant to division (D) of this 18290  
section, the board may apply in writing, on a form prescribed by 18291  
the department of administrative services, to the director of 18292  
mental health and addiction services for a waiver or 18293  
modification of the goal. 18294

(F) This section does not preclude any minority business 18295  
enterprise or EDGE business enterprise from bidding on any other 18296  
contract not specifically set aside for minority business 18297  
enterprises or subject to procurement goals for EDGE business 18298  
enterprises. 18299

(G) Within ninety days after the beginning of each fiscal 18300  
year, each board shall file a report with the department of 18301  
mental health and addiction services that shows for that fiscal 18302  
year the name of each minority business enterprise and EDGE 18303  
business enterprise with which the board entered into a 18304  
contract, the value and type of each such contract, the total 18305  
value of contracts awarded under divisions (C) and (D) of this 18306  
section, the total value of contracts awarded for the purchases 18307  
of equipment, materials, supplies, or services, other than 18308  
contracts entered into under section 340.036 of the Revised 18309  
Code, and the total value of contracts entered into for 18310



construction. 18311

(H) Any person who intentionally misrepresents self as 18312  
owning, controlling, operating, or participating in a minority 18313  
business enterprise or an EDGE business enterprise for the 18314  
purpose of obtaining contracts or any other benefits under this 18315  
section shall be guilty of theft by deception as provided for in 18316  
section 2913.02 of the Revised Code. 18317

**Sec. 703.34.** (A) As used in this section, "condition for 18318  
the dissolution of a village" means any of the following: 18319

(1) The village has been declared to be in a fiscal 18320  
emergency under Chapter 118. of the Revised Code and has been in 18321  
fiscal emergency for at least three consecutive years with 18322  
little or no improvement on the conditions that caused the 18323  
fiscal emergency declaration. 18324

(2) The village has failed to properly follow applicable 18325  
election laws for at least two consecutive election cycles for 18326  
any one elected office in the village. 18327

(3) The village has been declared during an audit 18328  
conducted under section 117.11 of the Revised Code to be 18329  
unauditable under section 117.41 of the Revised Code in at least 18330  
two consecutive audits. 18331

(4) The village does not provide at least two services 18332  
typically provided by municipal government, such as police or 18333  
fire protection, garbage collection, water or sewer service, 18334  
emergency medical services, road maintenance, or similar 18335  
services. "Services" does not include any administrative service 18336  
or legislative action. 18337

(5) The village has failed for any fiscal year to adopt 18338  
the tax budget required by section 5705.28 of the Revised Code. 18339

(6) A village elected official has been convicted of theft 18340  
in office, either under section 2921.41 of the Revised Code or 18341  
an equivalent criminal statute at the federal level, at least 18342  
two times in a period of ten years. The convicted official with 18343  
respect to those convictions may be the same person or different 18344  
persons. 18345

(B) If the auditor of state finds, in an audit report 18346  
issued under division (A) or (B) of section 117.11 of the 18347  
Revised Code of a village that has a population of one hundred 18348  
fifty persons or less and consists of less than two square 18349  
miles, that the village meets at least two conditions for the 18350  
dissolution of a village, the auditor of state shall send a 18351  
certified copy of the report together with a letter to the 18352  
attorney general requesting the attorney general to institute 18353  
legal action to dissolve the village in accordance with division 18354  
(C) of this section. The report and letter shall be sent to the 18355  
attorney general within ten business days after the auditor of 18356  
state's transmittal of the report to the village. The audit 18357  
report transmitted to the village shall be accompanied by a 18358  
notice to the village of the auditor's intent to refer the 18359  
report to the attorney general for legal action in accordance 18360  
with this section. 18361

(C) Within twenty days of receipt of the auditor of 18362  
state's report and letter, the attorney general may file a legal 18363  
action in the court of common pleas on behalf of the state to 18364  
request the dissolution of the village that is the subject of 18365  
the audit report. If a legal action is filed, the court shall 18366  
hold a hearing within ninety days after the date the attorney 18367  
general files the legal action with the court. Notice of the 18368  
hearing shall be filed with the attorney general, the clerk of 18369  
the village that is the subject of the action, and each fiscal 18370

officer of a township located wholly or partly within the 18371  
village. 18372

At the hearing on dissolution, the court shall determine 18373  
if the village has a population of one hundred fifty persons or 18374  
less, consists of less than two square miles, and meets at least 18375  
two conditions for the dissolution of a village. If the court so 18376  
finds, the court shall order the dissolution of the village, 18377  
which shall proceed in accordance with sections 703.31 to 703.39 18378  
of the Revised Code. The attorney general shall file a certified 18379  
copy of the court's order of dissolution with the secretary of 18380  
state and the county recorder of the county in which the village 18381  
is situated, who shall record it in their respective offices. 18382

(D) For purposes of this section, the population of a 18383  
village shall be the population determined either at the last 18384  
preceding federal decennial census or according to population 18385  
estimates certified by the department of housing and development 18386  
between decennial censuses. 18387

(E) The procedure in this section is in addition to the 18388  
procedure of section 703.33 of the Revised Code for the 18389  
dissolution of a village. 18390

**Sec. 709.024.** (A) A petition filed under section 709.021 18391  
of the Revised Code that requests to follow this section is for 18392  
the special procedure of annexing land into a municipal 18393  
corporation for the purpose of undertaking a significant 18394  
economic development project. As used in this section, 18395  
"significant economic development project" means one or more 18396  
economic development projects that can be classified as 18397  
industrial, distribution, high technology, research and 18398  
development, or commercial, which projects may include ancillary 18399  
residential and retail uses and which projects shall satisfy all 18400

of the following: 18401

(1) Total private real and personal property investment in 18402  
a project shall be in excess of ten million dollars through land 18403  
and infrastructure, new construction, reconstruction, 18404  
installation of fixtures and equipment, or the addition of 18405  
inventory, excluding investment solely related to the ancillary 18406  
residential and retail elements, if any, of the project. As used 18407  
in this division, "private real and personal property 18408  
investment" does not include payments in lieu of taxes, however 18409  
characterized, under Chapter 725. or 1728. or sections 5709.40 18410  
to 5709.43, 5709.45 to 5709.47, 5709.73 to 5709.75, or 5709.78 18411  
to 5709.81 of the Revised Code. 18412

(2) There shall be created by the project an additional 18413  
annual payroll in excess of one million dollars, excluding 18414  
payroll arising solely out of the retail elements, if any, of 18415  
the project. 18416

(3) The project has been certified by the state director 18417  
of housing and development as meeting the requirements of 18418  
divisions (A) (1) and (2) of this section. 18419

(B) Upon the filing of the petition under section 709.021 18420  
of the Revised Code in the office of the clerk of the board of 18421  
county commissioners, the clerk shall cause the petition to be 18422  
entered upon the journal of the board at its next regular 18423  
session. This entry shall be the first official act of the board 18424  
on the petition. Within five days after the filing of the 18425  
petition, the agent for the petitioners shall notify in the 18426  
manner and form specified in this division the clerk of the 18427  
legislative authority of the municipal corporation to which 18428  
annexation is proposed, the fiscal officer of each township any 18429  
portion of which is included within the territory proposed for 18430

annexation, the clerk of the board of county commissioners of 18431  
each county in which the territory proposed for annexation is 18432  
located other than the county in which the petition is filed, 18433  
and the owners of property adjacent to the territory proposed 18434  
for annexation or adjacent to a road that is adjacent to that 18435  
territory and located directly across that road from that 18436  
territory. The notice shall refer to the time and date when the 18437  
petition was filed and the county in which it was filed and 18438  
shall have attached or shall be accompanied by a copy of the 18439  
petition and any attachments or documents accompanying the 18440  
petition as filed. 18441

Notice to a property owner is sufficient if sent by 18442  
regular United States mail to the tax mailing address listed on 18443  
the county auditor's records. Notice to the appropriate 18444  
government officer shall be given by certified mail, return 18445  
receipt requested, or by causing the notice to be personally 18446  
served on the officer, with proof of service by affidavit of the 18447  
person who delivered the notice. Proof of service of the notice 18448  
on each appropriate government officer shall be filed with the 18449  
board of county commissioners with which the petition was filed. 18450

(C) (1) Within thirty days after the petition is filed, the 18451  
legislative authority of the municipal corporation to which 18452  
annexation is proposed and each township any portion of which is 18453  
included within the territory proposed for annexation may adopt 18454  
and file with the board of county commissioners an ordinance or 18455  
resolution consenting or objecting to the proposed annexation. 18456  
An objection to the proposed annexation shall be based solely 18457  
upon the petition's failure to meet the conditions specified in 18458  
division (F) of this section. Failure of the municipal 18459  
corporation or any of those townships to timely file an 18460  
ordinance or resolution consenting or objecting to the proposed 18461

annexation shall be deemed to constitute consent by that 18462  
municipal corporation or township to the proposed annexation. 18463

(2) Within twenty days after receiving the notice required 18464  
by division (B) of this section, the legislative authority of 18465  
the municipal corporation shall adopt, by ordinance or 18466  
resolution, a statement indicating what services the municipal 18467  
corporation will provide or cause to be provided, and an 18468  
approximate date by which it will provide or cause them to be 18469  
provided, to the territory proposed for annexation, upon 18470  
annexation. If a hearing is to be conducted under division (E) 18471  
of this section, the legislative authority shall file the 18472  
statement with the clerk of the board of county commissioners at 18473  
least twenty days before the date of the hearing. 18474

(D) If all parties to the annexation proceedings consent 18475  
to the proposed annexation, a hearing shall not be held, and the 18476  
board, at its next regular session, shall enter upon its journal 18477  
a resolution granting the annexation. There is no appeal in law 18478  
or in equity from the board's entry of a resolution under this 18479  
division. The clerk of the board shall proceed as provided in 18480  
division (C) (1) of section 709.033 of the Revised Code. 18481

(E) Unless the petition is granted under division (D) of 18482  
this section, a hearing shall be held on the petition. The board 18483  
of county commissioners shall hear the petition at its next 18484  
regular session and shall notify the agent for the petitioners 18485  
of the hearing's date, time, and place. The agent for the 18486  
petitioners shall give, within five days after receipt of the 18487  
notice of the hearing from the board, to the parties and 18488  
property owners entitled to notice under division (B) of this 18489  
section, notice of the date, time, and place of the hearing. 18490  
Notice to a property owner is sufficient if sent by regular 18491

United States mail to the tax mailing address listed on the 18492  
county auditor's records. At the hearing, the parties and any 18493  
owner of real estate within the territory proposed to be annexed 18494  
are entitled to appear for the purposes described in division 18495  
(C) of section 709.032 of the Revised Code. 18496

(F) Within thirty days after a hearing under division (E) 18497  
of this section, the board of county commissioners shall enter 18498  
upon its journal a resolution granting or denying the proposed 18499  
annexation. The resolution shall include specific findings of 18500  
fact as to whether or not each of the conditions listed in this 18501  
division has been met. If the board grants the annexation, the 18502  
clerk of the board shall proceed as provided in division (C)(1) 18503  
of section 709.033 of the Revised Code. 18504

The board shall enter a resolution granting the annexation 18505  
if it finds, based upon a preponderance of the substantial, 18506  
reliable, and probative evidence on the whole record, that each 18507  
of the following conditions has been met: 18508

(1) The petition meets all the requirements set forth in, 18509  
and was filed in the manner provided in, section 709.021 of the 18510  
Revised Code. 18511

(2) The persons who signed the petition are owners of real 18512  
estate located in the territory proposed to be annexed in the 18513  
petition and constitute all of the owners of real estate in that 18514  
territory. 18515

(3) No street or highway will be divided or segmented by 18516  
the boundary line between a township and the municipal 18517  
corporation as to create a road maintenance problem, or if the 18518  
street or highway will be so divided or segmented, the municipal 18519  
corporation has agreed, as a condition of the annexation, that 18520

it will assume the maintenance of that street or highway. For 18521  
the purposes of this division, "street" or "highway" has the 18522  
same meaning as in section 4511.01 of the Revised Code. 18523

(4) The municipal corporation to which the territory is 18524  
proposed to be annexed has adopted an ordinance or resolution as 18525  
required by division (C) (2) of this section. 18526

(5) The state director of housing and development has 18527  
certified that the project meets the requirements of divisions 18528  
(A) (1) and (2) of this section and thereby qualifies as a 18529  
significant economic development project. The director's 18530  
certification is binding on the board of county commissioners. 18531

(G) An owner who signed the petition may appeal a decision 18532  
of the board of county commissioners denying the proposed 18533  
annexation under section 709.07 of the Revised Code. No other 18534  
person has standing to appeal the board's decision in law or in 18535  
equity. If the board grants the annexation, there shall be no 18536  
appeal in law or in equity. 18537

(H) Notwithstanding anything to the contrary in section 18538  
503.07 of the Revised Code, unless otherwise provided in an 18539  
annexation agreement entered into pursuant to section 709.192 of 18540  
the Revised Code or in a cooperative economic development 18541  
agreement entered into pursuant to section 701.07 of the Revised 18542  
Code, territory annexed into a municipal corporation pursuant to 18543  
this section shall not at any time be excluded from the township 18544  
under section 503.07 of the Revised Code and, thus, remains 18545  
subject to the township's real property taxes. 18546

(I) A municipal corporation to which annexation is 18547  
proposed is entitled in its sole discretion to provide to the 18548  
territory proposed for annexation, upon annexation, services in 18549



addition to the services described in the ordinance or 18550  
resolution adopted by the legislative authority of the municipal 18551  
corporation under division (C) (2) of this section. 18552

**Sec. 709.192.** (A) The legislative authority of one 18553  
municipal corporation, by ordinance or resolution, and the board 18554  
of township trustees of one or more townships, by resolution, 18555  
may enter into annexation agreements under this section. 18556

(B) An annexation agreement may be entered into for any 18557  
period of time and may be amended at any time in the same manner 18558  
as it was initially authorized. 18559

(C) Annexation agreements may provide for any of the 18560  
following: 18561

- (1) The territory to be annexed; 18562
- (2) Any periods of time during which no annexations will 18563  
be made and any areas that will not be annexed; 18564
- (3) Land use planning matters; 18565
- (4) The provision of joint services and permanent 18566  
improvements within incorporated or unincorporated areas; 18567
- (5) The provision of services and improvements by a 18568  
municipal corporation in the unincorporated areas; 18569
- (6) The provision of services and improvements by a 18570  
township within the territory of a municipal corporation; 18571
- (7) The payment of service fees to a municipal corporation 18572  
by a township; 18573
- (8) The payment of service fees to a township by a 18574  
municipal corporation; 18575
- (9) The reallocation of the minimum mandated levies 18576

established pursuant to section 5705.31 of the Revised Code 18577  
between a municipal corporation and a township in areas annexed 18578  
~~after the effective date of this section~~ March 27, 2002; 18579

(10) The issuance of notes and bonds and other debt 18580  
obligations by a municipal corporation or township for public 18581  
purposes authorized by or under an annexation agreement and 18582  
provision for the allocation of the payment of the principal of, 18583  
interest on, and other charges and costs of issuing and 18584  
servicing the repayment of the debt; 18585

(11) Agreements by a municipal corporation and township, 18586  
with owners or developers of land to be annexed, or with both 18587  
those landowners and land developers, concerning the provision 18588  
of public services, facilities, and permanent improvements; 18589

(12) The application of tax abatement statutes within the 18590  
territory covered by the annexation agreement subsequent to its 18591  
execution; 18592

(13) Changing township boundaries under Chapter 503. of 18593  
the Revised Code to exclude newly annexed territory from the 18594  
original township and providing services to that territory; 18595

(14) Payments in lieu of taxes, if any, to be paid to a 18596  
township by a municipal corporation, which payments may be in 18597  
addition to or in lieu of other payments required by law to be 18598  
made to the township by that municipal corporation; 18599

(15) Any other matter pertaining to the annexation or 18600  
development of publicly or privately owned territory. 18601

(D) Annexation agreements shall not be in derogation of 18602  
the powers granted to municipal corporations by Article XVIII, 18603  
Ohio Constitution, by any other provisions of the Ohio 18604  
Constitution, or by the provisions of a municipal charter, nor 18605

shall municipal corporations and townships agree to share 18606  
proceeds of any tax levy, although those proceeds may be used to 18607  
make payments authorized in an annexation agreement. 18608

(E) If any party to an annexation agreement believes 18609  
another party has failed to perform its part of any provision of 18610  
that agreement, including the failure to make any payment of 18611  
moneys due under the agreement, that party shall give notice to 18612  
the other party clearly stating what breach has occurred. The 18613  
party receiving the notice has ninety days from the receipt of 18614  
that notice to cure the breach. If the breach has not been cured 18615  
within that ninety-day period, the party that sent the notice 18616  
may sue for recovery of the money due under the agreement, sue 18617  
for specific enforcement of the agreement, or terminate the 18618  
agreement upon giving notice of termination to all the other 18619  
parties. 18620

(F) In order to promote economic development or to provide 18621  
appropriate state functions and services to any part of the 18622  
state, the state may become a party to an annexation agreement 18623  
upon the approval of the director of housing and development and 18624  
with the written consent of the legislative authority of the 18625  
municipal corporation and each of the boards of township 18626  
trustees that are parties to the agreement. 18627

(G) The board of county commissioners, by resolution, or 18628  
any person, upon request, may become a party to an annexation 18629  
agreement, but only upon the approval of the legislative 18630  
authority of the municipal corporation and each of the boards of 18631  
township trustees that are parties to the agreement, except 18632  
that, if the state is a party to the agreement, the director of 18633  
housing and development is responsible for giving the approval. 18634

(H) The powers granted by this section and any annexation 18635

agreement entered into under this section shall be liberally 18636  
construed to allow parties to these agreements to carry out the 18637  
agreements' provisions relevant to government improvements, 18638  
facilities, and services, and to promote and support economic 18639  
development and the creation and preservation of economic 18640  
opportunities. 18641

**Sec. 715.70.** (A) This section and section 715.71 of the 18642  
Revised Code apply only to: 18643

(1) Municipal corporations and townships within a county 18644  
that has adopted a charter under Sections 3 and 4 of Article X, 18645  
Ohio Constitution; 18646

(2) Municipal corporations and townships that have created 18647  
a joint economic development district comprised entirely of real 18648  
property owned by a municipal corporation at the time the 18649  
district was created under this section. The real property owned 18650  
by the municipal corporation shall include an airport owned by 18651  
the municipal corporation and located entirely beyond the 18652  
municipal corporation's corporate boundary. 18653

(3) Municipal corporations or townships that are part of 18654  
or contiguous to a transportation improvement district created 18655  
under Chapter 5540. of the Revised Code and that have created a 18656  
joint economic development district under this section or 18657  
section 715.71 of the Revised Code prior to November 15, 1995; 18658

(4) Municipal corporations that have previously entered 18659  
into a contract creating a joint economic development district 18660  
pursuant to division (A) (2) of this section, even if the 18661  
territory to be included in the district does not meet the 18662  
requirements of that division. 18663

(B) (1) One or more municipal corporations and one or more 18664

townships may enter into a contract approved by the legislative 18665  
authority of each contracting party pursuant to which they 18666  
create as a joint economic development district an area or areas 18667  
for the purpose of facilitating economic development to create 18668  
or preserve jobs and employment opportunities and to improve the 18669  
economic welfare of the people in the state and in the area of 18670  
the contracting parties. A municipal corporation described in 18671  
division (A) (4) of this section may enter into a contract with 18672  
other municipal corporations and townships to create a new joint 18673  
economic development district. In a district that includes a 18674  
municipal corporation described in division (A) (4) of this 18675  
section, the territory of each of the contracting parties shall 18676  
be contiguous to the territory of at least one other contracting 18677  
party, or contiguous to the territory of a township or municipal 18678  
corporation that is contiguous to another contracting party, 18679  
even if the intervening township or municipal corporation is not 18680  
a contracting party. The area or areas of land to be included in 18681  
the district shall not include any parcel of land owned in fee 18682  
by a municipal corporation or a township or parcel of land that 18683  
is leased to a municipal corporation or a township, unless the 18684  
municipal corporation or township is a party to the contract or 18685  
unless the municipal corporation or township has given its 18686  
consent to have its parcel of land included in the district by 18687  
the adoption of a resolution. As used in this division, "parcel 18688  
of land" means any parcel of land owned by a municipal 18689  
corporation or a township for at least a six-month period within 18690  
a five-year period prior to the creation of a district, but 18691  
"parcel of land" does not include streets or public ways and 18692  
sewer, water, and other utility lines whether owned in fee or 18693  
otherwise. 18694

The district created shall be located within the territory 18695

of one or more of the participating parties and may consist of 18696  
all or a portion of such territory. The boundaries of the 18697  
district shall be described in the contract or in an addendum to 18698  
the contract. 18699

(2) Prior to the public hearing to be held pursuant to 18700  
division (D) (2) of this section, the participating parties shall 18701  
give a copy of the proposed contract to each municipal 18702  
corporation located within one-quarter mile of the proposed 18703  
joint economic development district and not otherwise a party to 18704  
the contract, and afford the municipal corporation the 18705  
reasonable opportunity, for a period of thirty days following 18706  
receipt of the proposed contract, to make comments and 18707  
suggestions to the participating parties regarding elements 18708  
contained in the proposed contract. 18709

(3) The district shall not exceed two thousand acres in 18710  
area. The territory of the district shall not completely 18711  
surround territory that is not included within the boundaries of 18712  
the district. 18713

(4) Sections 503.07 to 503.12 of the Revised Code do not 18714  
apply to territory included within a district created pursuant 18715  
to this section as long as the contract creating the district is 18716  
in effect, unless the legislative authority of each municipal 18717  
corporation and the board of township trustees of each township 18718  
included in the district consent, by ordinance or resolution, to 18719  
the application of those sections of the Revised Code. 18720

(5) Upon the execution of the contract creating the 18721  
district by the parties to the contract, a participating 18722  
municipal corporation or township included within the district 18723  
shall file a copy of the fully executed contract with the county 18724  
recorder of each county within which a party to the contract is 18725

located, in the miscellaneous records of the county. No 18726  
annexation proceeding pursuant to Chapter 709. of the Revised 18727  
Code that proposes the annexation to, merger, or consolidation 18728  
with a municipal corporation of any unincorporated territory 18729  
within the district shall be commenced for a period of three 18730  
years after the contract is filed with the county recorder of 18731  
each county within which a party to the contract is located 18732  
unless each board of township trustees whose territory is 18733  
included, in whole or part, within the district and the 18734  
territory proposed to be annexed, merged, or consolidated adopts 18735  
a resolution consenting to the commencement of the proceeding 18736  
and a copy of the resolution is filed with the legislative 18737  
authority of each county within which a party to the contract is 18738  
located or unless the contract is terminated during this period. 18739

The contract entered into between the municipal 18740  
corporations and townships pursuant to this section may provide 18741  
for the prohibition of any annexation by the participating 18742  
municipal corporations of any unincorporated territory within 18743  
the district beyond the three-year mandatory prohibition of any 18744  
annexation provided for in division (B) (5) of this section. 18745

(C) (1) After the legislative authority of a municipal 18746  
corporation and the board of township trustees have adopted an 18747  
ordinance and resolution approving a contract to create a joint 18748  
economic development district pursuant to this section, and 18749  
after a contract has been signed, the municipal corporations and 18750  
townships shall jointly file a petition with the legislative 18751  
authority of each county within which a party to the contract is 18752  
located. 18753

(a) The petition shall contain all of the following: 18754

(i) A statement that the area or areas of the district are 18755

not greater than two thousand acres and are located within the 18756  
territory of one or more of the contracting parties; 18757

(ii) A brief summary of the services to be provided by 18758  
each party to the contract or a reference to the portion of the 18759  
contract describing those services; 18760

(iii) A description of the area or areas to be designated 18761  
as the district; 18762

(iv) The signature of a representative of each of the 18763  
contracting parties. 18764

(b) The following documents shall be filed with the 18765  
petition: 18766

(i) A signed copy of the contract, together with copies of 18767  
district maps and plans related to or part of the contract; 18768

(ii) A certified copy of the ordinances and resolutions of 18769  
the contracting parties approving the contract; 18770

(iii) A certificate from each of the contracting parties 18771  
indicating that the public hearings required by division (D) (2) 18772  
of this section have been held, the date of the hearings, and 18773  
evidence of publication of the notice of the hearings; 18774

(iv) One or more signed statements of persons who are 18775  
owners of property located in whole or in part within the area 18776  
to be designated as the district, requesting that the property 18777  
be included within the district, provided that those statements 18778  
shall represent a majority of the persons owning property 18779  
located in whole or in part within the district and persons 18780  
owning a majority of the acreage located within the district. A 18781  
signature may be withdrawn by the signer up to but not after the 18782  
time of the public hearing required by division (D) (2) of this 18783



section. 18784

(2) The legislative authority of each county within which 18785  
a party to the contract is located shall adopt a resolution 18786  
approving the petition for the creation of the district if the 18787  
petition and other documents have been filed in accordance with 18788  
the requirements of division (C)(1) of this section. If the 18789  
petition and other documents do not substantially meet the 18790  
requirements of that division, the legislative authority of any 18791  
county within which a party to the contract is located may adopt 18792  
a resolution disapproving the petition for the creation of the 18793  
district. The legislative authority of each county within which 18794  
a party to the contract is located shall adopt a resolution 18795  
approving or disapproving the petition within thirty days after 18796  
the petition was filed. If the legislative authority of each 18797  
such county does not adopt the resolution within the thirty-day 18798  
period, the petition shall be deemed approved and the contract 18799  
shall go into effect immediately after that approval or at such 18800  
other time as the contract specifies. 18801

(D)(1) The contract creating the district shall set forth 18802  
or provide for the amount or nature of the contribution of each 18803  
municipal corporation and township to the development and 18804  
operation of the district and may provide for the sharing of the 18805  
costs of the operation of and improvements for the district. The 18806  
contributions may be in any form to which the contracting 18807  
municipal corporations and townships agree and may include but 18808  
are not limited to the provision of services, money, real or 18809  
personal property, facilities, or equipment. The contract may 18810  
provide for the contracting parties to share revenue from taxes 18811  
levied on property by one or more of the contracting parties if 18812  
those revenues may lawfully be applied to that purpose under the 18813  
legislation by which those taxes are levied. The contract shall 18814

provide for new, expanded, or additional services, facilities, 18815  
or improvements, including expanded or additional capacity for 18816  
or other enhancement of existing services, facilities, or 18817  
improvements, provided that those services, facilities, or 18818  
improvements, or expanded or additional capacity for or 18819  
enhancement of existing services, facilities, or improvements, 18820  
required herein have been provided within the two-year period 18821  
prior to the execution of the contract. 18822

(2) Before the legislative authority of a municipal 18823  
corporation or a board of township trustees passes any ordinance 18824  
or resolution approving a contract to create a joint economic 18825  
development district pursuant to this section, the legislative 18826  
authority of the municipal corporation and the board of township 18827  
trustees shall each hold a public hearing concerning the joint 18828  
economic development district contract and shall provide thirty 18829  
days' public notice of the time and place of the public hearing 18830  
in a newspaper of general circulation in the municipal 18831  
corporation and the township. The board of township trustees may 18832  
provide additional notice to township residents in accordance 18833  
with section 9.03 of the Revised Code, and any additional notice 18834  
shall include the public hearing announcement; a summary of the 18835  
terms of the contract; a statement that the entire text of the 18836  
contract and district maps and plans are on file for public 18837  
examination in the office of the township fiscal officer; and 18838  
information pertaining to any tax changes that will or may occur 18839  
as a result of the contract. 18840

During the thirty-day period prior to the public hearing, 18841  
a copy of the text of the contract together with copies of 18842  
district maps and plans related to or part of the contract shall 18843  
be on file, for public examination, in the offices of the clerk 18844  
of the legislative authority of the municipal corporation and of 18845

the township fiscal officer. The public hearing provided for in 18846  
division (D) (2) of this section shall allow for public comment 18847  
and recommendations from the public on the proposed contract. 18848  
The contracting parties may include in the contract any of those 18849  
recommendations prior to the approval of the contract. 18850

(3) Any resolution of the board of township trustees that 18851  
approves a contract that creates a joint economic development 18852  
district pursuant to this section shall be subject to a 18853  
referendum of the electors of the township. When a referendum 18854  
petition, signed by ten per cent of the number of electors in 18855  
the township who voted for the office of governor at the most 18856  
recent general election for the office of governor, is presented 18857  
to the board of township trustees within thirty days after the 18858  
board of township trustees adopted the resolution, ordering that 18859  
the resolution be submitted to the electors of the township for 18860  
their approval or rejection, the board of township trustees 18861  
shall, after ten days and not later than four p.m. of the 18862  
ninetieth day before the election, certify the text of the 18863  
resolution to the board of elections. The board of elections 18864  
shall submit the resolution to the electors of the township for 18865  
their approval or rejection at the next general, primary, or 18866  
special election occurring subsequent to ninety days after the 18867  
certifying of the petition to the board of elections. 18868

(4) Upon the creation of a district under this section or 18869  
section 715.71 of the Revised Code, one of the contracting 18870  
parties shall file a copy of the following with the director of 18871  
housing and development: 18872

(a) The petition and other documents described in division 18873  
(C) (1) of this section, if the district is created under this 18874  
section; 18875

(b) The documents described in division (D) of section 18876  
715.71 of the Revised Code, if the district is created under 18877  
this section. 18878

(E) The district created by the contract shall be governed 18879  
by a board of directors that shall be established by or pursuant 18880  
to the contract. The board is a public body for the purposes of 18881  
section 121.22 of the Revised Code. The provisions of Chapter 18882  
2744. of the Revised Code apply to the board and the district. 18883  
The members of the board shall be appointed as provided in the 18884  
contract from among the elected members of the legislative 18885  
authorities and the elected chief executive officers of the 18886  
contracting parties, provided that there shall be at least two 18887  
members appointed from each of the contracting parties. 18888

(F) The contract shall enumerate the specific powers, 18889  
duties, and functions of the board of directors of a district, 18890  
and the contract shall provide for the determination of 18891  
procedures that are to govern the board of directors. The 18892  
contract may grant to the board the power to adopt a resolution 18893  
to levy an income tax within the district. The income tax shall 18894  
be used for the purposes of the district and for the purposes of 18895  
the contracting municipal corporations and townships pursuant to 18896  
the contract. The income tax may be levied in the district based 18897  
on income earned by persons working or residing within the 18898  
district and based on the net profits of businesses located in 18899  
the district. The income tax shall follow the provisions of 18900  
Chapter 718. of the Revised Code, except that a vote shall be 18901  
required by the electors residing in the district to approve the 18902  
rate of income tax. If no electors reside within the district, 18903  
then division (F)(4) of this section applies. The rate of the 18904  
income tax shall be no higher than the highest rate being levied 18905  
by a municipal corporation that is a party to the contract. 18906

(1) Within one hundred eighty days after the first meeting  
of the board of directors, the board may levy an income tax,  
provided that the rate of the income tax is first submitted to  
and approved by the electors of the district at the succeeding  
regular or primary election, or a special election called by the  
board, occurring subsequent to ninety days after a certified  
copy of the resolution levying the income tax and calling for  
the election is filed with the board of elections. If the voters  
approve the levy of the income tax, the income tax shall be in  
force for the full period of the contract establishing the  
district. Any increase in the rate of an income tax that was  
first levied within one hundred eighty days after the first  
meeting of the board of directors shall be approved by a vote of  
the electors of the district, shall be in force for the  
remaining period of the contract establishing the district, and  
shall not be subject to division (F)(2) of this section.

(2) Any resolution of the board of directors levying an  
income tax that is adopted subsequent to one hundred eighty days  
after the first meeting of the board of directors shall be  
subject to a referendum as provided in division (F)(2) of this  
section. Any resolution of the board of directors levying an  
income tax that is adopted subsequent to one hundred eighty days  
after the first meeting of the board of directors shall be  
subject to an initiative proceeding to amend or repeal the  
resolution levying the income tax as provided in division (F)(2)  
of this section. When a referendum petition, signed by ten per  
cent of the number of electors in the district who voted for the  
office of governor at the most recent general election for the  
office of governor, is filed with the county auditor of each  
county within which a party to the contract is located within  
thirty days after the resolution is adopted by the board or when

an initiative petition, signed by ten per cent of the number of  
electors in the district who voted for the office of governor at  
the most recent general election for the office of governor, is  
filed with the county auditor of each such county ordering that  
a resolution to amend or repeal a prior resolution levying an  
income tax be submitted to the electors within the district for  
their approval or rejection, the county auditor of each such  
county, after ten days and not later than four p.m. of the  
ninetieth day before the election, shall certify the text of the  
resolution to the board of elections of that county. The county  
auditor of each such county shall retain the petition. The board  
of elections shall submit the resolution to such electors, for  
their approval or rejection, at the next general, primary, or  
special election occurring subsequent to ninety days after the  
certifying of such petition to the board of elections.

(3) Whenever a district is located in the territory of  
more than one contracting party, a majority vote of the  
electors, if any, in each of the several portions of the  
territory of the contracting parties constituting the district  
approving the levy of the tax is required before it may be  
imposed pursuant to this division.

(4) If there are no electors residing in the district, no  
election for the approval or rejection of an income tax shall be  
held pursuant to this section, provided that where no electors  
reside in the district, the maximum rate of the income tax that  
may be levied shall not exceed one per cent.

(5) The board of directors of a district levying an income  
tax shall enter into an agreement with one of the municipal  
corporations that is a party to the contract to administer,  
collect, and enforce the income tax on behalf of the district.

The resolution levying the income tax shall provide the same 18968  
credits, if any, to residents of the district for income taxes 18969  
paid to other such districts or municipal corporations where the 18970  
residents work, as credits provided to residents of the 18971  
municipal corporation administering the income tax. 18972

(6) (a) The board shall publish or post public notice of 18973  
any resolution adopted levying an income tax in a newspaper of 18974  
general circulation within the district once a week for two 18975  
consecutive weeks or as provided in section 7.16 of the Revised 18976  
Code, before the resolution takes effect. In districts in which 18977  
no newspaper is generally circulated, notice shall be 18978  
accomplished by posting copies in not less than five of the most 18979  
public places in the district, as determined by the board, for a 18980  
period of not less than fifteen days before the effective date 18981  
of the resolution. 18982

(b) Except as otherwise specified by this division, any 18983  
referendum or initiative proceeding within a district shall be 18984  
conducted in the same manner as is required for such proceedings 18985  
within a municipal corporation pursuant to sections 731.28 to 18986  
731.40 of the Revised Code. 18987

(G) Membership on the board of directors does not 18988  
constitute the holding of a public office or employment within 18989  
the meaning of any section of the Revised Code or any charter 18990  
provision prohibiting the holding of other public office or 18991  
employment, and shall not constitute an interest, either direct 18992  
or indirect, in a contract or expenditure of money by any 18993  
municipal corporation, township, county, or other political 18994  
subdivision with which the member may be connected. No member of 18995  
a board of directors shall be disqualified from holding any 18996  
public office or employment, nor shall such member forfeit or be 18997

disqualified from holding any such office or employment, by 18998  
reason of the member's membership on the board of directors, 18999  
notwithstanding any law or charter provision to the contrary. 19000

(H) The powers and authorizations granted pursuant to this 19001  
section or section 715.71 of the Revised Code are in addition to 19002  
and not in derogation of all other powers granted to municipal 19003  
corporations and townships pursuant to law. When exercising a 19004  
power or performing a function or duty under a contract 19005  
authorized pursuant to this section or section 715.71 of the 19006  
Revised Code, a municipal corporation may exercise all of the 19007  
powers of a municipal corporation, and may perform all the 19008  
functions and duties of a municipal corporation, within the 19009  
district, pursuant to and to the extent consistent with the 19010  
contract. When exercising a power or performing a function or 19011  
duty under a contract authorized pursuant to this section or 19012  
section 715.71 of the Revised Code, a township may exercise all 19013  
of the powers of a township, and may perform all the functions 19014  
and duties of a township, within the district, pursuant to and 19015  
to the extent consistent with the contract. The district board 19016  
of directors has no powers except those specifically set forth 19017  
in the contract as agreed to by the participating parties. No 19018  
political subdivision shall authorize or grant any tax exemption 19019  
pursuant to Chapter 1728. or section 3735.67, 5709.62, 5709.63, 19020  
or 5709.632 of the Revised Code on any property located within 19021  
the district without the consent of the contracting parties. The 19022  
prohibition for any tax exemption pursuant to this division 19023  
shall not apply to any exemption filed, pending, or approved, or 19024  
for which an agreement has been entered into, before the 19025  
effective date of the contract entered into by the parties. 19026

(I) Municipal corporations and townships may enter into 19027  
binding agreements pursuant to a contract authorized under this 19028



section or section 715.71 of the Revised Code with respect to 19029  
the substance and administration of zoning and other land use 19030  
regulations, building codes, public permanent improvements, and 19031  
other regulatory and proprietary matters that are determined, 19032  
pursuant to the contract, to be for a public purpose and to be 19033  
desirable with respect to the operation of the district or to 19034  
facilitate new or expanded economic development in the state or 19035  
the district, provided that no contract shall exempt the 19036  
territory within the district from the procedures and processes 19037  
of land use regulation applicable pursuant to municipal 19038  
corporation, township, and county regulations, including but not 19039  
limited to procedures and processes concerning zoning. 19040

(J) A contract creating a joint economic development 19041  
district under this section or section 715.71 of the Revised 19042  
Code may designate property as a community entertainment 19043  
district or may be amended to designate property as a community 19044  
entertainment district as prescribed in division (D) of section 19045  
4301.80 of the Revised Code. A joint economic development 19046  
district contract or amendment designating a community 19047  
entertainment district shall include all information and 19048  
documentation described in divisions (B)(1) through (6) of 19049  
section 4301.80 of the Revised Code. The public notice required 19050  
under division (D)(2) of this section and division (C) of 19051  
section 715.71 of the Revised Code shall specify that the 19052  
contract designates a community entertainment district and 19053  
describe the location of that district. Except as provided in 19054  
division (F) of section 4301.80 of the Revised Code, an area 19055  
designated as a community entertainment district under a joint 19056  
economic development district contract shall not lose its 19057  
designation even if the contract is canceled or terminated. 19058

(K) A contract entered into pursuant to this section or 19059

section 715.71 of the Revised Code may be amended and it may be 19060  
renewed, canceled, or terminated as provided in or pursuant to 19061  
the contract. The contract may be amended to add property owned 19062  
by one of the contracting parties to the district, or may be 19063  
amended to delete property from the district whether or not one 19064  
of the contracting parties owns the deleted property. The 19065  
contract shall continue in existence throughout its term and 19066  
shall be binding on the contracting parties and on any entities 19067  
succeeding to such parties, whether by annexation, merger, or 19068  
otherwise. The income tax levied by the board pursuant to this 19069  
section or section 715.71 of the Revised Code shall apply in the 19070  
entire district throughout the term of the contract, 19071  
notwithstanding that all or a portion of the district becomes 19072  
subject to annexation, merger, or incorporation. No township or 19073  
municipal corporation is divested of its rights or obligations 19074  
under the contract because of annexation, merger, or succession 19075  
of interests. 19076

(L) After the creation of a joint economic development 19077  
district described in division (A) (2) of this section, a 19078  
municipal corporation that is a contracting party may cease to 19079  
own property included in the district, but such property shall 19080  
continue to be included in the district and subject to the terms 19081  
of the contract. 19082

**Sec. 715.72.** (A) As used in this section: 19083

(1) "Contracting parties" means one or more municipal 19084  
corporations, one or more townships, and, under division (D) of 19085  
this section, one or more counties that have entered into a 19086  
contract under this section to create a joint economic 19087  
development district. 19088

(2) "District" means a joint economic development district 19089

created under this section. 19090

(3) "Contract for utility services" means a contract under 19091  
which a municipal corporation agrees to provide to a township or 19092  
another municipal corporation water, sewer, electric, or other 19093  
utility services necessary to the public health, safety, and 19094  
welfare. 19095

(4) "Business" means a sole proprietorship, a corporation 19096  
for profit, a pass-through entity as defined in section 5733.04 19097  
of the Revised Code, the federal government, the state, the 19098  
state's political subdivisions, a nonprofit organization, or a 19099  
school district. 19100

(5) "Owner" means a partner of a partnership, a member of 19101  
a limited liability company, a majority shareholder of an S 19102  
corporation, a person with a majority ownership interest in a 19103  
pass-through entity, or any officer, employee, or agent with 19104  
authority to make decisions legally binding upon a business. 19105

(6) "Record owner" means the person or persons in whose 19106  
name a parcel is listed on the tax list or exempt list compiled 19107  
by the county auditor under section 319.28 or 5713.08 of the 19108  
Revised Code. 19109

(7) A business "operates within" a district if the net 19110  
profits of the business or the income of employees of the 19111  
business would be subject to an income tax levied within the 19112  
district. 19113

(8) An employee is "employed within" a district if any 19114  
portion of the employee's income would be subject to an income 19115  
tax levied within the district. 19116

(9) "Mixed-use development" means a real estate project 19117  
that tends to mitigate traffic and sprawl by integrating some 19118

combination of retail, office, residential, hotel, recreation, 19119  
and other functions in a pedestrian-oriented environment that 19120  
maximizes the use of available space by allowing members of the 19121  
community to live, work, and play in one architecturally 19122  
expressive area with multiple amenities. 19123

(10) "Water or sewer service plan or agreement" means 19124  
either of the following: 19125

(a) A state water quality management plan adopted by the 19126  
Ohio environmental protection agency or another authorized 19127  
planning agency pursuant to 33 U.S.C. 1288 and 1313 that 19128  
contemplates that a non-contracting municipal corporation will 19129  
provide sanitary sewer disposal services to an area within a 19130  
proposed joint economic development district; 19131

(b) A binding agreement between a municipal corporation 19132  
and a third-party water or sanitary sewer services provider, 19133  
including another municipal corporation or other public or 19134  
private provider, that provides that a non-contracting municipal 19135  
corporation or another provider that is not a contracting party 19136  
will provide water or sanitary sewer services to an area within 19137  
a proposed joint economic development district. 19138

(11) "Non-contracting municipal corporation" means a 19139  
municipal corporation that is not a contracting party. 19140

(B) This section provides alternative procedures and 19141  
requirements to those set forth in sections 715.70 and 715.71 of 19142  
the Revised Code for creating and operating a joint economic 19143  
development district. ~~This section applies to municipal~~ 19144  
~~corporations and townships that are located in the same county~~ 19145  
~~or in adjacent counties.~~ 19146

(C) One or more municipal corporations, one or more 19147

townships, and, under division (D) of this section, one or more 19148  
counties may enter into a contract pursuant to which they 19149  
designate one or more areas as a joint economic development 19150  
district for the purpose of facilitating economic development 19151  
and redevelopment, to create or preserve jobs and employment 19152  
opportunities, and to improve the economic welfare of the people 19153  
in this state and in the area of the contracting parties. 19154

(1) All or part of the territory of a contracting party 19155  
that is a municipal corporation or a township shall be located 19156  
in a county that includes all or part of the territory of at 19157  
least one other contracting party or in a county adjacent to 19158  
such a county. Except as otherwise provided in division (C) (2) 19159  
of this section, the territory of each of the contracting 19160  
parties shall be contiguous to, or overlap with, the territory 19161  
of at least one other contracting party, or contiguous to, or 19162  
overlap with, the territory of a non-contracting township, or 19163  
municipal corporation, ~~or county that the territory of which is~~ 19164  
~~contiguous to another,~~ or overlaps with, the territory of at 19165  
least one other contracting party, ~~even if the intervening~~ 19166  
~~township or municipal corporation is not a contracting party.~~ 19167

(2) Contracting parties that have entered into a contract 19168  
under section 715.70 or 715.71 of the Revised Code creating a 19169  
joint economic development district prior to November 15, 1995, 19170  
may enter into a contract under this section even if the 19171  
territory of each of the contracting parties is not contiguous 19172  
to the territory of at least one other contracting party, or 19173  
contiguous to the territory of a township or municipal 19174  
corporation that is contiguous to another contracting party as 19175  
otherwise required under division (C) (1) of this section. The 19176  
contract and district shall meet the requirements of this 19177  
section. 19178

(D) If, on or after December 30, 2008, but on or before 19179  
June 30, 2009, one or more municipal corporations and one or 19180  
more townships enter into a contract or amend an existing 19181  
contract under this section, one or more counties in which all 19182  
of those municipal corporations or townships are located also 19183  
may enter into the contract as a contracting party or parties. 19184

(E) (1) The area or areas to be included in a joint 19185  
economic development district shall meet all of the following 19186  
criteria: 19187

(a) The area or areas shall be located within the 19188  
territory of one or more of the contracting parties and may 19189  
consist of all of the territory of any or all of the contracting 19190  
parties. 19191

(b) No electors, except those residing in a mixed-use 19192  
development, shall reside within the area or areas on the 19193  
effective date of the contract creating the district. 19194

(c) The area or areas shall not include any parcel of land 19195  
owned in fee by or leased to a municipal corporation or 19196  
township, unless the municipal corporation or township is a 19197  
contracting party or has given its consent to have the parcel of 19198  
land included in the district by the adoption of an ordinance or 19199  
resolution. 19200

(d) The area or areas shall not include any parcel of land 19201  
excluded pursuant to division (J) (2) of this section. 19202

(2) The contracting parties may designate excluded parcels 19203  
within the boundaries of the joint economic development 19204  
district. Excluded parcels are not part of the district and 19205  
persons employed or residing on such parcels shall not be 19206  
subject to any income tax imposed within the district under 19207

division (F) (5) of this section. 19208

(F) (1) The contract creating a joint economic development 19209  
district shall provide for the amount or nature of the 19210  
contribution of each contracting party to the development and 19211  
operation of the district and may provide for the sharing of the 19212  
costs of the operation of and improvements for the district. The 19213  
contributions may be in any form to which the contracting 19214  
parties agree and may include, but are not limited to, the 19215  
provision of services, money, real or personal property, 19216  
facilities, or equipment. 19217

(2) The contract may provide for the contracting parties 19218  
to share revenue from taxes levied by one or more of the 19219  
contracting parties if those revenues may lawfully be applied to 19220  
that purpose under the legislation by which those taxes are 19221  
levied. 19222

(3) The contract shall include an economic development 19223  
plan for the district that consists of a schedule for the 19224  
provision of new, expanded, or additional services, facilities, 19225  
or improvements. The contract may provide for expanded or 19226  
additional capacity for or other enhancement of existing 19227  
services, facilities, or improvements. 19228

(4) The contract shall enumerate the specific powers, 19229  
duties, and functions of the board of directors of the district 19230  
described under division (P) of this section and shall designate 19231  
procedures consistent with that division for appointing members 19232  
to the board. The contract shall enumerate rules to govern the 19233  
board in carrying out its business under this section. 19234

(5) (a) The contract may grant to the board the power to 19235  
adopt a resolution to levy an income tax within the entire 19236

district or within portions of the district designated by the 19237  
contract. The income tax shall be used to carry out the economic 19238  
development plan for the district or the portion of the district 19239  
in which the tax is levied and for any other lawful purpose of 19240  
the contracting parties pursuant to the contract, including the 19241  
provision of utility services by one or more of the contracting 19242  
parties. 19243

(b) An income tax levied under this section shall be based 19244  
on both the income earned by persons employed or residing within 19245  
the district and the net profit of businesses operating within 19246  
the district. 19247

Except as provided in this section, the income tax levied 19248  
within the district is subject to Chapter 718. of the Revised 19249  
Code, except that no vote shall be required. The rate of the 19250  
income tax shall be no higher than the highest rate being levied 19251  
by a municipal corporation that is a contracting party. 19252

(c) If the board adopts a resolution to levy an income 19253  
tax, it shall enter into an agreement with a municipal 19254  
corporation that is a contracting party to administer, collect, 19255  
and enforce the income tax on behalf of the district. 19256

(d) A resolution levying an income tax under this section 19257  
shall require the contracting parties to annually set aside a 19258  
percentage, to be stated in the resolution, of the amount of the 19259  
income tax collected for the long-term maintenance of the 19260  
district. 19261

(e) An income tax levied under this section shall apply in 19262  
the district or the portion of the district in which the 19263  
contract authorizes an income tax throughout the term of the 19264  
contract creating the district. The tax shall not apply to any 19265



persons employed or residing on a parcel excluded from the 19266  
district under division (E) (2) of this section. 19267

(6) If there is unincorporated territory in the district, 19268  
the contract shall specify that restrictions on annexation 19269  
proceedings under division (R) of this section apply to such 19270  
unincorporated territory. The contract may prohibit proceedings 19271  
under Chapter 709. of the Revised Code proposing the annexation 19272  
to, merger of, or consolidation with a municipal corporation 19273  
that is a contracting party of any unincorporated territory 19274  
within a township that is a contracting party during the term of 19275  
the contract regardless of whether that territory is located 19276  
within the district. 19277

(7) The contract may designate property as a community 19278  
entertainment district, or may be amended to designate property 19279  
as a community entertainment district, as prescribed in division 19280  
(D) of section 4301.80 of the Revised Code. A contract or 19281  
amendment designating a community entertainment district shall 19282  
include all information and documentation described in divisions 19283  
(B) (1) to (6) of section 4301.80 of the Revised Code. The public 19284  
notice required under division (I) of this section shall specify 19285  
that the contract designates a community entertainment district 19286  
and describe the location of that district. Except as provided 19287  
in division (F) of section 4301.80 of the Revised Code, an area 19288  
designated as a community entertainment district under a joint 19289  
economic development district contract shall not lose its 19290  
designation even if the contract is canceled or terminated. 19291

(8) If any part of the district is located either within 19292  
one-half of one mile of a non-contracting municipal corporation 19293  
or within an area covered by or subject to a water or sewer 19294  
service plan or agreement, the contract shall include all of the 19295

following: 19296

(a) A preliminary estimate of the costs of providing 19297  
public utility services, facilities, and improvements to the 19298  
district, prepared by a professional engineer; 19299

(b) An analysis of the anticipated sources for funding the 19300  
costs of the public utilities infrastructure needed to serve the 19301  
district and a projection of when such funds will be available 19302  
and when such costs are likely to be incurred; 19303

(c) Evidence or estimates indicating that the construction 19304  
of the public utility infrastructure needed to serve at least 19305  
some portion of the district will be completed within five years 19306  
after the creation of the district. 19307

(G) The contract creating a joint economic development 19308  
district shall continue in existence throughout its term and 19309  
shall be binding on the contracting parties and on any parties 19310  
succeeding to the contracting parties, whether by annexation, 19311  
merger, or consolidation. Except as provided in division (H) of 19312  
this section, the contract may be amended, renewed, or 19313  
terminated with the approval of the contracting parties or any 19314  
parties succeeding to the contracting parties. If the contract 19315  
is amended to add or remove an area to or from an existing 19316  
district, the amendment shall be adopted in the manner 19317  
prescribed under division (L) of this section. 19318

(H) If two or more contracting parties previously have 19319  
entered into a separate contract for utility services, then 19320  
amendment, renewal, or termination of the separate contract for 19321  
utility services shall not constitute any part of the 19322  
consideration for the contract creating a joint economic 19323  
development district. A contract creating a joint economic 19324

development district shall be rebuttably presumed to violate 19325  
this division if it is entered into within two years prior or 19326  
five years subsequent to the amendment, renewal, or termination 19327  
of a separate contract for utility services that two or more 19328  
contracting parties previously have entered into. The 19329  
presumption stated in this division may be rebutted by clear and 19330  
convincing evidence of both of the following: 19331

(1) That other substantial consideration existed to 19332  
support the contract creating a joint economic development 19333  
district; 19334

(2) That the contracting parties entered into the contract 19335  
creating a joint economic development district freely and 19336  
without duress or coercion related to the amendment, renewal, or 19337  
termination of the separate contract for utility services. 19338

A contract creating a joint economic development district 19339  
that violates this division is void and unenforceable. 19340

(I) (1) Before the legislative authority of any of the 19341  
contracting parties adopts an ordinance or resolution approving 19342  
a contract to create a district, the legislative authority of 19343  
each of the contracting parties shall hold a public hearing 19344  
concerning the contract and district. Each legislative authority 19345  
shall provide at least thirty days' public notice of the time 19346  
and place of the public hearing in a newspaper of general 19347  
circulation in the municipal corporation, township, or county, 19348  
as applicable. During the thirty-day period prior to the public 19349  
hearing and until the date that an ordinance or resolution is 19350  
adopted under division (K) of this section to approve the joint 19351  
economic development district contract, all of the following 19352  
documents shall be available for public inspection in the office 19353  
of the clerk of the legislative authority of a municipal 19354

corporation and county that is a contracting party and in the 19355  
office of the fiscal officer of a township that is a contracting 19356  
party: 19357

(a) A copy of the contract creating the district, 19358  
including the economic development plan for the district and the 19359  
schedule for the provision of new, expanded, or additional 19360  
services, facilities, or improvements described in division (F) 19361  
(3) of this section; 19362

(b) A description of the area or areas to be included in 19363  
the district, including a map in sufficient detail to denote the 19364  
specific boundaries of the area or areas and to indicate any 19365  
zoning restrictions applicable to the area or areas, and the 19366  
parcel number, provided for under section 319.28 of the Revised 19367  
Code, of any parcel located within the boundaries of the joint 19368  
economic development district and excluded from the district 19369  
under division (E) (2) of this section; 19370

(c) If the contract authorizes the board of directors of 19371  
the district to adopt a resolution to levy an income tax within 19372  
the district or within portions of the district, a schedule for 19373  
the collection of the tax. 19374

(2) At least thirty days before the first public hearing 19375  
is to be held by one or more legislative authorities on a 19376  
proposed district, notice shall be sent in writing to each non- 19377  
contracting municipal corporation that is located within one- 19378  
half of one mile of the proposed district or that is identified 19379  
in a water or sewer service plan or agreement as a future 19380  
provider of water or sewer services to all or part of the 19381  
proposed district. 19382

(3) A public hearing held under this division shall allow 19383

for public comment and recommendations on the contract and 19384  
district. The contracting parties may include in the contract 19385  
any of those recommendations prior to approval of the contract. 19386

(J) (1) Before any of the contracting parties approves a 19387  
contract under division (K) of this section, the contracting 19388  
parties shall circulate one or more petitions to record owners 19389  
of real property located within the proposed joint economic 19390  
development district and owners of businesses operating within 19391  
the proposed district. The petitions shall state that all of the 19392  
documents described in divisions (I) (1) (a) to (c) of this 19393  
section are available for public inspection in the office of the 19394  
clerk of the legislative authority of each municipal corporation 19395  
and county that is a contracting party or the office of the 19396  
fiscal officer of each township that is a contracting party. The 19397  
petitions shall clearly indicate that, by signing the petition, 19398  
the record owner or owner consents to the proposed joint 19399  
economic development district. 19400

A contracting party may send written notice of the 19401  
petitions by certified mail with return receipt requested to the 19402  
last known mailing addresses of any or all of the record owners 19403  
of real property located within the proposed district or the 19404  
owners of businesses operating within the proposed district. The 19405  
contracting parties shall equally share the costs of complying 19406  
with this division. 19407

(2) If any portion of property located within the proposed 19408  
joint economic development district is also either located 19409  
within one-half of one mile of a non-contracting municipal 19410  
corporation or covered by or subject to a water or sewer service 19411  
plan or agreement under which a non-contracting municipal 19412  
corporation is identified as a future provider of water or sewer 19413

services to all or part of the proposed district, then that 19414  
property and any property contiguous to that property if owned 19415  
by the same person shall be excluded from the joint economic 19416  
development district unless the owner of the property signs the 19417  
petition. 19418

(K) (1) After the public hearings required under division 19419  
(I) of this section have been held and the petitions described 19420  
in division (J) of this section have been signed by the majority 19421  
of the record owners of real property located within the 19422  
proposed joint economic development district and by a majority 19423  
of the owners of businesses, if any, operating within the 19424  
proposed district, each contracting party may adopt an ordinance 19425  
or resolution approving the contract to create a joint economic 19426  
development district. Not later than ten days after all of the 19427  
contracting parties have adopted ordinances or resolutions 19428  
approving the district contract, each contracting party shall 19429  
give notice of the proposed district to all of the following: 19430

(a) Each record owner of real property to be included in 19431  
the district and in the territory of that contracting party who 19432  
did not sign the petitions described in division (J) of this 19433  
section; 19434

(b) An owner of each business operating within the 19435  
district and in the territory of that contracting party no owner 19436  
of which signed the petitions described in division (J) of this 19437  
section. 19438

(2) Such notices shall be given by certified mail and 19439  
shall specify that the property or business is located within an 19440  
area to be included in the district and that all of the 19441  
documents described in divisions (I) (1) (a) to (c) of this 19442  
section are available for public inspection in the office of the 19443

clerk of the legislative authority of each municipal corporation 19444  
and county that is a contracting party or the office of the 19445  
fiscal officer of each township that is a contracting party. The 19446  
contracting parties shall equally share the costs of complying 19447  
with division (K) of this section. 19448

(L) (1) The contracting parties may amend the joint 19449  
economic development district contract to add any area that was 19450  
not originally included in the district if the area satisfies 19451  
the criteria prescribed under division (E) of this section. The 19452  
contracting parties may also amend the district contract to 19453  
remove any area originally included in the district or exclude 19454  
one or more parcels located within the district pursuant to 19455  
division (E) (2) of this section. 19456

(2) An amendment adding an area to a district, removing an 19457  
area from the district, or excluding one or more parcels from 19458  
the district may be approved only by a resolution or ordinance 19459  
adopted by each of the contracting parties. The contracting 19460  
parties shall conduct public hearings on the amendment and 19461  
provide notice in the manner required under division (I) of this 19462  
section for original contracts. The contracting parties shall 19463  
make available for public inspection a copy of the amendment, a 19464  
description of the area to be added, removed, or excluded to or 19465  
from the district, and a map of that area in sufficient detail 19466  
to denote the specific boundaries of the area and to indicate 19467  
any zoning restrictions applicable to the area. 19468

(3) Before adopting a resolution or ordinance approving 19469  
the addition of an area to the district, the contracting parties 19470  
shall circulate petitions to the record owners of real property 19471  
located within the proposed addition to the district and owners 19472  
of businesses operating within the proposed addition to the 19473

district in the same manner required under division (J) of this 19474  
section for original contracts. The contracting parties may 19475  
notify such record owners of real property and owners of 19476  
businesses that the petitions are available for signing in the 19477  
same manner provided by that division. The contracting parties 19478  
shall equally share the costs of complying with this division. 19479

(4) The contracting parties to a joint economic 19480  
development district may vote to approve an amendment to the 19481  
district contract under this division after the public hearings 19482  
required under division (L)(2) of this section are completed 19483  
and, if the amendment adds an area or areas to the district, the 19484  
petitions required under division (L)(3) of this section have 19485  
been signed by the majority of record owners of real property 19486  
located within the area or areas added to the district and by a 19487  
majority of the owners of businesses, if any, operating within 19488  
the proposed addition to the district. 19489

(5) Not later than ten days after all of the contracting 19490  
parties have adopted ordinances or resolutions approving an 19491  
amendment adding one or more areas to the district, each 19492  
contracting party shall give notice of the addition to all of 19493  
the following: 19494

(a) Each record owner of real property to be included in 19495  
the addition to the district and in the territory of that 19496  
contracting party who did not sign the petitions described in 19497  
division (L)(3) of this section; 19498

(b) An owner of each business operating within the 19499  
addition to the district and in the territory of that 19500  
contracting party no owner of which signed the petitions 19501  
described in division (L)(3) of this section. 19502



The contracting parties shall equally share the costs of 19503  
complying with division (L) (5) of this section. 19504

(M) (1) A board of township trustees that is a party to a 19505  
contract creating a joint economic development district may 19506  
choose not to submit its resolution approving the contract to 19507  
the electors of the township if all of the following conditions 19508  
are satisfied: 19509

(a) The resolution has been approved by a unanimous vote 19510  
of the members of the board of township trustees or, if a county 19511  
is one of the contracting parties under division (D) of this 19512  
section, the resolution has been approved by a majority vote of 19513  
the members of the board of township trustees; 19514

(b) The contracting parties have circulated petitions as 19515  
required under division (J) of this section and obtained the 19516  
signatures required under division (L) of this section; 19517

(c) The territory to be included in the proposed district 19518  
is zoned in a manner appropriate to the function of the 19519  
district. 19520

(2) If the board of township trustees has not invoked its 19521  
authority under division (M) (1) of this section, the board, at 19522  
least ninety days before the date of the election, shall file 19523  
its resolution approving the district contract with the board of 19524  
elections for submission to the electors of the township for 19525  
approval at the next succeeding general, primary, or special 19526  
election. 19527

(3) Any contract creating a district in which a board of 19528  
township trustees is a party shall provide that the contract is 19529  
not effective before the thirty-first day after its approval, 19530  
including approval by the electors of the township if required 19531

by this section. 19532

(4) If the board of township trustees invokes its 19533  
authority under division (M) (1) of this section and does not 19534  
submit the district contract to the electors for approval, the 19535  
resolution of the board of township trustees approving the 19536  
contract is subject to a referendum of the electors of the 19537  
township when requested through a petition. When signed by ten 19538  
per cent of the number of electors in the township who voted for 19539  
the office of governor at the most recent general election, a 19540  
referendum petition asking that the resolution be submitted to 19541  
the electors of the township may be presented to the board of 19542  
township trustees. Such a petition shall be presented within 19543  
thirty days after the board of township trustees adopts the 19544  
resolution approving the district contract. The board of 19545  
township trustees shall, not later than four p.m. of the tenth 19546  
day after receipt of the petition, certify the text of the 19547  
resolution to the board of elections. The board of elections 19548  
shall submit the resolution to the electors of the township for 19549  
their approval or rejection at the next general, primary, or 19550  
special election occurring at least ninety days after 19551  
certification of the resolution. 19552

(N) The ballot respecting a resolution to create a 19553  
district or a referendum of such a resolution shall be in the 19554  
following form: 19555

"Shall the resolution of the board of township trustees 19556  
approving the contract with ..... (here insert name of 19557  
every other contracting party) for the creation of a joint 19558  
economic development district be approved? 19559

FOR THE RESOLUTION AND CONTRACT 19560

AGAINST THE RESOLUTION AND CONTRACT" 19561

If a majority of the electors of the township voting on 19562  
the issue vote for the resolution and contract, the resolution 19563  
shall become effective immediately and the contract shall go 19564  
into effect on the thirty-first day after the election or 19565  
thereafter in accordance with terms of the contract. 19566

(O) Upon the creation of a district under this section, 19567  
one of the contracting parties shall file a copy of each of the 19568  
following documents with the director of housing and 19569  
development: 19570

(1) All of the documents described in divisions (I) (1) (a) 19571  
to (c) of this section; 19572

(2) Certified copies of the ordinances and resolutions of 19573  
the contracting parties relating to the contract and district; 19574

(3) Documentation from each contracting party that the 19575  
public hearings required by division (I) of this section have 19576  
been held, the date of the hearings, and evidence that notice of 19577  
the hearings was published as required by that division; 19578

(4) A copy of the signed petitions required under 19579  
divisions (J) and (K) of this section. 19580

(P) A board of directors shall govern each district 19581  
created under this section. 19582

(1) If there are businesses operating and persons employed 19583  
within the district, the board shall be composed of the 19584  
following members: 19585

(a) One member representing the municipal corporations 19586  
that are contracting parties; 19587

(b) One member representing the townships that are 19588  
contracting parties; 19589

(c) One member representing the owners of businesses 19590  
operating within the district; 19591

(d) One member representing the persons employed within 19592  
the district; 19593

(e) One member representing the counties that are 19594  
contracting parties, or, if no contracting party is a county, 19595  
one member selected by the members described in divisions (P) (1) 19596  
(a) to (d) of this section. 19597

The members of the board shall be appointed as provided in 19598  
the district contract. Of the members initially appointed to the 19599  
board, the member described in division (P) (1) (a) of this 19600  
section shall serve a term of one year; the member described in 19601  
division (P) (1) (b) of this section shall serve a term of two 19602  
years; the member described in division (P) (1) (c) of this 19603  
section shall serve a term of three years; and the members 19604  
described in divisions (P) (1) (d) and (e) of this section shall 19605  
serve terms of four years. Thereafter, terms for each member 19606  
shall be for four years, each term ending on the same day of the 19607  
same month of the year as did the term that it succeeds. A 19608  
member may be reappointed to the board, but no member shall 19609  
serve more than two consecutive terms on the board. 19610

The member described in division (P) (1) (e) of this section 19611  
shall serve as chairperson of the board described under division 19612  
(P) (1) of this section. 19613

(2) If there are no businesses operating or persons 19614  
employed within the district, the board shall be composed of the 19615  
following members: 19616

(a) One member representing the municipal corporations 19617  
that are contracting parties; 19618

(b) One member representing the townships that are 19619  
contracting parties; 19620

(c) One member representing the counties that are 19621  
contracting parties, or if no contracting party is a county, one 19622  
member selected by the members described in divisions (P) (2) (a) 19623  
and (b) of this section. 19624

The members of the board shall be appointed as provided in 19625  
the district contract. Of the members initially appointed to the 19626  
board, the member described in division (P) (2) (a) of this 19627  
section shall serve a term of one year; the member described in 19628  
division (P) (2) (b) of this section shall serve a term of two 19629  
years; and the member described in division (P) (2) (c) of this 19630  
section shall serve a term of three years. Thereafter, terms for 19631  
each member shall be for four years, each term ending on the 19632  
same day of the same month of the year as did the term that it 19633  
succeeds. A member may be reappointed to the board, but no 19634  
member shall serve more than two consecutive terms on the board. 19635

The member described in division (P) (2) (c) of this section 19636  
shall serve as chairperson of a board described under division 19637  
(P) (2) of this section. 19638

(3) A board described under division (P) (1) or (2) of this 19639  
section has no powers except as described in this section and in 19640  
the contract creating the district. 19641

(4) Membership on the board of directors of a joint 19642  
economic development district created under this section is not 19643  
the holding of a public office or employment within the meaning 19644  
of any section of the Revised Code prohibiting the holding of 19645

other public office or employment. Membership on such a board is 19646  
not a direct or indirect interest in a contract or expenditure 19647  
of money by a municipal corporation, township, county, or other 19648  
political subdivision with which a member may be affiliated. 19649  
Notwithstanding any provision of law to the contrary, no member 19650  
of a board of directors of a joint economic development district 19651  
shall forfeit or be disqualified from holding any public office 19652  
or employment by reason of membership on the board. 19653

(5) The board of directors of a joint economic development 19654  
district is a public body for the purposes of section 121.22 of 19655  
the Revised Code. Chapter 2744. of the Revised Code applies to 19656  
such a board and the district. 19657

(Q) (1) On or before the date occurring six months after 19658  
the effective date of the district contract, an owner of a 19659  
business operating within the district may, on behalf of the 19660  
business and its employees, file a complaint with the court of 19661  
common pleas of the county in which the majority of the 19662  
territory of the district is located requesting exemption from 19663  
any income tax imposed by the board of directors of the district 19664  
under division (F) (5) of this section if all of the following 19665  
apply: 19666

(a) The business operated within an unincorporated area of 19667  
the district before the effective date of the district contract; 19668

(b) No owner of the business signed a petition described 19669  
in division (J) of this section; 19670

(c) Neither the business nor its employees has derived or 19671  
will derive any material benefit from the new, expanded, or 19672  
additional services, facilities, or improvements described in 19673  
the economic development plan for the district, or the material 19674

benefit that has, or will be, derived is negligible in 19675  
comparison to the income tax revenue generated from the net 19676  
profits of the business and the income of employees of the 19677  
business. 19678

The legislative authority of each contracting party shall 19679  
be made a party to the proceedings and the business owner filing 19680  
the complaint shall serve notice of the complaint by certified 19681  
mail to each such contracting party. The court shall not accept 19682  
any complaint filed more than six months after the effective 19683  
date of the district contract. 19684

(2) Any or all of the contracting parties may submit a 19685  
written answer to the complaint submitted under division (Q) (1) 19686  
of this section to the court within thirty days after notice of 19687  
the complaint was served upon them. Such a contracting party 19688  
shall submit to the court, along with the answer, documentation 19689  
sufficient to prove that the contracting party sent copies of 19690  
the answer to the owner of the business who filed the complaint. 19691

(3) The court shall review each complaint submitted by a 19692  
business owner under division (Q) (1) of this section and each 19693  
answer submitted by a contracting party under division (Q) (2) of 19694  
this section. The court may make a determination on the record 19695  
and the evidence thus submitted, or it may conduct a hearing and 19696  
request the presence of the business owner and the contracting 19697  
parties to present evidence relevant to the complaint. The court 19698  
shall make a determination on the complaint not sooner than 19699  
thirty days but not later than sixty days after the complaint is 19700  
filed by the business owner. The court may make a determination 19701  
more than sixty days after the complaint is filed if the 19702  
business owner and all contracting parties to the district 19703  
consent. 19704

(4) The court shall grant the exemption requested in the 19705  
complaint if all of the criteria described in divisions (Q) (1) 19706  
(a) to (c) of this section are met. 19707

(5) If all the criteria described in divisions (Q) (1) (a) 19708  
to (c) of this section are not met, the court shall deny the 19709  
complaint and the exemption. 19710

(6) The court shall send notice of the determination with 19711  
respect to the complaint to the owner of the business and each 19712  
contracting party. If the court grants the exemption, the net 19713  
profits of the business from operations within the district and 19714  
the income of its employees from employment within the district 19715  
are exempt from any income tax imposed by the board of directors 19716  
of the district. If the court denies the exemption, the net 19717  
profits of the business and the income of its employees shall be 19718  
taxed according to the terms of the district contract and any 19719  
taxes, penalties, and interest accrued before the date of the 19720  
court's determination shall be paid in full. In addition, no 19721  
owner of the business may submit another complaint under 19722  
division (Q) (1) of this section for the same district contract. 19723  
The court's determination on a complaint filed under division 19724  
(Q) of this section is final. 19725

(7) Chapter 2506. of the Revised Code does not apply to 19726  
the proceedings described in division (Q) of this section. 19727

(R) (1) No proceeding pursuant to Chapter 709. of the 19728  
Revised Code that proposes the annexation to, merger of, or 19729  
consolidation with a municipal corporation of any unincorporated 19730  
territory within a joint economic development district may be 19731  
commenced at any time between the effective date of the contract 19732  
creating the district and the date the contract expires, 19733  
terminates, or is otherwise rendered unenforceable. This 19734



division does not apply if each board of township trustees whose  
territory is included within the district and whose territory is  
proposed to be annexed, merged, or consolidated adopts a  
resolution consenting to the commencement of the proceeding.  
Each such board of township trustees shall file a copy of the  
resolution with the clerk of the legislative authority of each  
county within which a contracting party is located.

(2) The contract creating a joint economic development  
district may prohibit any annexation proceeding by a contracting  
municipal corporation of any unincorporated territory within the  
district or zone beyond the period described in division (R)(1)  
of this section.

(3) No contracting party is divested or relieved of its  
rights or obligations under the contract creating a joint  
economic development district because of annexation, merger, or  
consolidation.

(S) Contracting parties may enter into agreements pursuant  
to the contract creating a joint economic development district  
with respect to the substance and administration of zoning and  
other land use regulations, building codes, permanent public  
improvements, and other regulatory and proprietary matters  
determined to be for a public purpose. No contract, however,  
shall exempt the territory within the district from the  
procedures of land use regulation applicable pursuant to  
municipal corporation, township, and county regulations,  
including, but not limited to, zoning procedures.

(T) The powers granted under this section are in addition  
to and not in the derogation of all other powers possessed by or  
granted to municipal corporations, townships, and counties  
pursuant to law.

(1) When exercising a power or performing a function or 19765  
duty under a contract entered into under this section, a 19766  
municipal corporation may exercise all the powers of a municipal 19767  
corporation, and may perform all the functions and duties of a 19768  
municipal corporation, within the district, pursuant to and to 19769  
the extent consistent with the contract. 19770

(2) When exercising a power or performing a function or 19771  
duty under a contract entered into under division (D) of this 19772  
section, a county may exercise all of the powers of a county, 19773  
and may perform all the functions and duties of a county, within 19774  
the district pursuant to and to the extent consistent with the 19775  
contract. 19776

(3) When exercising a power or performing a function or 19777  
duty under a contract entered into under this section, a 19778  
township may exercise all the powers of a township, and may 19779  
perform all the functions and duties of a township, within the 19780  
district, pursuant to and to the extent consistent with the 19781  
contract. 19782

(U) No political subdivision shall grant any tax exemption 19783  
under Chapter 1728. or section 3735.67, 5709.62, 5709.63, or 19784  
5709.632 of the Revised Code on any property located within the 19785  
district without the consent of all the contracting parties. The 19786  
prohibition against granting a tax exemption under this section 19787  
does not apply to any exemption filed, pending, or approved 19788  
before the effective date of the contract entered into under 19789  
this section. 19790

**Sec. 902.04.** (A) An issuer may from time to time issue 19791  
bonds to carry out the lawful purposes set forth in this chapter 19792  
including, but not limited to, the purchase of loans or other 19793  
evidence of debt from and the making of loans to or through 19794

lending institutions, the payment of the costs of insurance, 19795  
letters of credit, certificates of deposit, and purchase 19796  
agreements related to the bonds or loans, underwriting, legal, 19797  
accounting, financial consulting, rating, printing, and other 19798  
services relating to the issuance and sale of the bonds, fees of 19799  
any trustee, paying agent, bond registrar, depository, transfer 19800  
agent, and authenticating agent, interest on the bonds, 19801  
establishment of reserve funds securing the bonds, and any other 19802  
costs reasonably related to the issuance, sale, marketing, 19803  
servicing, insuring, guaranteeing, and otherwise securing of the 19804  
bonds. Any issuer may from time to time, whenever it considers 19805  
refunding to be expedient, issue bonds to refund any bonds 19806  
issued under this chapter whether the bonds to be refunded have 19807  
or have not matured, and may issue bonds partly to refund bonds 19808  
then outstanding and partly for any other authorized purpose. 19809  
The terms of the issuance and sale of refunding bonds shall be 19810  
as provided in this chapter for an original issue of bonds. 19811

(B) Bonds, and the issuance of bonds, pursuant to this 19812  
chapter need not comply with any other law applicable to the 19813  
issuance of bonds. The deposit, application, safeguarding, and 19814  
investment of funds of an issuer received or held under bond 19815  
proceedings of the issuer shall not be subject to Chapters 131. 19816  
and 135. of the Revised Code. 19817

(C) (1) Bonds issued pursuant to this chapter do not 19818  
constitute a debt, or the pledge of the faith and credit, of the 19819  
state or any political subdivision thereof, and the holders or 19820  
owners of such bonds have no right to have taxes levied by the 19821  
general assembly or taxing authority of any political 19822  
subdivision for the payment of the principal thereof or interest 19823  
thereon. Moneys raised by taxation shall not be obligated or 19824  
pledged for the payment of principal of or interest on such 19825

bonds, but such bonds shall be payable solely from the revenues 19826  
and security interests pledged for their payment as authorized 19827  
by this chapter, unless bonds are issued in anticipation of the 19828  
issuance of or are refunded by refunding bonds issued pursuant 19829  
to this chapter, which refunding bonds shall be payable solely 19830  
from revenues and security interests pledged for their payment 19831  
as authorized by this chapter. Bond anticipation notes may be 19832  
secured solely or additionally by a covenant of the issuer that 19833  
it will do all things necessary for the issuance of the bonds 19834  
anticipated or renewal notes in appropriate amount and either 19835  
exchange such bonds or renewal notes for such notes or apply the 19836  
proceeds therefrom to the extent necessary to make full payment 19837  
of the principal of and interest on such notes. 19838

(2) Any pledge of revenues to the payment of bonds is 19839  
valid and binding from the time the pledge is made and the 19840  
revenues so pledged and thereafter received by the issuer are 19841  
immediately subject to the lien of such pledge without any 19842  
separation or physical delivery thereof, or further act, and the 19843  
lien of any such pledge is valid and binding as against all 19844  
parties having claims of any kind in tort, contract, or 19845  
otherwise against the issuer, irrespective of whether such 19846  
parties have notice thereof, and creates a perfected security 19847  
interest for all purposes of Chapter 1309. of the Revised Code. 19848  
Neither the resolution or ordinance nor any trust agreement or 19849  
indenture by which a pledge is created need be filed or recorded 19850  
except in the records of the issuer. 19851

(3) All bonds shall contain on the face thereof a 19852  
statement to the effect that the bonds, as to both principal and 19853  
interest, are not debts of the state or any political 19854  
subdivision thereof, but are payable solely from the revenues 19855  
and security interests pledged for their payment. 19856

(D) (1) The bonds shall be authorized by one or more 19857  
resolutions or ordinances of the issuing authority, shall bear 19858  
such date or dates, and shall mature at such time or times, not 19859  
exceeding forty years from the date of issue, and have such 19860  
redemption and purchase provisions as are authorized by or 19861  
pursuant to such resolutions or ordinances. The bonds shall bear 19862  
interest at such rate or rates, or at a variable rate or rates, 19863  
as provided in or authorized by or pursuant to such resolutions 19864  
or ordinances. The bonds shall be in such denominations, be in 19865  
such form, either coupon, registered or book entry, carry such 19866  
registration privileges, be payable in such medium of payment, 19867  
at such place or places, and be subject to such terms of 19868  
redemption as the issuing authority may authorize. The bonds may 19869  
be sold by the issuing authority at public or private sale, at 19870  
not less than such price or prices as the issuer determines. 19871  
Notwithstanding any other provision of this chapter or Chapter 19872  
165., 761., or 1724. of the Revised Code, the commission shall 19873  
have exclusive power to authorize the issuance and sale of bonds 19874  
for agricultural purposes under a composite financing 19875  
arrangement in excess of five hundred thousand dollars; provided 19876  
that other issuers may issue bonds under composite financing 19877  
arrangements in such greater amounts and at such times as shall 19878  
be approved by the commission. 19879

(2) Bonds issued by the agricultural financing commission 19880  
shall be executed by the chairperson or vice-chairperson of the 19881  
commission, manually or by a facsimile signature. The official 19882  
seal of the commission or a facsimile thereof shall be affixed 19883  
thereto or printed thereon, and any coupons attached thereto 19884  
shall bear the signature or facsimile signature of the 19885  
chairperson or vice-chairperson of the commission. Bonds and 19886  
coupons issued by any other issuer shall be executed by such 19887

officers, in manual or facsimile form, and bear such official 19888  
seal or a facsimile thereof, as shall be provided in the bond 19889  
proceedings for the bonds. In case any officer whose signature 19890  
or a facsimile of whose signature, appears on any bonds or 19891  
coupons ceases to be such officer before delivery of bonds, such 19892  
signature or facsimile is nevertheless sufficient for all 19893  
purposes the same as if the officer had remained in office until 19894  
such delivery, and in case the seal has been changed after a 19895  
facsimile has been imprinted on such bonds, such facsimile seal 19896  
will continue to be sufficient for all purposes. The bonds may 19897  
also be issued and executed in book entry form in such manner as 19898  
is appropriate to that form. Neither the members of the issuing 19899  
authority nor any person executing the bonds is liable 19900  
personally on the bonds or subject to any personal liability by 19901  
reason of the issuance thereof. 19902

(E) If the issuer is a county or municipal corporation, 19903  
then prior to the delivery of bonds issued under authority of 19904  
this section, the issuing authority shall send written notice to 19905  
the director of agriculture and the director of housing and 19906  
development either by certified mail or, if the issuing 19907  
authority has record of an internet identifier of record 19908  
associated with the director, by ordinary mail and by that 19909  
internet identifier of record advising of the proposed delivery 19910  
of the bonds, the amount thereof, the proposed lessee of the 19911  
project or person to whom the proceeds of the bonds will be 19912  
loaned, and a general description of the project or projects to 19913  
be financed. 19914

(F) All bonds issued under authority of this chapter, 19915  
regardless of form or terms and regardless of any other law to 19916  
the contrary, shall have all qualities and incidents of 19917  
negotiable instruments, subject to provisions for registration, 19918

and may be issued in coupon, fully registered, or other form, or 19919  
any combination thereof, as the issuing authority determines. 19920  
Provision may be made for the registration of any coupon bonds 19921  
as to principal alone or as to both principal and interest, and 19922  
for the conversion into coupon bonds of any fully registered 19923  
bonds or bonds registered as to both principal and interest. 19924

(G) As used in this section, "internet identifier of 19925  
record" has the same meaning as in section 9.312 of the Revised 19926  
Code. 19927

**Sec. 991.02.** (A) There is hereby created the Ohio 19928  
expositions commission, which shall consist of the following 19929  
fifteen members: nine members appointed by the governor with the 19930  
advice and consent of the senate; the director of housing and 19931  
development, the director of natural resources, and the director 19932  
of agriculture, or their designated representatives, who shall 19933  
be ex officio members with voting rights of the commission; the 19934  
dean of the college of food, agricultural, and environmental 19935  
sciences of the Ohio state university as a nonvoting, ex officio 19936  
member of the commission; and the chairperson of the standing 19937  
committee in the house of representatives to which matters 19938  
dealing with agriculture are generally referred and the 19939  
chairperson of the standing committee in the senate to which 19940  
matters dealing with agriculture are generally referred, who 19941  
shall be nonvoting members. If the senate is not in session, 19942  
recess appointments shall be made by the governor. 19943

(B) Of the nine members of the commission appointed by the 19944  
governor, not more than five shall be from one political party, 19945  
at least three members shall receive the major portion of their 19946  
income from farming, and at least one member shall, at the time 19947  
of appointment, be a member of the board of directors of an 19948

agricultural society that was organized in compliance with 19949  
section 1711.01 or 1711.02 of the Revised Code. Terms of office 19950  
shall be for six years, commencing on the second day of December 19951  
and ending on the first day of December. Each member shall hold 19952  
office from the date of appointment until the end of the term 19953  
for which the member was appointed. Any member appointed to fill 19954  
a vacancy occurring prior to the expiration of the term for 19955  
which the member's predecessor was appointed shall hold office 19956  
for the remainder of that term. Any member shall continue in 19957  
office subsequent to the expiration date of the member's term 19958  
until the member's successor takes office, or until a period of 19959  
sixty days has elapsed, whichever occurs first. 19960

The term of each nonvoting, legislative member of the 19961  
commission shall be for two years or until the end of the 19962  
member's legislative term, whichever occurs first. 19963

(C) The commission shall annually, during the month of 19964  
December, select from among its members a chairperson, a vice- 19965  
chairperson, who in the absence of the chairperson shall carry 19966  
out the chairperson's duties, and a secretary, who may be a 19967  
member or employee of the commission, to record the minutes of 19968  
its meetings and to carry out such other duties as may be 19969  
assigned by the commission, its chairperson, or its vice- 19970  
chairperson. 19971

(D) The director of agriculture, the director of natural 19972  
resources, and the director of housing and development, or their 19973  
designated representatives, the dean of the college of food, 19974  
agricultural, and environmental sciences of the Ohio state 19975  
university, and the two legislators appointed to the commission, 19976  
as members of the commission shall serve without compensation. 19977

(E) Each of the members of the commission appointed by the 19978



governor shall be paid the rate established pursuant to division 19979  
(J) of section 124.15 of the Revised Code. All members of the 19980  
commission are entitled to their actual and necessary expenses 19981  
incurred in the performance of their duties as such members, 19982  
payable from the appropriations for the commission. 19983

(F) The commission shall hold at least one regular meeting 19984  
in each quarter of each calendar year, and shall keep a record 19985  
of its proceedings, which shall be open to the public for 19986  
inspection. Special meetings may be called by the chairperson 19987  
and shall be called by the chairperson upon receipt of a written 19988  
request therefor signed by two or more members of the 19989  
commission. Written notice of the time and place of each meeting 19990  
shall be sent to each member of the commission. Six of the 19991  
voting members of the commission shall constitute a quorum. 19992

(G) The commission shall employ and prescribe the powers 19993  
and duties of a general manager who shall serve in the 19994  
unclassified civil service at a salary fixed pursuant to section 19995  
124.14 of the Revised Code. The general manager may employ such 19996  
assistant managers as the general manager and the commission may 19997  
approve. At no time shall such assistant managers exceed four in 19998  
number, one of whom shall be appointed in the classified civil 19999  
service. The general manager may, subject to the approval of the 20000  
commission, employ a fiscal officer and such other officers, 20001  
employees, and consultants with such powers and duties as are 20002  
necessary to carry out this chapter. With the approval of the 20003  
commission and in order to implement this chapter, the general 20004  
manager may employ and fix the compensation of seasonal 20005  
employees; these employees shall be in the unclassified civil 20006  
service, and the overtime pay requirements of section 124.18 of 20007  
the Revised Code do not apply to them. The general manager shall 20008  
be considered the appointing authority of the commission for 20009

purposes of Chapter 124. of the Revised Code. 20010

(H) The governor may remove any appointed voting member of 20011  
the commission at any time for inefficiency, neglect of duty, or 20012  
malfeasance in office. 20013

**Sec. 1517.14.** (A) The director of natural resources may 20014  
create wild, scenic, and recreational rivers. The chief of the 20015  
division of natural areas and preserves shall supervise, 20016  
operate, protect, and maintain wild, scenic, and recreational 20017  
rivers so created. In creating wild, scenic, and recreational 20018  
rivers, the director shall classify each such watercourse as 20019  
either a wild river, a scenic river, or a recreational river. 20020  
The chief may prepare and maintain a plan for the establishment, 20021  
development, use, and administration of those rivers as a part 20022  
of the comprehensive state plans for water management and 20023  
outdoor recreation. The chief, with the approval of the 20024  
director, may cooperate with federal agencies administering any 20025  
federal program concerning wild, scenic, or recreational river 20026  
systems. 20027

(B) The director may propose to create a wild, scenic, or 20028  
recreational river that consists of a part or parts of any 20029  
watercourse in this state that in the director's judgment 20030  
possesses water conservation, scenic, fish, wildlife, historic, 20031  
or outdoor recreation values that should be preserved. 20032

(C) (1) The director shall publish the intention to declare 20033  
a watercourse a wild, scenic, or recreational river at least 20034  
once in a newspaper of general circulation in each county, any 20035  
part through which the watercourse flows. The director also 20036  
shall send written notice of the intention to the legislative 20037  
authority of each county, township, and municipal corporation 20038  
and to each conservancy district established under Chapter 6101. 20039

of the Revised Code, any part through which the watercourse 20040  
flows, and to the director of transportation, the director of 20041  
housing and development, the director of administrative 20042  
services, and the director of environmental protection. The 20043  
notices shall include a copy of a map and description of the 20044  
watercourse to be designated. 20045

(2) The director of natural resources shall post the 20046  
intention to declare a watercourse a wild, scenic, or 20047  
recreational river on the division of natural areas and 20048  
preserves' web site on the date of the initial publication under 20049  
division (C) (1) of this section. 20050

(3) Any person having an interest in the proposed 20051  
declaration may file written comments to the proposal within 20052  
sixty days of the last date of publication or dispatch of 20053  
written notice as required under division (C) (1) of this 20054  
section. The director shall post on the division's web site the 20055  
last date by which written comments may be filed. 20056

(4) After sixty days from the last date of publication or 20057  
dispatch of written notice as required under division (C) (1) of 20058  
this section, the director may enter a declaration in the 20059  
director's journal that the watercourse is a wild river, scenic 20060  
river, or recreational river. When so entered, the watercourse 20061  
is a wild, scenic, or recreational river, as applicable. The 20062  
director, after sixty days' notice as prescribed in this 20063  
section, may terminate the status of a watercourse as a wild 20064  
river, scenic river, or recreational river by an entry in the 20065  
director's journal. 20066

(D) Declaration of a watercourse as a wild, scenic, or 20067  
recreational river does not do either of the following: 20068

(1) Affect private property rights or authorize the director, chief of the division of natural areas and preserves, or any governmental agency or political subdivision to restrict the use of private land adjacent to the river or to enter upon private land;

(2) Expand or abridge the regulatory authority of any governmental agency or political subdivision over the river.

(E) The director may acquire real property or any estate, right, or interest therein in order to provide for the protection and public recreational use of a wild, scenic, or recreational river. The director may enter into a lease or other agreement with a political subdivision to administer all or part of any publicly owned land that is administered by the division and that is within the watershed of a wild, scenic, or recreational river.

(F) A wild, scenic, or recreational river that was declared as such by the director of natural resources under Chapter 1547. of the Revised Code prior to ~~the effective date of this amendment~~ October 24, 2024, retains its declaration as a wild, scenic, or recreational river for purposes of sections 1517.14 to 1517.19 of the Revised Code on and after that date.

**Sec. 1551.01.** As used in this chapter:

(A) "Governmental agency" means the United States government or any department, agency, or instrumentality thereof; any department, agency, or instrumentality of a state government; any municipal corporation, county, township, board of education, or other political subdivision or any other body corporate and politic of a state; or any agency, commission, or authority established under an interstate compact or agreement.

(B) "Energy resource development facility" means any 20098  
energy resource development, research, or conservation facility, 20099  
including pilot as well as demonstration facilities, and 20100  
including undivided or other interests therein, acquired or to 20101  
be acquired, or constructed or to be constructed under this 20102  
chapter or Chapter 6121. or 6123. of the Revised Code, or 20103  
acquired or to be acquired, or constructed or to be constructed 20104  
by a governmental agency or person with all or a part of the 20105  
cost thereof being paid from a loan or grant under such 20106  
chapters, including all buildings and facilities that the 20107  
director of housing and development determines necessary for the 20108  
operation of the facility, together with all property, rights, 20109  
easements, and interests that may be required for the operation 20110  
of the facility, which facilities may include: 20111

(1) Any building, testing facility, testing device, or 20112  
support facilities which would provide experimental, 20113  
demonstration, or testing capabilities or services not otherwise 20114  
available in this state and which are necessary for the 20115  
accomplishment of the purposes of this chapter; 20116

(2) Any method, process, structure, or equipment that is 20117  
used to store coal, oil, natural gas, fuel for nuclear reactors, 20118  
or any other form of energy; 20119

(3) Any method, process, structure, or equipment that is 20120  
used to recover or convert coal, oil, natural gas, steam, or 20121  
other form of energy from property located within the state for 20122  
the purpose of supplying energy for utilization; 20123

(4) Any method, process, structure, or equipment that is 20124  
designed to result in more efficient recovery, conversion, or 20125  
utilization of energy resources within the state, including any 20126  
scrap tire recovery facility for which a registration 20127

certificate or permit has been issued under section 3734.78 of 20128  
the Revised Code; 20129

(5) Any improvement that is designed to improve the 20130  
thermal efficiency of a building or structure or reduce the fuel 20131  
or power needed to heat, cool, light, ventilate, or provide hot 20132  
water in a building or structure; 20133

(6) Any improvement designed to enable the substitution of 20134  
coal or alternate fuel, other than natural gas, for natural gas 20135  
or a petroleum fuel, or the conversion of coal to other fuels; 20136

(7) Any improvement designed to enable the combustion of 20137  
high sulfur coal in compliance with air or water pollution 20138  
control or solid waste disposal laws, including, but not limited 20139  
to, any facility for processing coal to remove sulfur before 20140  
combustion of the coal, for fluidized bed combustion, or for 20141  
removal of the sulfur before the products of combustion are 20142  
emitted or discharged. 20143

(C) "Cost" as applied to an energy resource development 20144  
facility means the cost of acquisition and construction, the 20145  
cost of acquisition of all land, rights-of-way, property rights, 20146  
easements, franchise rights, and interests required for such 20147  
acquisition and construction, the cost of demolishing or 20148  
removing any buildings or structures on land so acquired, 20149  
including the cost of acquiring any lands to which such 20150  
buildings or structures may be moved, the cost of acquiring or 20151  
constructing and equipping a principal office and sub-offices of 20152  
the department of housing and development, the cost of diverting 20153  
highways, interchange of highways, access roads to private 20154  
property, including the cost of land or easements for such 20155  
access roads, the cost of public utility and common carrier 20156  
relocation or duplication, the cost of all machinery, 20157

furnishings, and equipment, financing charges, interest prior to 20158  
and during construction and for no more than eighteen months 20159  
after completion of construction, engineering, expenses of 20160  
research and development with respect to the facility, legal 20161  
expenses, plans, specifications, surveys, studies, estimates of 20162  
cost and revenues, working capital, other expenses necessary or 20163  
incident to determining the feasibility or practicability of 20164  
acquiring or constructing such facility, administrative expense, 20165  
and such other expense as may be necessary or incident to the 20166  
acquisition or construction of the facility, the financing of 20167  
such acquisition or construction, including the amount 20168  
authorized in the resolution of the Ohio water development 20169  
authority providing for the issuance of energy resource 20170  
development revenue bonds to be paid into any special funds from 20171  
the proceeds of such bonds, and the financing of the placing of 20172  
such facility in operation. Any obligation, cost, or expense 20173  
incurred after August 26, 1975, by any governmental agency or 20174  
person for surveys, borings, preparation of plans and 20175  
specifications, and other engineering services, or any other 20176  
cost described above, in connection with the acquisition or 20177  
construction of a facility may be regarded as a part of the cost 20178  
of such facility and may be reimbursed out of the proceeds of 20179  
energy resource development revenue bonds. 20180

(D) "Revenues" means all rentals and other charges 20181  
received by the Ohio water development authority for the use or 20182  
services of any energy resource development facility, any 20183  
contract, gift, or grant received with respect to any energy 20184  
resource development facility, and moneys received with respect 20185  
to the lease, sublease, sale, including installment sale or 20186  
conditional sale, or other disposition of an energy resource 20187  
development facility, moneys received in repayment of and for 20188

interest on any loans made by the authority to a person or 20189  
governmental agency, whether from the United States or any 20190  
department, administration, or agency thereof, or otherwise, 20191  
proceeds of energy resource development revenue bonds to the 20192  
extent that the use thereof for payment of principal of, 20193  
premium, if any, or interest on the bonds is authorized by the 20194  
authority, proceeds from any insurance, condemnation, or 20195  
guaranty pertaining to a facility or property mortgaged to 20196  
secure bonds or pertaining to the financing of a facility, and 20197  
income and profit from the investment of the proceeds of energy 20198  
resource development revenue bonds or of any revenues. 20199

(E) "Construction," unless the context indicates a 20200  
different meaning or intent, includes construction, 20201  
reconstruction, enlargement, improvement, or providing 20202  
furnishings or equipment. 20203

(F) "Energy resource development revenue bonds," unless 20204  
the context indicates a different meaning or intent, includes 20205  
energy resource development revenue bonds, energy resource 20206  
development revenue notes, and energy resource development 20207  
revenue refunding bonds. 20208

(G) "Energy" means work or heat that is, or can be, 20209  
produced from any fuel or source whatsoever. 20210

(H) "Energy audit" means any process by which energy usage 20211  
or costs of heating, cooling, lighting, and climate control in a 20212  
building or structure are determined. 20213

(I) "Energy conservation" means preservation of energy 20214  
resources by efficient utilization, and reduction of waste. 20215

(J) "Energy conservation measure" means any modification 20216  
of a building, structure, machine, appliance, vehicle, 20217



improvement, or process in order to improve its efficiency of 20218  
energy use or energy costs. 20219

(K) "Fuel" means petroleum, crude oil, petroleum product, 20220  
coal, natural gas, synthetic natural or artificial gas, nuclear, 20221  
or other substance used primarily for its energy content. 20222

(L) "Net energy analysis" means the determination of the 20223  
amount of energy remaining after all energy outputs have been 20224  
subtracted from the energy inputs of a given system. 20225

**Sec. 1551.05.** The department of ~~development~~ housing and 20226  
development shall: 20227

(A) Monitor and assess technological advancements in 20228  
energy conservation and development, and maintain to the extent 20229  
practicable a capability for independent technology assessment 20230  
to support formulation of state energy policy; 20231

(B) Review laws, rules, and state agency policies that 20232  
affect energy utilization, and recommend to the agencies and the 20233  
general assembly changes to achieve energy conservation and 20234  
development; 20235

(C) Develop methods for the performance of energy audits 20236  
of buildings and structures and net energy analyses, employing 20237  
whenever possible existing knowledge and practices, in order to 20238  
identify energy cost savings to be realized through energy 20239  
conservation measures, and prepare or identify curricula or 20240  
source materials for training of persons conducting energy 20241  
audits; 20242

(D) Implement a continuing public education effort 20243  
designed to inform individuals and organizations about specific 20244  
and appropriate ways to conserve energy; 20245

(E) Provide technical assistance, information on 20246  
technological advancements in energy production, use, and 20247  
conservation, energy efficiency information, recommendations to 20248  
state agencies and local governments, assistance in the 20249  
identification, evaluation, and implementation of measures to 20250  
reduce energy consumption and waste, and public information on 20251  
energy conservation measures, criteria, and alternatives to 20252  
assist consumers in purchasing appliances, machinery, power 20253  
tools, and similar products; 20254

(F) Identify, project, and monitor reduction in energy 20255  
demand due to energy conservation measures in the industrial, 20256  
commercial, residential, transportation, and energy production 20257  
sectors and the state as a whole; 20258

(G) Annually apply for, receive, accept, and administer 20259  
assistance on behalf of the state pursuant to and in compliance 20260  
with the "Energy Policy and Conservation Act," 89 Stat. 871, 42 20261  
U.S.C.A. 6201, as amended. 20262

**Sec. 1551.06.** The department of housing and development 20263  
shall be the coordinating agency responsible for involving all 20264  
other appropriate agencies of state government in developing 20265  
programs to conserve energy, and shall be responsible for 20266  
minimizing duplication of effort among state agencies and 20267  
programs in the state. 20268

All state departments, agencies, institutions, 20269  
universities, colleges, authorities, boards, and commissions, 20270  
and all political subdivisions and quasi-governmental agencies 20271  
of the state shall cooperate and coordinate all such activities 20272  
with the department to ensure orderly and efficient 20273  
administration and enforcement. 20274

**Sec. 1551.11.** (A) To achieve the purposes of sections 20275  
1551.01 to 1551.25 of the Revised Code, the director of housing 20276  
and development may: 20277

(1) Identify, plan, organize, initiate, and sponsor 20278  
studies, research, and experimental, pilot, and demonstration 20279  
facilities and projects that would lead to the development and 20280  
more efficient utilization of present, new, or alternative 20281  
energy sources in this state, to the conservation of energy, to 20282  
the attraction of federal and other development funding in 20283  
emerging and established national or state priority areas, or to 20284  
the enhancement of the economic development of the state; 20285

(2) Promote, assist, and provide financial assistance for 20286  
the development of nonprofit corporations organized and 20287  
established under Chapter 1702. of the Revised Code to further 20288  
the purposes of this section; 20289

(3) Seek out, apply for, receive, and accept grants, 20290  
gifts, contributions, loans, and other assistance in any form 20291  
from public and private sources, including assistance from any 20292  
governmental agency; 20293

(4) Make grants under division (F) of section 1551.12 of 20294  
the Revised Code from funds that are appropriated by the general 20295  
assembly and from gifts or grants obtained under division (A) (3) 20296  
of this section for the purposes of developing, constructing, or 20297  
operating experimental, pilot, and demonstration facilities or 20298  
programs which develop, test, or demonstrate more efficient and 20299  
environmentally acceptable methods of extracting energy 20300  
resources; new concepts, programs, or technology for the 20301  
conservation of energy; new concepts, programs, or technology 20302  
for the efficient and environmentally acceptable utilization of 20303  
present, new, or alternative energy sources; or concepts, 20304

programs, or technology which develop resources of the state. 20305  
Grants may be made, without limitation, for projects and 20306  
programs such as experimental demonstrations of the use of Ohio 20307  
coal in processes which would facilitate its widespread use as a 20308  
source of energy; experimental demonstrations of new or improved 20309  
coal, natural gas, and natural petroleum extraction techniques 20310  
and of reclamation techniques at the extraction sites; 20311  
experimental demonstrations or development of solar heating and 20312  
cooling and potentially energy-efficient construction in public 20313  
buildings, schools, offices, commercial establishments, and 20314  
residential homes; development of programs or experimental 20315  
demonstrations of the utilization of waste products in energy 20316  
production and mineral and energy conservation; and development 20317  
of programs or experimental demonstrations of technologies which 20318  
would permit utility pricing policies which may reduce the 20319  
consumer costs of energy. 20320

(5) Enter into agreements with persons and governmental 20321  
agencies, in any combination, for the purposes of this section. 20322

(B) Any materials or data submitted to, made available by 20323  
or to, or received by the director under division (A) of this 20324  
section, division (F) of section 1551.12, or division (B) of 20325  
section 1551.15 of the Revised Code, and any information taken 20326  
from those materials or data for any purpose, to the extent that 20327  
those materials or data consist of trade secrets or other 20328  
proprietary information, are not public information or public 20329  
documents and shall not be open to public inspection. 20330

(C) The exercise by the director of the powers conferred 20331  
by sections 1551.01 to 1551.25 of the Revised Code for the 20332  
preservation or creation of jobs and employment opportunities 20333  
for the people of this state through the development and 20334

efficient utilization of energy resources of the state is in all 20335  
respects for the benefit of the people of the state, and is 20336  
determined to be an essential government function and public 20337  
purpose of the state. 20338

**Sec. 1551.12.** The director of housing and development may: 20339

(A) Seek, solicit, or acquire personal property or any 20340  
estate, interest, or right in real property, or services, funds, 20341  
and other things of value of any kind or character by purchase, 20342  
lease, gift, grant, contribution, exchange, or otherwise from 20343  
any person or governmental agency to be held, used, and applied 20344  
in accordance with and for the purposes of sections 1551.01 to 20345  
1551.25 of the Revised Code; 20346

(B) Contract for the operation of, and establish rules for 20347  
the use of, facilities over which the director has supervision 20348  
or control, which rules may include the limitation of ingress to 20349  
or egress from such facilities as may be necessary to maintain 20350  
the security of such facilities and to provide for the safety of 20351  
those on the premises of such facilities; 20352

(C) Purchase such fire and extended coverage insurance and 20353  
insurance protecting against liability for damage to property or 20354  
injury to or death of persons as the director may consider 20355  
necessary and proper under sections 1551.01 to 1551.25 of the 20356  
Revised Code; 20357

(D) Sponsor, conduct, assist, and encourage conferences, 20358  
seminars, meetings, institutes, and other forms of meetings; 20359  
authorize, prepare, publish, and disseminate any form of 20360  
studies, reports, and other publications; originate, prepare, 20361  
and assist proposals for the expenditure or granting of funds by 20362  
any governmental agency or person for purposes of energy 20363

resource development; and investigate, initiate, sponsor, 20364  
participate in, and assist with cooperative activities and 20365  
programs involving governmental agencies and other entities of 20366  
other states and jurisdictions; 20367

(E) Do all acts and things necessary and proper to carry 20368  
out the powers granted and the duties imposed by sections 20369  
1551.01 to 1551.25 of the Revised Code; 20370

(F) Make grants of funds to any person, organization, or 20371  
governmental agency of the state for the furnishing of goods or 20372  
performance of services. 20373

Any person or governmental agency that receives funds from 20374  
the department of housing and development, or utilizes the 20375  
facilities of the department under sections 1551.01 to 1551.25 20376  
of the Revised Code shall agree in writing that all know-how, 20377  
trade secrets, and other forms of property, rights, and interest 20378  
arising out of developments, discoveries, or inventions, 20379  
including patents, copyrights, or royalties thereon, which 20380  
result in whole or in part from research, studies, or testing 20381  
conducted by use of such funds or facilities shall be the sole 20382  
property of the department, except as may be otherwise 20383  
negotiated and provided by contract in advance of such research, 20384  
studies, or testing. However, such exceptions do not apply to 20385  
the director or employees of the department participating in or 20386  
performing research, tests, or studies. 20387

Rights retained by the department may be assigned, 20388  
licensed, transferred, sold, or otherwise disposed of, in whole 20389  
or in part, to any person or governmental agency. Any and all 20390  
income, royalties, or proceeds derived or retained from such 20391  
dispositions shall be paid to the state and credited to the 20392  
general revenue fund. 20393

Any instrument by which real property is acquired pursuant 20394  
to this section shall identify the agency of this state that has 20395  
the use and benefit of the real property as specified in section 20396  
5301.012 of the Revised Code. 20397

**Sec. 1551.15.** (A) All general revenue fund moneys required 20398  
by the department of housing and development for purposes of 20399  
sections 1551.01 to 1551.25 of the Revised Code are subject to 20400  
appropriation by the general assembly. 20401

(B) The director of housing and development may enter into 20402  
agreements, make grants, or enter into contracts for the 20403  
purposes of effecting the construction and operation in this 20404  
state of experimental, pilot, or demonstration energy resource 20405  
development facilities. Before making grants or entering 20406  
contracts, the director shall determine that all of the 20407  
following criteria are met: 20408

(1) The urgency of public need for the potential results 20409  
of the experimental, pilot, or demonstration project is high, 20410  
and there is little likelihood that similar results would be 20411  
achieved in this state in a timely manner in the absence of 20412  
state assistance; 20413

(2) The potential opportunities for private interests to 20414  
recapture the investment in the undertaking through the normal 20415  
commercial exploitation of proprietary knowledge appear to be 20416  
inadequate to encourage timely results in this state; 20417

(3) The extent of the problems treated and the objectives 20418  
sought by the project are consistent with the purposes of 20419  
sections 1551.01 to 1551.25 of the Revised Code and of general 20420  
significance to the state. 20421

This determination by the director shall include the facts 20422

or reasons justifying it and shall be journalized by the 20423  
director. 20424

(C) The director may use funds as appropriated, donated, 20425  
granted, or received for any of the following purposes: 20426

(1) Construction and related architectural or engineering 20427  
studies or purchase of physical plant and equipment for an 20428  
experimental, pilot, or demonstration energy resource 20429  
development facility; 20430

(2) Acquisition and improvement of land, construction of 20431  
roads, and provision of other public facilities incidental and 20432  
necessary to the accomplishment of experimental, pilot, or 20433  
demonstration energy resource development facilities; 20434

(3) Operation of an energy resource development 20435  
experimental, pilot, or demonstration project or facility, which 20436  
could include but not be limited to labor, feedstocks, and 20437  
repair or replacement parts; 20438

(4) Purchase of all or a portion of the usable output of 20439  
energy resource development experimental, pilot, or 20440  
demonstration projects and the disposition of this output for 20441  
use in the facilities of governmental agencies. 20442

(D) Each grant made pursuant to this section shall be 20443  
accomplished through written agreements between the department 20444  
and the person or governmental agency which would effect the 20445  
construction and operation of the project or facility, and 20446  
between the department and the persons and governmental agencies 20447  
which would share the expenses and costs of the project or 20448  
facility. In addition to such other terms as may be required by 20449  
law or advised by counsel, each agreement shall provide for each 20450  
of the following conditions: 20451



(1) The limitation of the department's financial 20452  
obligations in the project or facility to a specified dollar 20453  
amount which shall not exceed one-third of the total costs of 20454  
the project or facility; 20455

(2) The financial participation in the project or facility 20456  
by the federal government or its agencies, by private 20457  
corporations doing business in this state, by local governmental 20458  
agencies, or by other organizations; 20459

(3) The disposition of the assets of the project or 20460  
facility, should it be terminated or abandoned, in such manner 20461  
that the department shall be repaid in the same proportion as 20462  
its share in the total of moneys, property, or other assets 20463  
expended, contributed, or invested in the project or facility; 20464

(4) The criteria for the identification if and when the 20465  
project or facility is commercially viable through the 20466  
profitable disposition of its output; 20467

(5) The termination of the department's financial support 20468  
at such time the project or facility is commercially viable and 20469  
the repayment of the department through the future profits, if 20470  
any, of the project or facility. 20471

**Sec. 1551.19.** The director of housing and development 20472  
shall adopt, consistent with the "Energy Policy and Conservation 20473  
Act of 1975," 89 Stat. 871, 42 U.S.C.A. 6291, as amended: 20474

(A) Mandatory lighting efficiency rules for all existing 20475  
public buildings above a minimum size established by the 20476  
director which are owned, leased, or controlled by the state, 20477  
except by state colleges and universities; 20478

(B) Lighting efficiency recommendations for all other 20479  
existing public buildings larger than the minimum size 20480

established by the director, including those which are owned, 20481  
leased, or controlled by state colleges and universities. 20482

For the purposes of this section, "public building" means 20483  
any building that is open to the public during normal business 20484  
hours. 20485

**Sec. 1551.20.** (A) As used in this section, "solar or wind 20486  
energy system" means any method used directly to provide space 20487  
heating or cooling, hot water, industrial process heat, or 20488  
mechanical or electric power by the collection, conversion, or 20489  
storage of solar or wind energy including, but not limited to, 20490  
active or passive solar systems. It does not include any 20491  
equipment that is part of a conventional system for such 20492  
purposes, that is, a system that does not use solar or wind 20493  
energy; nor does it include a roof or any windows or walls that 20494  
would be contained in a similar structure not designed or 20495  
modified to use solar energy for space heating or cooling, 20496  
except for those modifications to the design or construction of 20497  
such roof, windows, or walls that are necessary to their 20498  
improved use to capture solar energy for space heating or 20499  
cooling. 20500

As used in this section, "hydrothermal energy system" 20501  
means any method used directly to provide a heating or cooling 20502  
effect by causing a thermal exchange with the earth utilizing 20503  
any water source, including ground or surface water by use of 20504  
appropriate heat exchange equipment. 20505

(B) The director of housing and development shall adopt 20506  
rules in accordance with Chapter 119. of the Revised Code 20507  
establishing guidelines for identifying solar, wind, or 20508  
hydrothermal energy systems and components thereof, and 20509  
guidelines for the safety and thermal efficiency of such 20510

systems. The rules shall distinguish such systems from 20511  
conventional systems and components thereof, and shall 20512  
distinguish from conventional roof, window, or wall design or 20513  
construction those modifications to the design or construction 20514  
of roofs, windows, or walls that are necessary to their improved 20515  
use to capture solar energy for space heating or cooling. The 20516  
rules shall determine the eligibility of solar, wind, and 20517  
hydrothermal energy systems for the tax exemption under section 20518  
5709.53 of the Revised Code. 20519

(C) At the request of any person who designs, 20520  
manufactures, installs, or constructs solar, wind, or 20521  
hydrothermal energy systems, the director shall review the 20522  
detailed construction plans and design calculations for any such 20523  
system to determine whether the system complies with the 20524  
guidelines adopted under division (B) of this section. If the 20525  
system complies with the guidelines, the director shall enter 20526  
the name of the system on a list of solar, wind, or hydrothermal 20527  
energy systems eligible for the tax exemption under section 20528  
5709.53 of the Revised Code. 20529

(D) At the request of any person who desires to design or 20530  
install a solar, wind, or hydrothermal energy system for ~~his~~ the 20531  
person's own use, the director shall review the plans for or a 20532  
narrative description of the system, and the list of components 20533  
and materials to be incorporated therein to determine whether 20534  
the system complies with the guidelines adopted under division 20535  
(B) of this section. If the system complies, the director shall 20536  
issue a certificate to that effect to the applicant. 20537

**Sec. 1551.311.** The general assembly hereby finds and 20538  
declares that the future of the Ohio coal industry lies in the 20539  
development of clean coal technology and that the 20540

disproportionate economic impact on the state under Title IV of 20541  
the "Clean Air Act Amendments of 1990," 104 Stat. 2584, 42 20542  
U.S.C.A. 7651, warrants maximum federal assistance to this state 20543  
for such development. It is therefore imperative that the 20544  
department of housing and development, its Ohio coal development 20545  
office, the Ohio coal industry, the Ohio Washington office in 20546  
the office of the governor, and the state's congressional 20547  
delegation make every effort to acquire any federal assistance 20548  
available for the development of clean coal technology, 20549  
including assisting entities eligible for grants in their 20550  
acquisition. The Ohio coal development agenda required by 20551  
section 1551.34 of the Revised Code shall include, in addition 20552  
to the other information required by that section, a description 20553  
of such efforts and a description of the current status of the 20554  
development of clean coal technology in this state and 20555  
elsewhere. 20556

**Sec. 1551.32.** (A) There is hereby established within the 20557  
department of housing and development the Ohio coal development 20558  
office whose purposes are to do all of the following: 20559

(1) Encourage, promote, and support siting, financing, 20560  
construction, and operation of commercially available or scaled 20561  
facilities and technologies, including, without limitation, 20562  
commercial-scale demonstration facilities and, when necessary or 20563  
appropriate to demonstrate the commercial acceptability of a 20564  
specific technology, up to three installations within this state 20565  
utilizing the specific technology, to more efficiently produce, 20566  
beneficiate, market, or use Ohio coal; 20567

(2) Encourage, promote, and support the market acceptance 20568  
and increased market use of Ohio coal through technology and 20569  
market development; 20570

(3) Assist in the financing of coal development facilities;	20571 20572
(4) Encourage, promote, and support, in state-owned buildings, facilities, and operations, use of Ohio coal and electricity sold by utilities and others in this state that use Ohio coal for generation;	20573 20574 20575 20576
(5) Improve environmental quality, particularly through cleaner use of Ohio coal;	20577 20578
(6) Assist and cooperate with governmental agencies, universities and colleges, coal producers, coal miners, electric utilities and other coal users, public and private sector coal development interests, and others in achieving these purposes.	20579 20580 20581 20582
(B) The office shall give priority to improvement or reconstruction of existing facilities and equipment when economically feasible, to construction and operation of commercial-scale facilities, and to technologies, equipment, and other techniques that enable maximum use of Ohio coal in an environmentally acceptable, cost-effective manner.	20583 20584 20585 20586 20587 20588
<b>Sec. 1551.33.</b> (A) The director of <u>housing and</u> development shall appoint and fix the compensation of the director of the Ohio coal development office. The director shall serve at the pleasure of the director of <u>housing and</u> development.	20589 20590 20591 20592
(B) The director of the office shall do all of the following:	20593 20594
(1) Biennially prepare and maintain the Ohio coal development agenda required under section 1551.34 of the Revised Code;	20595 20596 20597
(2) Propose and support policies for the office consistent	20598

with the Ohio coal development agenda and develop means to 20599  
implement the agenda; 20600

(3) Initiate, undertake, and support projects to carry out 20601  
the office's purposes and ensure that the projects are 20602  
consistent with and meet the selection criteria established by 20603  
the Ohio coal development agenda; 20604

(4) Actively encourage joint participation in and, when 20605  
feasible, joint funding of the office's projects with 20606  
governmental agencies, electric utilities, universities and 20607  
colleges, other public or private interests, or any other 20608  
person; 20609

(5) Establish a table of organization for and employ such 20610  
employees and agents as are necessary for the administration and 20611  
operation of the office. Any such employees shall be in the 20612  
unclassified service and shall serve at the pleasure of the 20613  
director of housing and development. 20614

(6) Convene the technical advisory committee established 20615  
under section 1551.35 of the Revised Code; 20616

(7) Review, with the assistance of the technical advisory 20617  
committee, proposed coal research and development projects as 20618  
defined in section 1555.01 of the Revised Code, and coal 20619  
development projects, submitted to the office by public 20620  
utilities for the purpose of section 4905.304 of the Revised 20621  
Code. If the director and the advisory committee determine that 20622  
any such facility or project has as its purpose the enhanced use 20623  
of Ohio coal in an environmentally acceptable, cost effective 20624  
manner, promotes energy conservation, is cost effective, and is 20625  
environmentally sound, the director shall submit to the public 20626  
utilities commission a report recommending that the commission 20627

allow the recovery of costs associated with the facility or 20628  
project under section 4905.304 of the Revised Code and including 20629  
the reasons for the recommendation. 20630

(8) Establish such policies, procedures, and guidelines as 20631  
are necessary to achieve the office's purposes. 20632

(C) With the approval of the director of housing and 20633  
development-, the director of the office may exercise any of the 20634  
powers and duties that the director of housing and development 20635  
considers appropriate or desirable to achieve the office's 20636  
purposes, including, but not limited to, the powers and duties 20637  
enumerated in sections 1551.11, 1551.12, and 1551.15 of the 20638  
Revised Code. 20639

Additionally, the director of the office may make loans to 20640  
governmental agencies or persons for projects to carry out the 20641  
office's purposes. Fees, charges, rates of interest, times of 20642  
payment of interest and principal, and other terms, conditions, 20643  
and provisions of the loans shall be such as the director of the 20644  
office determines to be appropriate and in furtherance of the 20645  
purposes for which the loans are made. The mortgage lien 20646  
securing any moneys lent by the director of the office may be 20647  
subordinate to the mortgage lien securing any moneys lent or 20648  
invested by a financial institution, but shall be superior to 20649  
that securing any moneys lent or expended by any other person. 20650  
The moneys used in making the loans shall be disbursed upon 20651  
order of the director of the office. 20652

**Sec. 1551.35.** (A) There is hereby established a technical 20653  
advisory committee to assist the director of the Ohio coal 20654  
development office in achieving the office's purposes. The 20655  
director of housing and development shall appoint to the 20656  
committee one member of the public utilities commission and one 20657

representative each of coal production companies, the united 20658  
mine workers of America, and electric utilities, as well as two 20659  
people with a background in coal research and development 20660  
technology, one of whom is employed at the time of the member's 20661  
appointment by a state university, as defined in section 20662  
3345.011 of the Revised Code. The director of environmental 20663  
protection shall serve on the committee as an ex officio member. 20664  
Any member of the committee may designate in writing a 20665  
substitute to serve in the member's absence on the committee. 20666  
The director of environmental protection may designate in 20667  
writing the chief of the air pollution control division of the 20668  
environmental protection agency to represent the agency. Members 20669  
shall serve on the committee at the pleasure of their appointing 20670  
authority. Members of the committee appointed by the director of 20671  
housing and development, when engaged in their official duties 20672  
as members of the committee, shall be compensated on a per diem 20673  
basis in accordance with division (J) of section 124.15 of the 20674  
Revised Code, except that the member of the public utilities 20675  
commission and, while employed by a state university, the member 20676  
with a background in coal research, shall not be so compensated. 20677  
Members shall receive their actual and necessary expenses 20678  
incurred in the performance of their duties. 20679

(B) The technical advisory committee shall review and make 20680  
recommendations concerning the Ohio coal development agenda 20681  
required under section 1551.34 of the Revised Code, project 20682  
proposals, research and development projects submitted to the 20683  
office by public utilities for the purpose of section 4905.304 20684  
of the Revised Code, proposals for grants, loans, and loan 20685  
guarantees for purposes of sections 1555.01 to 1555.06 of the 20686  
Revised Code, and such other topics as the director of the 20687  
office considers appropriate. 20688



(C) The technical advisory committee may hold an executive session at any regular or special meeting for the purpose of considering research and development project proposals or applications for assistance submitted to the Ohio coal development office under section 1551.33, or sections 1555.01 to 1555.06, of the Revised Code, to the extent that the proposals or applications consist of trade secrets or other proprietary information.

Any materials or data submitted to, made available to, or received by the department of housing and development or the director of the Ohio coal development office in connection with agreements for assistance entered into under this chapter or Chapter 1555. of the Revised Code, or any information taken from those materials or data for any purpose, to the extent that the materials or data consist of trade secrets or other proprietary information, are not public records for the purposes of section 149.43 of the Revised Code.

As used in this division, "trade secrets" has the same meaning as in section 1333.61 of the Revised Code.

**Sec. 1555.02.** It is hereby declared to be the public policy of this state through the operations of the Ohio coal development office under this chapter to contribute toward one or more of the following: to provide for the comfort, health, safety, and general welfare of all employees and other inhabitants of this state through research and development directed toward the discovery of new technologies or the demonstration or application of existing technologies to enable the conversion or use of Ohio coal as a fuel or chemical feedstock in an environmentally acceptable manner thereby enhancing the marketability and fostering the use of this

state's vast reserves of coal, to assist in the financing of 20719  
coal research and development and coal research and development 20720  
projects or facilities for persons doing business in this state 20721  
and educational and scientific institutions located in this 20722  
state, to create or preserve jobs and employment opportunities 20723  
or improve the economic welfare of the people of this state, or 20724  
to assist and cooperate with such persons and educational and 20725  
scientific institutions in conducting coal research and 20726  
development. In furtherance of this public policy, the Ohio coal 20727  
development office, with the advice of the technical advisory 20728  
committee created in section 1551.35 of the Revised Code and the 20729  
approval of the director of housing and development, may make 20730  
loans, guarantee loans, and make grants to persons doing 20731  
business in this state or to educational or scientific 20732  
institutions located in this state for coal research and 20733  
development projects by such persons or educational or 20734  
scientific institutions; may, with the advice of the technical 20735  
advisory committee and the approval of the director of housing 20736  
and development, request the issuance of coal research and 20737  
development general obligations under section 151.07 of the 20738  
Revised Code to provide funds for making such loans, loan 20739  
guarantees, and grants; and may, with the advice of the 20740  
technical advisory committee and the approval of the director of 20741  
housing and development, expend moneys credited to the coal 20742  
research and development fund created in section 1555.15 of the 20743  
Revised Code for the purpose of making such loans, loan 20744  
guarantees, and grants. Determinations by the director of the 20745  
Ohio coal development office that coal research and development 20746  
or a coal research and development facility is a coal research 20747  
and development project under this chapter and is consistent 20748  
with the purposes of Section 15 of Article VIII, Ohio 20749  
Constitution, and this chapter shall be conclusive as to the 20750

validity and enforceability of the coal research and development 20751  
general obligations issued to finance such project and of the 20752  
authorizations, trust agreements or indentures, loan agreements, 20753  
loan guarantee agreements, or grant agreements, and other 20754  
agreements made in connection therewith, all in accordance with 20755  
their terms. 20756

**Sec. 1555.03.** For the purposes of this chapter, the 20757  
director of the Ohio coal development office may: 20758

(A) With the advice of the technical advisory committee 20759  
created in section 1551.35 of the Revised Code and the approval 20760  
of the director of housing and development, make loans, 20761  
guarantee loans, and make grants to persons doing business in 20762  
this state or to educational or scientific institutions located 20763  
in this state for coal research and development projects by any 20764  
such person or educational or scientific institution and adopt 20765  
rules under Chapter 119. of the Revised Code for making such 20766  
loans, guarantees, and grants. 20767

(B) In making loans, loan guarantees, and grants under 20768  
division (A) of this section and section 1555.04 of the Revised 20769  
Code, the director of the office shall ensure that an adequate 20770  
portion of the total amount of those loans, loan guarantees, and 20771  
grants, as determined by the director with the advice of the 20772  
technical advisory committee, is used for conducting research on 20773  
fundamental scientific problems related to the utilization of 20774  
Ohio coal and shall ensure, to the maximum feasible extent, 20775  
joint financial participation by the federal government or other 20776  
investors or interested parties in conjunction with any such 20777  
loan, loan guarantee, or grant. The director, in each grant 20778  
agreement or contract under division (A) of this section, loan 20779  
contract or agreement under this division or section 1555.04 of 20780

the Revised Code, and contract of guarantee under section 20781  
1555.05 of the Revised Code, shall require that the facility or 20782  
project be maintained and kept in good condition and repair by 20783  
the person or educational or scientific institution to whom the 20784  
grant or loan was made or for whom the guarantee was made. 20785

(C) From time to time, with the advice of the technical 20786  
advisory committee and the approval of the director of housing 20787  
and development, request the issuance of coal research and 20788  
development general obligations under section 151.07 of the 20789  
Revised Code, for any of the purposes set forth in Section 15 of 20790  
Article VIII, Ohio Constitution, and subject to the limitations 20791  
therein upon the aggregate total amount of obligations that may 20792  
be outstanding at any time. 20793

(D) Include as a condition of any loan, loan guarantee, or 20794  
grant contract or agreement with any such person or educational 20795  
or scientific institution that the director of the office 20796  
receive, in addition to payments of principal and interest on 20797  
any such loan or service charges for any such guarantee, as 20798  
appropriate, as authorized by Section 15 of Article VIII, Ohio 20799  
Constitution, a reasonable royalty or portion of the income or 20800  
profits arising out of the developments, discoveries, or 20801  
inventions, including patents or copyrights, that result in 20802  
whole or in part from coal research and development projects 20803  
conducted under any such contract or agreement, in such amounts 20804  
and for such period of years as may be negotiated and provided 20805  
by the contract or agreement in advance of the making of the 20806  
grant, loan, or loan guarantee. Moneys received by the director 20807  
of the office under this section may be credited to the coal 20808  
research and development bond service fund or used to make 20809  
additional loans, loan guarantees, grants, or agreements under 20810  
this section. 20811

(E) Employ managers, superintendents, and other employees 20812  
and retain or contract with consulting engineers, financial 20813  
consultants, accounting experts, architects, and such other 20814  
consultants and independent contractors as are necessary in the 20815  
judgment of the director of the office to carry out this 20816  
chapter, and fix the compensation thereof. 20817

(F) Receive and accept from any federal agency, subject to 20818  
the approval of the governor, grants for or in aid of the 20819  
construction or operation of any coal research and development 20820  
project or for coal research and development, and receive and 20821  
accept aid or contributions from any source of money, property, 20822  
labor, or other things of value, to be held, used, and applied 20823  
only for the purposes for which such grants and contributions 20824  
are made. 20825

(G) Purchase fire and extended coverage and liability 20826  
insurance for any coal research and development project, 20827  
insurance protecting the office and its officers and employees 20828  
against liability for damage to property or injury to or death 20829  
of persons arising from its operations, and any other insurance 20830  
the director of the office determines necessary or proper under 20831  
this chapter. Any moneys received by the director from the 20832  
proceeds of any such insurance with respect to a coal research 20833  
and development project and any moneys received by the director 20834  
from the proceeds of any settlement, judgment, foreclosure, or 20835  
other insurance with respect to a coal research and development 20836  
project or facility shall be credited to the coal research and 20837  
development bond service fund. 20838

(H) In the exercise of the powers of the director of the 20839  
office under this chapter, call to the director's assistance, 20840  
temporarily, from time to time, any engineers, technical 20841

experts, financial experts, and other employees in any state 20842  
department, agency, or commission, or in the Ohio state 20843  
university, or other educational institutions financed wholly or 20844  
partially by this state for purposes of assisting the director 20845  
of the office with reviewing and evaluating applications for 20846  
financial assistance under this chapter, monitoring performance 20847  
of coal research and development projects receiving financial 20848  
assistance under this chapter, and reviewing and evaluating the 20849  
progress and findings of those projects. Such engineers, 20850  
experts, and employees shall not receive any additional 20851  
compensation over that which they receive from the department, 20852  
agency, commission, or educational institution by which they are 20853  
employed, but they shall be reimbursed for their actual and 20854  
necessary expenses incurred while working under the direction of 20855  
the director. 20856

(I) Do all acts necessary or proper to carry out the 20857  
powers expressly granted in this chapter. 20858

**Sec. 1555.04.** (A) With respect to coal research and 20859  
development projects financed wholly or partially from a loan or 20860  
loan guarantee under this chapter, the director of the Ohio coal 20861  
development office, in addition to other powers under this 20862  
chapter, with the advice of the technical advisory committee 20863  
created in section 1551.35 of the Revised Code and the approval 20864  
of the director of housing and development, may enter into loan 20865  
agreements, accept notes and other forms of obligation to 20866  
evidence such indebtedness and mortgages, liens, pledges, 20867  
assignments, or other security interests to secure such 20868  
indebtedness, which may be prior or subordinate to or on a 20869  
parity with other indebtedness, obligations, mortgages, pledges, 20870  
assignments, other security interests, or liens or encumbrances, 20871  
and take such actions as the director of the office considers 20872

appropriate to protect such security and safeguard against 20873  
losses, including, without limitation, foreclosure and the 20874  
bidding upon and purchase of property upon foreclosure or other 20875  
sale. 20876

(B) The authority granted by this section is cumulative 20877  
and supplementary to all other authority granted in this 20878  
chapter. The authority granted by this section does not alter or 20879  
impair any similar authority granted elsewhere in this chapter 20880  
with respect to other projects. 20881

**Sec. 1555.05.** (A) Subject to any limitations as to 20882  
aggregate amounts thereof that may from time to time be 20883  
prescribed by the general assembly and to other applicable 20884  
provisions of this chapter, and subject to the one-hundred- 20885  
million-dollar limitation provided in Section 15 of Article 20886  
VIII, Ohio Constitution, the director of the Ohio coal 20887  
development office, on behalf of this state, with the advice of 20888  
the technical advisory committee created in section 1551.35 of 20889  
the Revised Code and the approval of the director of housing and 20890  
development, may enter into contracts to guarantee the repayment 20891  
or payment of the unpaid principal amount of loans made to pay 20892  
the costs of coal research and development projects. 20893

(B) The contract of guarantee may make provision for the 20894  
conditions of, time for, and manner of fulfillment of the 20895  
guarantee commitment, subrogation of this state to the rights of 20896  
the parties guaranteed and exercise of such parties' rights by 20897  
the state, giving the state the option of making payment of the 20898  
principal amount guaranteed in one or more installments and, if 20899  
deferred, to pay interest thereon from the source specified in 20900  
division (A) of this section, and any other terms or conditions 20901  
customary to such guarantees and as the director of the office 20902

may approve, and may contain provisions for securing the 20903  
guarantee in the manner consistent with this section, covenants 20904  
on behalf of this state to issue obligations under section 20905  
1555.08 of the Revised Code to provide moneys to fulfill such 20906  
guarantees and covenants, and covenants restricting the 20907  
aggregate amount of guarantees that may be contracted under this 20908  
section and obligations that may be issued under section 151.07 20909  
of the Revised Code, and terms pertinent to either, to better 20910  
secure the parties guaranteed. 20911

(C) The director of the office may fix service charges for 20912  
making a guarantee. Such charges shall be payable at such times 20913  
and place and in such amounts and manner as may be prescribed by 20914  
the director. Moneys received from such charges shall be 20915  
credited to the coal research and development bond service fund. 20916

(D) Any guaranteed parties under this section, by any 20917  
suitable form of legal proceedings and except to the extent that 20918  
their rights are restricted by the guarantee documents, may 20919  
protect and enforce any rights under the laws of this state or 20920  
granted by such guarantee or guarantee documents. Such rights 20921  
include the right to compel the performance of all duties of the 20922  
office required by this section or the guarantee or guarantee 20923  
documents; and in the event of default with respect to the 20924  
payment of any guarantees, to apply to a court having 20925  
jurisdiction of the cause to appoint a receiver to receive and 20926  
administer the moneys pledged to such guarantee with full power 20927  
to pay, and to provide for payment of, such guarantee, and with 20928  
such powers, subject to the direction of the court, as are 20929  
accorded receivers in general equity cases, excluding any power 20930  
to pledge or apply additional revenues or receipts or other 20931  
income or moneys of this state. Each duty of the office and its 20932  
director and employees required or undertaken under this section 20933



or a guarantee made under this section is hereby established as 20934  
a duty of the office and of its director and each such employee 20935  
having authority to perform such duty, specifically enjoined by 20936  
the law resulting from an office, trust, or station within the 20937  
meaning of section 2731.01 of the Revised Code. The persons who 20938  
are at the time the director of the office, or its employees, 20939  
are not liable in their personal capacities on any guarantees or 20940  
contracts to make guarantees by the director. 20941

**Sec. 1555.06.** Upon application by the director of the Ohio 20942  
coal development office with the approval of the director of 20943  
housing and development, the controlling board, from 20944  
appropriations available to the board, may provide funds for 20945  
surveys or studies by the office of any proposed coal research 20946  
and development project subject to repayment by the office from 20947  
funds available to it, within the time fixed by the board. Funds 20948  
to be repaid shall be charged by the office to the appropriate 20949  
coal research and development project and the amount thereof 20950  
shall be a cost of the project. This section does not abrogate 20951  
the authority of the controlling board to otherwise provide 20952  
funds for use by the office in the exercise of the powers 20953  
granted to it by this chapter. 20954

**Sec. 1555.08.** (A) Subject to the limitations provided in 20955  
Section 15 of Article VIII, Ohio Constitution, the commissioners 20956  
of the sinking fund, upon certification by the director of the 20957  
Ohio coal development office of the amount of moneys or 20958  
additional moneys needed in the coal research and development 20959  
fund for the purpose of making grants or loans for allowable 20960  
costs, or needed for capitalized interest, for funding reserves, 20961  
and for paying costs and expenses incurred in connection with 20962  
the issuance, carrying, securing, paying, redeeming, or 20963  
retirement of the obligations or any obligations refunded 20964

thereby, including payment of costs and expenses relating to 20965  
letters of credit, lines of credit, insurance, put agreements, 20966  
standby purchase agreements, indexing, marketing, remarketing 20967  
and administrative arrangements, interest swap or hedging 20968  
agreements, and any other credit enhancement, liquidity, 20969  
remarketing, renewal, or refunding arrangements, all of which 20970  
are authorized by this section, or providing moneys for loan 20971  
guarantees, shall issue obligations of the state under this 20972  
section in amounts authorized by the general assembly; provided 20973  
that such obligations may be issued to the extent necessary to 20974  
satisfy the covenants in contracts of guarantee made under 20975  
section 1555.05 of the Revised Code to issue obligations to meet 20976  
such guarantees, notwithstanding limitations otherwise 20977  
applicable to the issuance of obligations under this section 20978  
except the one-hundred-million-dollar limitation provided in 20979  
Section 15 of Article VIII, Ohio Constitution. The proceeds of 20980  
such obligations, except for the portion to be deposited in the 20981  
coal research and development bond service fund as may be 20982  
provided in the bond proceedings, shall as provided in the bond 20983  
proceedings be deposited in the coal research and development 20984  
fund. The commissioners of the sinking fund may appoint 20985  
trustees, paying agents, and transfer agents and may retain the 20986  
services of financial advisors, accounting experts, and 20987  
attorneys, and retain or contract for the services of marketing, 20988  
remarketing, indexing, and administrative agents, other 20989  
consultants, and independent contractors, including printing 20990  
services, as are necessary in their judgment to carry out this 20991  
section. 20992

(B) The full faith and credit of the state of Ohio is 20993  
hereby pledged to obligations issued under this section. The 20994  
right of the holders and owners to payment of bond service 20995

charges is limited to all or that portion of the moneys pledged 20996  
thereto pursuant to the bond proceedings in accordance with this 20997  
section, and each such obligation shall bear on its face a 20998  
statement to that effect. 20999

(C) Obligations shall be authorized by resolution of the 21000  
commissioners of the sinking fund on request of the director of 21001  
the Ohio coal development office as provided in section 1555.02 21002  
of the Revised Code and the bond proceedings shall provide for 21003  
the purpose thereof and the principal amount or amounts, and 21004  
shall provide for or authorize the manner or agency for 21005  
determining the principal maturity or maturities, not exceeding 21006  
forty years from the date of issuance, the interest rate or 21007  
rates or the maximum interest rate, the date of the obligations 21008  
and the dates of payment of interest thereon, their 21009  
denomination, and the establishment within or without the state 21010  
of a place or places of payment of bond service charges. 21011  
Sections 9.98 to 9.983 of the Revised Code apply to obligations 21012  
issued under this section. The purpose of such obligations may 21013  
be stated in the bond proceedings in terms describing the 21014  
general purpose or purposes to be served. The bond proceedings 21015  
shall also provide, subject to the provisions of any other 21016  
applicable bond proceedings, for the pledge of all, or such part 21017  
as the commissioners of the sinking fund may determine, of the 21018  
moneys credited to the coal research and development bond 21019  
service fund to the payment of bond service charges, which 21020  
pledges may be made either prior or subordinate to other 21021  
expenses, claims, or payments and may be made to secure the 21022  
obligations on a parity with obligations theretofore or 21023  
thereafter issued, if and to the extent provided in the bond 21024  
proceedings. The moneys so pledged and thereafter received by 21025  
the state are immediately subject to the lien of such pledge 21026

without any physical delivery thereof or further act, and the 21027  
lien of any such pledges is valid and binding against all 21028  
parties having claims of any kind against the state or any 21029  
governmental agency of the state, irrespective of whether such 21030  
parties have notice thereof, and shall create a perfected 21031  
security interest for all purposes of Chapter 1309. of the 21032  
Revised Code, without the necessity for separation or delivery 21033  
of funds or for the filing or recording of the bond proceedings 21034  
by which such pledge is created or any certificate, statement, 21035  
or other document with respect thereto; and the pledge of such 21036  
moneys is effective and the money therefrom and thereof may be 21037  
applied to the purposes for which pledged without necessity for 21038  
any act of appropriation. Every pledge, and every covenant and 21039  
agreement made with respect thereto, made in the bond 21040  
proceedings may therein be extended to the benefit of the owners 21041  
and holders of obligations authorized by this section, and to 21042  
any trustee therefor, for the further security of the payment of 21043  
the bond service charges. 21044

(D) The bond proceedings may contain additional provisions 21045  
as to: 21046

(1) The redemption of obligations prior to maturity at the 21047  
option of the commissioners of the sinking fund at such price or 21048  
prices and under such terms and conditions as are provided in 21049  
the bond proceedings; 21050

(2) Other terms of the obligations; 21051

(3) Limitations on the issuance of additional obligations; 21052

(4) The terms of any trust agreement or indenture securing 21053  
the obligations or under which the obligations may be issued; 21054

(5) The deposit, investment, and application of the coal 21055

research and development bond service fund, and the safeguarding 21056  
of moneys on hand or on deposit, without regard to Chapter 131. 21057  
or 135. of the Revised Code, but subject to any special 21058  
provisions of this chapter, with respect to particular moneys; 21059  
provided, that any bank or trust company which acts as 21060  
depository of any moneys in the fund may furnish such 21061  
indemnifying bonds or may pledge such securities as required by 21062  
the commissioners of the sinking fund; 21063

(6) Any other provision of the bond proceedings being 21064  
binding upon the commissioners of the sinking fund, or such 21065  
other body or person as may from time to time have the authority 21066  
under law to take such actions as may be necessary to perform 21067  
all or any part of the duty required by such provision; 21068

(7) Any provision which may be made in a trust agreement 21069  
or indenture; 21070

(8) Any other or additional agreements with the holders of 21071  
the obligations, or the trustee therefor, relating to the 21072  
obligations or the security therefor, including the assignment 21073  
of mortgages or other security obtained or to be obtained for 21074  
loans under this chapter. 21075

(E) The obligations may have the great seal of the state 21076  
or a facsimile thereof affixed thereto or printed thereon. The 21077  
obligations shall be signed by such members of the commissioners 21078  
of the sinking fund as are designated in the resolution 21079  
authorizing the obligations or bear the facsimile signatures of 21080  
such members. Any coupons attached to the obligations shall bear 21081  
the facsimile signature of the treasurer of state. Any 21082  
obligations may be executed by the persons who, on the date of 21083  
execution, are the commissioners although on the date of such 21084  
bonds the persons were not the commissioners. Any coupons may be 21085

executed by the person who, on the date of execution, is the treasurer of state although on the date of such coupons the person was not the treasurer of state. In case any officer or commissioner whose signature or a facsimile of whose signature appears on any such obligations or any coupons ceases to be such officer or commissioner before delivery thereof, such signature or facsimile is nevertheless valid and sufficient for all purposes as if the individual had remained such officer or commissioner until such delivery; and in case the seal to be affixed to obligations has been changed after a facsimile of the seal has been imprinted on such obligations, such facsimile seal shall continue to be sufficient as to such obligations and obligations issued in substitution or exchange therefor.

(F) All obligations except loan guarantees are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both, as the commissioners of the sinking fund determine. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.

(G) Obligations may be sold at public sale or at private sale, as determined in the bond proceedings.

(H) Pending preparation of definitive obligations, the commissioners of the sinking fund may issue interim receipts or

certificates which shall be exchanged for such definitive 21116  
obligations. 21117

(I) In the discretion of the commissioners of the sinking 21118  
fund, obligations may be secured additionally by a trust 21119  
agreement or indenture between the commissioners and a corporate 21120  
trustee, which may be any trust company or bank having a place 21121  
of business within the state. Any such agreement or indenture 21122  
may contain the resolution authorizing the issuance of the 21123  
obligations, any provisions that may be contained in any bond 21124  
proceedings, and other provisions that are customary or 21125  
appropriate in an agreement or indenture of such type, 21126  
including, but not limited to: 21127

(1) Maintenance of each pledge, trust agreement, 21128  
indenture, or other instrument comprising part of the bond 21129  
proceedings until the state has fully paid the bond service 21130  
charges on the obligations secured thereby, or provision 21131  
therefor has been made; 21132

(2) In the event of default in any payments required to be 21133  
made by the bond proceedings, or any other agreement of the 21134  
commissioners of the sinking fund made as a part of the contract 21135  
under which the obligations were issued, enforcement of such 21136  
payments or agreement by mandamus, the appointment of a 21137  
receiver, suit in equity, action at law, or any combination of 21138  
the foregoing; 21139

(3) The rights and remedies of the holders of obligations 21140  
and of the trustee, and provisions for protecting and enforcing 21141  
them, including limitations on rights of individual holders of 21142  
obligations; 21143

(4) The replacement of any obligations that become 21144

mutilated or are destroyed, lost, or stolen; 21145

(5) Such other provisions as the trustee and the 21146  
commissioners of the sinking fund agree upon, including 21147  
limitations, conditions, or qualifications relating to any of 21148  
the foregoing. 21149

(J) Any holder of obligations or a trustee under the bond 21150  
proceedings, except to the extent that the holder's rights are 21151  
restricted by the bond proceedings, may by any suitable form of 21152  
legal proceedings protect and enforce any rights under the laws 21153  
of this state or granted by such bond proceedings. Such rights 21154  
include the right to compel the performance of all duties of the 21155  
commissioners of the sinking fund, the department of housing and 21156  
development, or the Ohio coal development office required by 21157  
this chapter and Chapter 1551. of the Revised Code or the bond 21158  
proceedings; to enjoin unlawful activities; and in the event of 21159  
default with respect to the payment of any bond service charges 21160  
on any obligations or in the performance of any covenant or 21161  
agreement on the part of the commissioners, the department, or 21162  
the office in the bond proceedings, to apply to a court having 21163  
jurisdiction of the cause to appoint a receiver to receive and 21164  
administer the moneys pledged, other than those in the custody 21165  
of the treasurer of state, that are pledged to the payment of 21166  
the bond service charges on such obligations or that are the 21167  
subject of the covenant or agreement, with full power to pay, 21168  
and to provide for payment of bond service charges on, such 21169  
obligations, and with such powers, subject to the direction of 21170  
the court, as are accorded receivers in general equity cases, 21171  
excluding any power to pledge additional revenues or receipts or 21172  
other income or moneys of the commissioners of the sinking fund 21173  
or the state or governmental agencies of the state to the 21174  
payment of such principal and interest and excluding the power 21175



to take possession of, mortgage, or cause the sale or otherwise 21176  
dispose of any project. 21177

Each duty of the commissioners of the sinking fund and 21178  
their employees, and of each governmental agency and its 21179  
officers, members, or employees, undertaken pursuant to the bond 21180  
proceedings or any grant, loan, or loan guarantee agreement made 21181  
under authority of this chapter, and in every agreement by or 21182  
with the commissioners, is hereby established as a duty of the 21183  
commissioners, and of each such officer, member, or employee 21184  
having authority to perform such duty, specifically enjoined by 21185  
the law resulting from an office, trust, or station within the 21186  
meaning of section 2731.01 of the Revised Code. 21187

The persons who are at the time the commissioners of the 21188  
sinking fund, or their employees, are not liable in their 21189  
personal capacities on any obligations issued by the 21190  
commissioners or any agreements of or with the commissioners. 21191

(K) Obligations issued under this section are lawful 21192  
investments for banks, societies for savings, savings and loan 21193  
associations, deposit guarantee associations, trust companies, 21194  
trustees, fiduciaries, insurance companies, including domestic 21195  
for life and domestic not for life, trustees or other officers 21196  
having charge of sinking and bond retirement or other special 21197  
funds of political subdivisions and taxing districts of this 21198  
state, the commissioners of the sinking fund of the state, the 21199  
administrator of workers' compensation, the state teachers 21200  
retirement system, the public employees retirement system, the 21201  
school employees retirement system, and the Ohio police and fire 21202  
pension fund, notwithstanding any other provisions of the 21203  
Revised Code or rules adopted pursuant thereto by any 21204  
governmental agency of the state with respect to investments by 21205

them, and are also acceptable as security for the deposit of 21206  
public moneys. 21207

(L) If the law or the instrument creating a trust pursuant 21208  
to division (I) of this section expressly permits investment in 21209  
direct obligations of the United States or an agency of the 21210  
United States, unless expressly prohibited by the instrument, 21211  
such moneys also may be invested in no-front-end-load money 21212  
market mutual funds consisting exclusively of obligations of the 21213  
United States or an agency of the United States and in 21214  
repurchase agreements, including those issued by the fiduciary 21215  
itself, secured by obligations of the United States or an agency 21216  
of the United States; and in collective investment funds 21217  
established in accordance with section 1111.14 of the Revised 21218  
Code and consisting exclusively of any such securities, 21219  
notwithstanding division (A) (1) (c) of that section. The income 21220  
from such investments shall be credited to such funds as the 21221  
commissioners of the sinking fund determine, and such 21222  
investments may be sold at such times as the commissioners 21223  
determine or authorize. 21224

(M) Provision may be made in the applicable bond 21225  
proceedings for the establishment of separate accounts in the 21226  
bond service fund and for the application of such accounts only 21227  
to the specified bond service charges on obligations pertinent 21228  
to such accounts and bond service fund and for other accounts 21229  
therein within the general purposes of such fund. Moneys to the 21230  
credit of the bond service fund shall be disbursed on the order 21231  
of the treasurer of state; provided, that no such order is 21232  
required for the payment from the bond service fund when due of 21233  
bond service charges on obligations. 21234

(N) The commissioners of the sinking fund may pledge all, 21235

or such portion as they determine, of the receipts of the bond 21236  
service fund to the payment of bond service charges on 21237  
obligations issued under this section, and for the establishment 21238  
and maintenance of any reserves, as provided in the bond 21239  
proceedings, and make other provisions therein with respect to 21240  
pledged receipts as authorized by this chapter, which provisions 21241  
control notwithstanding any other provisions of law pertaining 21242  
thereto. 21243

(O) The commissioners of the sinking fund may covenant in 21244  
the bond proceedings, and any such covenants control 21245  
notwithstanding any other provision of law, that the state and 21246  
applicable officers and governmental agencies of the state, 21247  
including the general assembly, so long as any obligations are 21248  
outstanding, shall: 21249

(1) Maintain statutory authority for and cause to be 21250  
levied and collected taxes so that the pledged receipts are 21251  
sufficient in amount to meet bond service charges, and the 21252  
establishment and maintenance of any reserves and other 21253  
requirements provided for in the bond proceedings, and, as 21254  
necessary, to meet covenants contained in any loan guarantees 21255  
made under this chapter; 21256

(2) Take or permit no action, by statute or otherwise, 21257  
that would impair the exemption from federal income taxation of 21258  
the interest on the obligations. 21259

(P) All moneys received by or on account of the state and 21260  
required by the applicable bond proceedings, consistent with 21261  
this section, to be deposited, transferred, or credited to the 21262  
coal research and development bond service fund, and all other 21263  
moneys transferred or allocated to or received for the purposes 21264  
of the fund, shall be credited to such fund and to any separate 21265

accounts therein, subject to applicable provisions of the bond 21266  
proceedings, but without necessity for any act of appropriation. 21267  
During the period beginning with the date of the first issuance 21268  
of obligations and continuing during such time as any such 21269  
obligations are outstanding, and so long as moneys in the bond 21270  
service fund are insufficient to pay all bond service charges on 21271  
such obligations becoming due in each year, a sufficient amount 21272  
of moneys of the state are committed and shall be paid to the 21273  
bond service fund in each year for the purpose of paying the 21274  
bond service charges becoming due in that year without necessity 21275  
for further act of appropriation for such purpose. The bond 21276  
service fund is a trust fund and is hereby pledged to the 21277  
payment of bond service charges to the extent provided in the 21278  
applicable bond proceedings, and payment thereof from such fund 21279  
shall be made or provided for by the treasurer of state in 21280  
accordance with such bond proceedings without necessity for any 21281  
act of appropriation. All investment earnings of the fund shall 21282  
be credited to the fund. 21283

(Q) For purposes of establishing the limitations contained 21284  
in Section 15 of Article VIII, Ohio Constitution, the "principal 21285  
amount" refers to the aggregate of the offering price of the 21286  
bonds or notes. "Principal amount" does not refer to the 21287  
aggregate value at maturity or redemption of the bonds or notes. 21288

(R) This section applies only with respect to obligations 21289  
issued and delivered prior to September 30, 2000. 21290

**Sec. 1555.17.** All final actions of the director of the 21291  
Ohio coal development office shall be journalized and such 21292  
journal shall be open to inspection of the public at all 21293  
reasonable times. Any materials or data, to the extent that they 21294  
consist of trade secrets, as defined in section 1333.61 of the 21295

Revised Code, or other proprietary information, that are 21296  
submitted or made available to, or received by, the department 21297  
of housing and development or the director of the Ohio coal 21298  
development office, in connection with agreements for assistance 21299  
entered into under this chapter or Chapter 1551. of the Revised 21300  
Code, or any information taken from those materials or data, are 21301  
not public records for the purposes of section 149.43 of the 21302  
Revised Code. 21303

**Sec. 1728.01.** As used in sections 1728.01 to 1728.13 of 21304  
the Revised Code: 21305

(A) "Governing body" means, in the case of a municipal 21306  
corporation, the city council or legislative authority. 21307

(B) "Community urban redevelopment corporation" means a 21308  
corporation qualified under Chapter 1728. of the Revised Code, 21309  
to acquire, construct, operate, and maintain a project 21310  
hereunder, or to acquire, operate, and maintain a project 21311  
constructed by a corporation so qualified under Chapter 1728. of 21312  
the Revised Code, and the term "corporation" when used within 21313  
Chapter 1728. of the Revised Code, shall be understood to be a 21314  
contraction of the term "community urban redevelopment 21315  
corporation" except when the context indicates otherwise. 21316

(C) "Impacted city" means a municipal corporation that 21317  
meets the requirements of either division (C) (1) or (2) of this 21318  
section: 21319

(1) In attempting to cope with the problems of 21320  
urbanization, to create or preserve jobs and employment 21321  
opportunities, and to improve the economic welfare of the people 21322  
of the municipal corporation, the municipal corporation has at 21323  
some time: 21324

(a) Taken affirmative action by its legislative body to 21325  
permit the construction of housing by a metropolitan housing 21326  
authority organized pursuant to sections 3735.27 to 3735.39 of 21327  
the Revised Code within its corporate boundaries or to permit 21328  
such a metropolitan housing authority to lease dwelling units 21329  
within its corporate boundaries; and 21330

(b) Been certified by the director of the department of 21331  
housing and development that a workable program for community 21332  
improvement (which shall include an official plan of action for 21333  
effectively dealing with the problem of urban slums and blight 21334  
within the community and for the establishment and preservation 21335  
of a well-planned community with well-organized residential 21336  
neighborhoods of decent homes and suitable living environment 21337  
for adequate family life) for utilizing appropriate private and 21338  
public resources to eliminate, and to prevent the development or 21339  
spread of, slums and urban blight, to encourage needed urban 21340  
rehabilitation, to provide for the redevelopment of blighted, 21341  
deteriorated, or slum areas, to undertake such activities or 21342  
other feasible community activities as may be suitably employed 21343  
to achieve the objectives of such a program has been adopted. A 21344  
determination by the United States that the impacted city's 21345  
workable program meets the federal workable program requirements 21346  
shall be sufficient for the director's certification. 21347

(2) Been declared a major disaster area, or part of a 21348  
major disaster area, pursuant to the "Disaster Relief Act of 21349  
1970," 84 Stat. 1744, 42 U.S.C.A. 4401, as now or hereafter 21350  
amended, and has been extensively damaged or destroyed by a 21351  
major disaster, provided that impacted city status obtained 21352  
pursuant to division (C) (2) of this section lasts for only a 21353  
limited period from the date of the declaration, as determined 21354  
by the rules promulgated pursuant to division (G) of section 21355

122.06 of the Revised Code, but in the event that an impacted 21356  
city, while qualified under such division, enters into a 21357  
financial agreement with a community urban redevelopment 21358  
corporation pursuant to section 1728.07 of the Revised Code, a 21359  
loss of certification under such rules shall not affect that 21360  
agreement or the project to which it relates. 21361

(D) "Community development plan" means a plan, as it 21362  
exists from time to time, for the redevelopment and renewal of a 21363  
blighted area, which plan shall conform to the general plan for 21364  
the municipality, and shall be sufficiently complete to indicate 21365  
such land acquisition, demolition, and removal of structures, 21366  
redevelopment, improvements, and rehabilitation as may be 21367  
proposed to be carried out in such blighted area, zoning, and 21368  
any planning changes, land uses, maximum densities, and building 21369  
requirements. 21370

(E) "Blighted area" has the meaning defined in section 21371  
1.08 of the Revised Code. 21372

(F) "Project" means: 21373

(1) As to blighted areas within all municipal 21374  
corporations, the undertaking and execution of the redevelopment 21375  
of a blighted area by a community urban redevelopment 21376  
corporation, in whole or in part, pursuant to a community 21377  
development plan approved by the governing body of the municipal 21378  
corporation in which such blighted area is situated and in 21379  
accordance with an agreement for the sale or lease of all or a 21380  
portion of the land concerned in such redevelopment to the 21381  
corporation by a municipal corporation, or agency, or authority 21382  
including the work to be done in reference thereto, the 21383  
designation of the particular proposed buildings to be 21384  
constructed and their uses and purposes, the landscaping of the 21385

premises, the streets and access roads, recreational facilities, 21386  
if any, the furnishing of the public utilities, the financial 21387  
arrangements, and the terms and conditions of the proposed 21388  
municipal corporation and approval; and 21389

(2) In addition as to blighted areas within impacted 21390  
cities, the undertaking and activities of a community urban 21391  
redevelopment corporation in a blighted area for the elimination 21392  
and for the prevention of the development or spread of blight 21393  
pursuant to a community development plan approved by the 21394  
governing body of the impacted city and to the extent agreed to 21395  
by the governing body of the impacted city in the financial 21396  
agreement provided for in section 1728.07 of the Revised Code 21397  
and may involve clearance and redevelopment, or rehabilitation 21398  
or conservation or any combination or part thereof, in 21399  
accordance with such community development plan, and such 21400  
aforesaid undertakings and activities may include acquisition of 21401  
a blighted area or portion by purchase or otherwise, and 21402  
demolition and removal of buildings and improvements. 21403

(G) "Total project unit cost" or "total project cost" 21404  
means the aggregate of the following items as related to any 21405  
unit of a project if the project is to be undertaken in units or 21406  
to the total project if the project is not to be undertaken in 21407  
units: 21408

(1) Cost of the land to the community urban redevelopment 21409  
corporation; 21410

(2) Architects', engineers', and attorneys' fees paid or 21411  
payable by the corporation in connection with the planning, 21412  
construction, and financing of the project; 21413

(3) Surveying and testing charges in connection therewith; 21414



(4) Actual construction cost as certified by the	21415
architect, including the cost of any preparation of the site	21416
undertaken at the corporation's expense;	21417
(5) Insurance, interest, and finance costs during	21418
construction;	21419
(6) Cost of obtaining initial permanent financing;	21420
(7) Commissions and other expenses paid or payable in	21421
connection with initial leasing;	21422
(8) Real estate taxes and assessments during the	21423
construction period;	21424
(9) Developer's overhead based on a percentage of division	21425
(G) (4) of this section, to be computed in accordance with the	21426
following schedule:	21427
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A	\$500,000 or less	- 10 per cent
B	500,001 through \$ 1,000,000	- \$50,000 plus 8 per cent on excess above \$500,000
C	1,000,001 through 2,000,000	- 90,000 plus 7 per cent on excess above 1,000,000
D	2,000,001 through 3,500,000	- 160,000 plus 5.6667 per cent on excess above 2,000,000
E	3,500,001 through 5,500,000	- 245,000 plus 4.25 per cent on excess above 3,500,000
F	5,500,001 through 10,000,000	- 330,000 plus 3.7778 per cent

on excess above 5,500,000

G Over 10,000,000 - 5 per cent

(H) "Annual gross revenue" means the total annual gross 21429  
rental and other income of a community urban redevelopment 21430  
corporation from the project. If in any leasing, any real estate 21431  
taxes or assessments on property included in the project, any 21432  
premiums for fire or other insurance on or concerning property 21433  
included in the project, or any operating or maintenance 21434  
expenses ordinarily paid by a landlord are to be paid by the 21435  
tenant, such payments shall be computed and deemed to be part of 21436  
the rent and shall be included in the annual gross revenue. The 21437  
financial agreement provided for in section 1728.07 of the 21438  
Revised Code shall establish the method of computing such 21439  
additional revenue, and may establish a method of arbitration 21440  
where either the landlord or the tenant disputes the amount of 21441  
such payments so included in the annual gross revenue. 21442

(I) "Major disaster" means any tornado, storm, flood, high 21443  
water, wind-driven water, tidal wave, earthquake, fire, or other 21444  
catastrophe. 21445

**Sec. 1728.07.** Every approved project shall be evidenced by 21446  
a financial agreement between the municipal corporation and the 21447  
community urban redevelopment corporation. Such agreement shall 21448  
be prepared by the community urban redevelopment corporation and 21449  
submitted as a separate part of its application for project 21450  
approval. 21451

The financial agreement shall be in the form of a contract 21452  
requiring full performance within twenty years from the date of 21453  
completion of the project and shall, as a minimum, include the 21454

following: 21455

(A) That all improvements in the project to be constructed 21456  
or acquired by the corporation shall be exempt from taxation, 21457  
subject to section 1728.10 of the Revised Code; 21458

(B) That the corporation shall make payments in lieu of 21459  
real estate taxes not less than the amount as provided by 21460  
section 1728.11 of the Revised Code; or if the municipal 21461  
corporation is an impacted city, not less than the amount as 21462  
provided by section 1728.111 of the Revised Code; 21463

(C) That the corporation, its successors and assigns, 21464  
shall use, develop, and redevelop the real property of the 21465  
project in accordance with, and for the period of, the community 21466  
development plan approved by the governing body of the municipal 21467  
corporation for the blighted area in which the project is 21468  
situated and shall so bind its successors and assigns by 21469  
appropriate agreements and covenants running with the land 21470  
enforceable by the municipal corporation. 21471

(D) If the municipal corporation is an impacted city, the 21472  
extent of the undertakings and activities of the corporation for 21473  
the elimination and for the prevention of the development or 21474  
spread of blight. 21475

(E) That the corporation or the municipal corporation, or 21476  
both, shall provide for carrying out relocation of persons, 21477  
families, business concerns, and others displaced by the 21478  
project, pursuant to a relocation plan, including the method for 21479  
the relocation of residents in decent, safe, and sanitary 21480  
dwelling accommodations, and reasonable moving costs, determined 21481  
to be feasible by the governing body of the municipal 21482  
corporation. Where the relocation plan is carried out by the 21483

corporation, its officers, employees, agents, or lessees, the 21484  
municipal corporation shall enforce and supervise the 21485  
corporation's compliance with the relocation plan. If the 21486  
corporation refuses or fails to comply with the relocation plan 21487  
and the municipal corporation fails or refuses to enforce 21488  
compliance with such plan, the director of housing and 21489  
development may request the attorney general to commence a civil 21490  
action against the municipality and the corporation to require 21491  
compliance with such relocation plan. Prior to requesting action 21492  
by the attorney general the director shall give notice of the 21493  
proposed action to the municipality and the corporation, provide 21494  
an opportunity to such municipality and corporation for 21495  
discussions on the matter, and allow a reasonable time in which 21496  
the corporation may begin compliance with the relocation plan, 21497  
or the municipality may commence enforcement of the relocation 21498  
plan. 21499

(F) That the corporation shall submit annually, within 21500  
ninety days after the close of its fiscal year, its auditor's 21501  
reports to the mayor and governing body of the municipal 21502  
corporation; 21503

(G) That the corporation shall, upon request, permit 21504  
inspection of property, equipment, buildings, and other 21505  
facilities of the corporation, and also permit examination and 21506  
audit of its books, contracts, records, documents, and papers by 21507  
authorized representatives of the municipal corporation; 21508

(H) That in the event of any dispute between the parties 21509  
the matters in controversy shall be resolved by arbitration in 21510  
the manner provided therein; 21511

(I) That operation under the financial agreement is 21512  
terminable by the corporation in the manner provided by Chapter 21513

1728. of the Revised Code; 21514

(J) That the corporation shall, at all times prior to the 21515  
expiration or other termination of the financial agreement, 21516  
remain bound by Chapter 1728. of the Revised Code; 21517

(K) Modifications of the financial agreement may from time 21518  
to time be made by agreement between the governing body of the 21519  
municipal corporation and the community urban redevelopment 21520  
corporation. 21521

**Sec. 3326.02.** There is hereby established the STEM 21522  
committee of the department of education and workforce 21523  
consisting of the following members: 21524

(A) The director of education and workforce, or the 21525  
director's designee; 21526

(B) The chancellor of higher education, or the 21527  
chancellor's designee; 21528

(C) The director of housing and development, or the 21529  
director's designee; 21530

(D) Four members of the public, two of whom shall be 21531  
appointed by the governor, one of whom shall be appointed by the 21532  
speaker of the house of representatives, and one of whom shall 21533  
be appointed by the president of the senate. Members of the 21534  
public shall be appointed based on their expertise in business 21535  
or in STEM fields. 21536

All members of the committee appointed under division (D) 21537  
of this section shall serve at the pleasure of their appointing 21538  
authority. 21539

If a member listed in divisions (A) to (C) of this section 21540  
elects to assign a designee to participate in committee business 21541

on the member's behalf, the member shall assign that designation 21542  
to a single person for the time period in which the designation 21543  
is effective. 21544

Members of the committee shall receive no compensation for 21545  
their services. The department of education and workforce shall 21546  
provide administrative support for the committee. 21547

**Sec. 3327.17.** The department of housing and development 21548  
shall establish a biodiesel school bus program under which the 21549  
director of housing and development shall make grants to school 21550  
districts that use biodiesel fuel for pupil transportation to 21551  
help offset incremental costs incurred by using biodiesel 21552  
instead of one hundred per cent petroleum diesel. 21553

As used in this section, "biodiesel" has the same meaning 21554  
as in section 122.075 of the Revised Code. 21555

**Sec. 3333.373.** (A) The scholarship rules advisory 21556  
committee is hereby established. The committee shall consist of 21557  
the chancellor of higher education or the chancellor's designee, 21558  
the treasurer of state or the treasurer of state's designee, the 21559  
director of housing and development or the director's designee, 21560  
one state senator appointed by the president of the senate, one 21561  
state representative appointed by the speaker of the house of 21562  
representatives, and two public members appointed by the 21563  
chancellor of higher education representing the interests of the 21564  
state-assisted eligible institutions and private nonprofit 21565  
eligible institutions, respectively. 21566

(B) The committee shall provide recommendations to the 21567  
chancellor of higher education as to rules, criteria, and 21568  
guidelines necessary and appropriate to implement the 21569  
scholarship and fellowship programs created by sections 3333.37 21570

to 3333.375 of the Revised Code.

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(C) The committee shall meet at least annually to review the scholarship and fellowship programs guidelines; make recommendations to amend, rescind, or modify the policy guidelines; and approve scholarship and fellowship awards to eligible students.

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(D) Sections 101.82 to 101.87 of the Revised Code do not apply to this section.

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**Sec. 3333.50.** The chancellor of higher education, in consultation with the governor and the department of housing and development, shall develop a critical needs rapid response system to respond quickly to critical workforce shortages in the state. Not later than ninety days after a critical workforce shortage is identified, the chancellor shall submit to the governor a proposal for addressing the shortage through initiatives of the department of higher education or institutions of higher education.

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**Sec. 3366.01.** As used in this chapter, the following words and terms have the following meanings unless the context indicates a different meaning or intent:

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(A) "Bond proceedings" means the order, trust, agreement, indenture and other agreements, or amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing or providing for the terms and conditions applicable to, or providing for the issuance, security, or liquidity of, obligations and the provisions contained in such obligations.

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(B) "Bond service charges" means principal, including mandatory sinking fund requirements for retirement of obligations, and interest, and redemption premium, if any,

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required to be paid on obligations. 21600

(C) "Bond service fund" means the applicable fund and 21601  
accounts therein created in the bond proceedings for and pledged 21602  
to the payment of bond service charges, including all moneys and 21603  
investments, and earnings from investments, credited and to be 21604  
credited thereto. 21605

(D) "Costs of attendance" means all costs of a student 21606  
incurred in connection with a program of study at an eligible 21607  
institution, as determined by the institution, including 21608  
tuition; instructional fees; room and board; books, computers, 21609  
and supplies; and other related fees, charges, and expenses. 21610

(E) "Designated administrator" means, with respect to all 21611  
obligations issued prior to September 1, 1999, and to all 21612  
nonfederal education loans, the nonprofit corporation designated 21613  
on November 10, 1992, under division (D) of section 3351.07 of 21614  
the Revised Code to operate exclusively for charitable and 21615  
educational purposes by expanding access to higher education 21616  
financing programs for students and families in need of student 21617  
financial aid. For all other purposes, "designated 21618  
administrator" means the Ohio corporation that is a subsidiary 21619  
of the nonprofit corporation designated under division (D) of 21620  
section 3351.07 of the Revised Code and that has agreed to enter 21621  
into an administration agreement with the issuing authority and 21622  
the director of housing and development, or any other person 21623  
that enters into an administration agreement with the issuing 21624  
authority and the director of housing and development. 21625

(F) "Education loan" means a loan made by an eligible 21626  
lender pursuant to the policy guidelines to or for the benefit 21627  
of a student for the purpose of financing part or all of the 21628  
student's costs of attendance. 21629



(G) "Eligible borrower" means any of the following:	21630
(1) Individuals who are residents of the state, and who	21631
are attending and are in good standing in, or who have been	21632
accepted for attendance at, any eligible institution located in	21633
this state or elsewhere, on a part-time or full-time basis, to	21634
pursue an associate, baccalaureate, or advanced degree or a	21635
nursing diploma;	21636
(2) Individuals who reside outside the state and who have	21637
been accepted for attendance at, or who are attending and are in	21638
good standing in, any eligible institution located in this	21639
state, on a part-time or full-time basis, to pursue an	21640
associate, baccalaureate, or advanced degree or a nursing	21641
diploma;	21642
(3) Individuals who are parents or legal guardians of, or	21643
other persons, as set forth in the policy guidelines, borrowing	21644
under an education loan for the benefit of individuals meeting	21645
requirements set forth in division (G)(1) or (2) of this	21646
section, in order to assist them in paying costs of attendance.	21647
(H)(1) "Eligible institution" means an institution	21648
described in any of divisions (H)(1)(a), (b), (c), or (d) of	21649
this section that satisfies all of the requirements set forth in	21650
divisions (H)(2), (3), and (4) of this section.	21651
(a) The institution is a state-assisted post-secondary	21652
educational institution within this state.	21653
(b) The institution is a nonprofit institution within this	21654
state having a certificate of authorization from the Ohio board	21655
of regents pursuant to Chapter 1713. of the Revised Code.	21656
(c) The institution is a post-secondary educational	21657
institution similar to one described in division (H)(1)(a) or	21658

(b) of this section that is located outside this state and that 21659  
is similarly approved by the appropriate agency of that state. 21660

(d) The institution is a private institution exempt from 21661  
regulation under Chapter 3332. of the Revised Code as prescribed 21662  
in section 3333.046 of the Revised Code. 21663

(2) The institution is accredited by the appropriate 21664  
regional and, when appropriate, professional accrediting 21665  
associations within whose jurisdiction it falls. 21666

(3) The institution satisfies the eligibility requirements 21667  
for participation in the federal family education loan program 21668  
authorized under Title IV, Part B, of the "Higher Education Act 21669  
of 1965," 20 U.S.C.A. 1071 et seq., as amended, as long as that 21670  
program remains in existence. 21671

(4) The institution satisfies the other conditions set 21672  
forth in the policy guidelines. 21673

(I) "Eligible lender" means, with respect to lenders 21674  
making nonfederal education loans, a bank, national banking 21675  
association, savings bank, savings and loan association, or 21676  
credit union having an office in this state that satisfies the 21677  
criteria for eligible lenders established pursuant to the policy 21678  
guidelines. With respect to lenders making federal education 21679  
loans, "eligible lender" means any person that is permitted to 21680  
make loans under the federal family education loan program 21681  
authorized under Title IV, Part B, of the "Higher Education Act 21682  
of 1965," 20 U.S.C.A. 1071 et seq., as amended; that has an 21683  
office in this state; and that satisfies the criteria for 21684  
eligible lenders established pursuant to the policy guidelines. 21685

(J) "Federal education loan" means an education loan that 21686  
is originated in compliance with the federal family education 21687

loan program authorized under Title IV, Part B, of the "Higher 21688  
Education Act of 1965," 20 U.S.C.A. 1071 et seq., as amended. 21689

(K) "Governmental agency" means the state and any state 21690  
department, division, commission, institution, or authority; the 21691  
United States or any agency thereof; or any agency, commission, 21692  
or authority established pursuant to an interstate compact or 21693  
agreement; or any combination of the foregoing. 21694

(L) "Issuing authority" means the treasurer of state, or 21695  
the officer who by law performs the functions of the treasurer 21696  
of state. 21697

(M) "Nonfederal education loan" means any education loan 21698  
that is not a federal education loan. 21699

(N) "Obligations" means the bonds, notes, or securities of 21700  
this state issued by the issuing authority pursuant to this 21701  
chapter. 21702

(O) "Person" means any individual, corporation, business 21703  
trust, estate, trust, partnership, or association, any federal, 21704  
state, interstate, regional, or local governmental agency, any 21705  
subdivision of the state, or any combination of these. 21706

(P) "Pledged receipts" means, to the extent the following 21707  
are pledged by the bond proceedings for the payment of bond 21708  
service charges: all receipts representing moneys accruing from 21709  
or in connection with the repayment of education loans, 21710  
including interest and payments from any guarantee or insurance 21711  
in respect to such education loans; accrued interest received 21712  
from the sale of obligations; the balances in the special funds; 21713  
income from the investment of the special funds; all right, 21714  
title, and interest of the state and the designated 21715  
administrator in the education loans and any guarantees or 21716

insurance in respect thereof, and any money representing the 21717  
proceeds of obligations or any income from or interest on those 21718  
proceeds; or any other gifts, grants, donations, and pledges and 21719  
any income and receipts therefrom, available and pledged for the 21720  
payment of bond service charges. 21721

(Q) "Policy guidelines" means the rules adopted pursuant 21722  
to division (A) of section 3366.03 of the Revised Code. 21723

(R) "Proceeds loan" means the transfer, pursuant to a loan 21724  
agreement or agency agreement, of the proceeds of the 21725  
obligations, or the deposit of the proceeds of the obligations 21726  
with a trustee in trust under a trust agreement, indenture, or 21727  
other trust document under the bond proceedings pending their 21728  
disbursement for the purposes authorized by this chapter. 21729

(S) "Resident" means any student who would qualify as a 21730  
resident of this state for state subsidy and tuition surcharge 21731  
purposes under rules adopted by the Ohio board of regents under 21732  
section 3333.31 of the Revised Code. 21733

(T) "Special funds" or "funds" means the bond service fund 21734  
and any other funds, including reserve funds, created under the 21735  
bond proceedings, including all moneys and investments, and 21736  
earnings from investment, credited and to be credited thereto. 21737

(U) "Student" means an individual described in division 21738  
(G) (1) or (2) of this section who meets requirements established 21739  
under the policy guidelines. "Student" includes dependent and 21740  
independent undergraduate, graduate, and professional students. 21741

(V) "Subdivision" has the same meaning as in division (MM) 21742  
of section 133.01 of the Revised Code. 21743

**Sec. 3366.03.** (A) In furtherance of the public policy and 21744  
purpose set forth in section 3366.02 of the Revised Code and to 21745

implement that purpose, the director of housing and development, 21746  
with the approval of the issuing authority, shall adopt, amend, 21747  
or rescind rules, pursuant to Chapter 119. of the Revised Code, 21748  
establishing such policy guidelines as the director considers 21749  
necessary or appropriate to provide for creating a secondary 21750  
market for education loans as authorized by this chapter. The 21751  
policy guidelines shall include such provisions as the director 21752  
considers appropriate to further the public policy and purpose 21753  
set forth in section 3366.02 of the Revised Code. 21754

(B) The director of housing and development or the issuing 21755  
authority or both may: 21756

(1) Enter into agreements with any designated 21757  
administrator to provide for the proceeds loan for the purchase 21758  
of education loans on the secondary market; 21759

(2) Enter into agreements with any designated 21760  
administrator to provide for stimulating the making of education 21761  
loans through the ~~the~~ acquisition of such loans, in accordance 21762  
with the policy guidelines; and 21763

(3) Do all other acts and enter into contracts and execute 21764  
all instruments necessary or appropriate to carry out the 21765  
provisions of this chapter. 21766

(C) All expenses and obligations incurred by the issuing 21767  
authority or the director of housing and development in carrying 21768  
out duties and in exercising powers under this chapter shall be 21769  
payable solely from, as appropriate, pledged receipts, moneys 21770  
from the sale of obligations, or any amounts contributed by the 21771  
designated administrator. This chapter does not authorize the 21772  
issuing authority to incur debt or bonded indebtedness of the 21773  
state, or to obligate or pledge any moneys other than pledged 21774

receipts for the payment of any obligations. 21775

(D) The designated administrator, subject to the 21776  
applicable provisions of this chapter, shall purchase education 21777  
loans from eligible lenders directly or indirectly, with moneys 21778  
loaned or otherwise provided to it under this chapter from the 21779  
proceeds of obligations, which education loans are used by and 21780  
for students for paying costs of attendance at eligible 21781  
institutions. 21782

(E) In accordance with the policy guidelines, the 21783  
designated administrator shall do all of the following: 21784

(1) Specify the terms of and procedures for making, 21785  
selling, purchasing, servicing, and collecting those education 21786  
loans eligible for purchase under the guidelines; 21787

(2) Take such actions as may be necessary or appropriate 21788  
to establish the terms of, purchase, service or otherwise 21789  
administer, and collect any education loan; 21790

(3) With respect to those loans acquired pursuant to this 21791  
chapter, establish the fees including, without limitation, 21792  
origination and loan fees; charges; rates of interest; times of 21793  
payment of interest and principal; late charges; aggregate 21794  
amounts of education loans to be issued per year and in total; 21795  
eligibility and credit criteria of eligible borrowers; 21796  
refinancing or consolidation provisions; criteria for 21797  
participation by eligible lenders; criteria for allocating the 21798  
distribution of education loans among students attending or 21799  
planning to attend different eligible institutions; terms of 21800  
sales and purchases of education loans; and other terms, 21801  
conditions, and provisions of and security for education loans. 21802

The designated administrator shall not purchase any 21803

education loan unless the loan conforms to the policy 21804  
guidelines. 21805

(F) If the director of housing and development determines 21806  
that education loans are not being made in the amount or manner 21807  
anticipated, the designated administrator, with the consent of 21808  
the director, may enter into special arrangements with certain 21809  
eligible lenders pursuant to guidelines adopted under this 21810  
chapter to stimulate the provision of education loans. 21811

(G) The designated administrator may establish additional 21812  
procedures and set other terms and conditions not inconsistent 21813  
with the policy guidelines as may be necessary or appropriate in 21814  
connection with the program authorized under this chapter. 21815

(H) At least annually by a date specified by the director 21816  
of housing and development, the designated administrator shall 21817  
provide to the issuing authority and the director of housing and 21818  
development reports on the use of the proceeds of obligations. 21819

(I) For purposes of this chapter, any designated 21820  
administrator other than the nonprofit corporation designated 21821  
under division (D) of section 3351.07 of the Revised Code shall 21822  
be a person that maintains its principal place of business in 21823  
the state and that has as its principal business the making, 21824  
purchasing, holding, or selling of loans made to finance 21825  
individuals' cost of post-secondary education. 21826

**Sec. 3366.04.** (A) The issuing authority may issue 21827  
obligations under this section to provide money to make proceeds 21828  
loans to the designated administrator for the purpose of 21829  
acquiring education loans, or needed for capitalized interest, 21830  
for funding reserves, and for paying costs and expenses incurred 21831  
in connection with the issuance, carrying, securing, paying, 21832

redeeming, or retirement of the obligations or any obligations 21833  
refunded thereby, including payment of costs and expenses 21834  
relating to letters of credit, lines of credit, insurance, put 21835  
agreements, standby purchase agreements, indexing, marketing, 21836  
remarketing and administrative arrangements, interest swap or 21837  
hedging agreements, and any other credit enhancement facility as 21838  
defined in division (H) of section 133.01 of the Revised Code, 21839  
liquidity, remarketing, renewal, or refunding arrangements, all 21840  
of which are authorized by this section. The proceeds thereof 21841  
shall, as provided in the bond proceedings, be loaned, or 21842  
otherwise made available as a proceeds loan, to the designated 21843  
administrator. The issuing authority may appoint trustees, 21844  
paying agents, and transfer agents and may retain the services 21845  
of financial advisors, accounting experts, and attorneys, and 21846  
retain or contract for the services of marketing, remarketing, 21847  
indexing, and administrative agents, other consultants, and 21848  
independent contractors, including printing services, as are 21849  
necessary to carry out the provisions of this section. The costs 21850  
of such services are allowable costs payable from the proceeds 21851  
of such obligations. 21852

(B) The holders or owners of obligations shall have no 21853  
right to have taxes levied by the general assembly, or any 21854  
moneys other than pledged receipts obligated or pledged, and any 21855  
moneys other than pledged receipts shall not be obligated or 21856  
pledged, for the payment of bond service charges. The 21857  
obligations are not debts of the state, bond service charges are 21858  
payable solely from the revenues and funds pledged as pledged 21859  
receipts for their payment, and the right of such holders and 21860  
owners to payment of bond service charges is limited to pledged 21861  
receipts as provided in the bond proceedings, and each such 21862  
obligation shall bear on its face a statement to that effect. No 21863



money, including money from the general revenue fund, shall be 21864  
appropriated, obligated, or used to pay bond service charges or 21865  
the costs incurred in the administration of this chapter, other 21866  
than pledged receipts. 21867

(C) Obligations shall be authorized by order of the 21868  
issuing authority at the request of the designated administrator 21869  
and with the approval of the director of housing and 21870  
development, and the bond proceedings shall provide for the 21871  
purpose thereof and the principal amount or amounts, and shall 21872  
provide for or authorize the manner for determining the 21873  
principal maturity or maturities, the interest rate or rates or 21874  
the maximum interest rate, the date of the obligations and the 21875  
dates of payment of interest thereon, their denomination, and 21876  
the establishment within or outside this state of a place or 21877  
places of payment of bond service charges. Sections 9.98 to 21878  
9.983 of the Revised Code apply to obligations issued under this 21879  
section. The purpose of such obligations may be stated in the 21880  
bond proceedings in terms describing the general purpose to be 21881  
served. The bond proceedings shall also provide, subject to the 21882  
provisions of any other applicable bond proceedings, for the 21883  
pledge of, and the granting of a security interest in, all, or 21884  
such part as the issuing authority may determine, of the pledged 21885  
receipts to the payment of bond service charges, which pledge 21886  
may be made and security interest granted, subject to the 21887  
provisions of any applicable prior bond proceedings, either 21888  
prior to or on a parity with or subordinate to other expenses, 21889  
claims, or payments, and may be made or granted to secure 21890  
obligations senior or subordinate to, or on a parity with, 21891  
obligations theretofore or thereafter issued, if and to the 21892  
extent provided in the bond proceedings. The pledged receipts so 21893  
pledged or subject to a security interest and thereafter 21894

received by the issuing authority or the designated 21895  
administrator on behalf of the issuing authority or otherwise 21896  
received are immediately subject to such pledge and security 21897  
interest without any physical delivery thereof or further act, 21898  
and such pledge and security interest are valid, binding, and 21899  
enforceable against all parties having claims of any kind 21900  
against the state or any governmental agency, or against the 21901  
designated administrator, whether or not such parties have 21902  
notice thereof, and shall create a perfected security interest 21903  
for all purposes of Chapter 1309. of the Revised Code, without 21904  
the necessity for separation or delivery or possession of the 21905  
pledged receipts, or for the filing or recording of the bond 21906  
proceedings by which such pledge and security interest are 21907  
created or any certificate, statement, or other document with 21908  
respect thereto; and the pledge of such pledged receipts and the 21909  
security interest are effective and the money therefrom and 21910  
thereof may be applied to the purposes for which pledged without 21911  
necessity for any act of appropriation. Every pledge made and 21912  
security interest granted, and every covenant and agreement made 21913  
with respect thereto in the bond proceedings may therein be 21914  
extended to the benefit of the owners and holders of obligations 21915  
authorized by this section, and to any trustee therefor, for the 21916  
further security of the payment of the bond service charges. 21917

(D) The bond proceedings may contain additional provisions 21918  
as to: 21919

(1) The redemption of obligations prior to maturity at 21920  
such price or prices and under such terms and conditions as are 21921  
provided in the bond proceedings; 21922

(2) Other terms of the obligations; 21923

(3) Limitations on the issuance of additional obligations; 21924

(4) The terms of any trust agreement or indenture securing	21925
the obligations or under which the same may be issued;	21926
(5) The investment of the proceeds of obligations and	21927
amounts on deposit in the special funds;	21928
(6) Any or every provision of the bond proceedings being	21929
binding upon such officer, board, commission, authority, agency,	21930
department, or other person or body as may from time to time	21931
have the authority under law to take such actions as may be	21932
necessary to perform all or any part of the duty required by	21933
such provision;	21934
(7) Any provision that may be made in a trust agreement or	21935
indenture;	21936
(8) Provisions for the use of the proceeds of repayment of	21937
education loans to acquire additional education loans;	21938
(9) Any other or additional agreements with the holders of	21939
the obligations, the trustee therefor, or the designated	21940
administrator, relating to the obligations or the security	21941
therefor, including the assignment of security obtained or to be	21942
obtained for education loans.	21943
(E) The obligations and any coupons pertaining to	21944
obligations shall be in the form specified in the bond	21945
proceedings and shall be signed by or bear the facsimile	21946
signature of the issuing authority. Any obligations or coupons	21947
may be executed by the person who, on the date of execution, is	21948
the proper issuing authority although on the date of such bonds	21949
or coupons such person was not the issuing authority. In case	21950
the issuing authority whose signature or a facsimile of whose	21951
signature appears on any such obligation or coupon ceases to be	21952
the issuing authority before delivery thereof, such signature or	21953

facsimile is nevertheless valid and sufficient for all purposes 21954  
as if that official had remained the issuing authority until 21955  
such delivery. 21956

(F) All obligations are negotiable instruments and 21957  
securities under Chapter 1308. of the Revised Code, subject to 21958  
the provisions of the bond proceedings as to registration. The 21959  
obligations may be issued in coupon or in registered form, or 21960  
both, as the issuing authority determines. Provision may be made 21961  
for the registration of any obligations with coupons attached 21962  
thereto as to principal alone or as to both principal and 21963  
interest, their exchange for obligations so registered, and for 21964  
the conversion or reconversion into obligations with coupons 21965  
attached thereto of any obligations registered as to both 21966  
principal and interest, and for reasonable charges for such 21967  
registration, exchange, conversion, and reconversion. 21968

(G) Obligations may be sold at public sale or at private 21969  
sale, as determined by the issuing authority in the bond 21970  
proceedings. 21971

(H) Pending preparation of definitive obligations, the 21972  
issuing authority may issue interim receipts or certificates 21973  
which shall be exchanged for such definitive obligations. 21974

(I) In the discretion of the issuing authority, 21975  
obligations may be secured additionally by a trust agreement or 21976  
indenture between the issuing authority and a corporate trustee 21977  
and, if so provided for in the bond proceedings, any other 21978  
necessary or appropriate party. Any such trustee shall be a 21979  
trust company, bank, or national banking association authorized 21980  
to exercise trust powers within the state. Any such agreement or 21981  
indenture may contain the order authorizing the issuance of the 21982  
obligations, any provisions that may be contained in any bond 21983

proceedings, and other provisions which are customary or 21984  
appropriate in an agreement or indenture of such type, 21985  
including, but not limited to: 21986

(1) Maintenance of each pledge, security interest, and 21987  
trust agreement, indenture, or other instrument comprising part 21988  
of the bond proceedings until the bond service charges on the 21989  
obligations secured thereby have been fully paid, or provision 21990  
therefor has been made in accordance with the bond proceedings; 21991

(2) In the event of default in any payments required to be 21992  
made by the bond proceedings, or any other agreement of the 21993  
issuing authority made as a part of the contract under which the 21994  
obligations were issued, enforcement of such payments or 21995  
agreement by mandamus, the appointment of a receiver, suit in 21996  
equity, action at law, or any combination of the foregoing; 21997

(3) The rights and remedies of the holders of obligations 21998  
and of the trustee, and provisions for protecting and enforcing 21999  
them, including limitations on rights of individual holders of 22000  
obligations; 22001

(4) The replacement of any obligations that become 22002  
mutilated or are destroyed, lost, or stolen; 22003

(5) Such other provisions as the trustee and the issuing 22004  
authority agree upon, including limitations, conditions, or 22005  
qualifications relating to the education loans that may be made 22006  
or acquired pursuant to the trust agreement or indenture. 22007

(J) Any holder of obligations or a trustee under the bond 22008  
proceedings, except to the extent that rights are restricted by 22009  
the bond proceedings, may by any suitable form of legal 22010  
proceedings, protect and enforce any rights under the laws of 22011  
this state or granted by such bond proceedings. Such rights 22012

include the right to compel the performance of all duties of the 22013  
issuing authority or the director of housing and development 22014  
required by this chapter or the bond proceedings; to enjoin 22015  
unlawful activities; and, in the event of default with respect 22016  
to the payment of any bond service charges on any obligations or 22017  
in the performance of any covenant or agreement on the part of 22018  
the issuing authority or the director of housing and development 22019  
in the bond proceedings, to apply to a court having jurisdiction 22020  
to appoint a receiver to receive and administer the pledged 22021  
receipts pledged to the payment of the bond service charges on 22022  
such obligations or which are the subject of the covenant or 22023  
agreement, with full power to pay and to provide for payment of 22024  
bond service charges on such obligations and with such powers, 22025  
subject to the direction of the court, as are accorded receivers 22026  
in general equity cases, excluding any power to pledge revenues 22027  
or receipts or other income or moneys, other than pledged 22028  
receipts, and excluding any power to take possession of, or 22029  
cause the sale or otherwise dispose of, any property other than 22030  
the pledged receipts. 22031

Each duty of the issuing authority, of each governmental 22032  
agency including the director of housing and development, of the 22033  
designated administrator, and of any of the officers, members, 22034  
or employees of any of the foregoing, undertaken pursuant to the 22035  
bond proceedings or any agreement made under authority of this 22036  
chapter, and each duty in every agreement by or with the issuing 22037  
authority under this chapter, each governmental agency including 22038  
the director of housing and development, and the designated 22039  
administrator, is hereby established as a duty of the issuing 22040  
authority, the governmental agency, or the designated 22041  
administrator, respectively, and of each such officer, member, 22042  
or employee having authority to perform such duty, specifically 22043

enjoined by the law resulting from an office, trust, or station 22044  
within the meaning of section 2731.01 of the Revised Code. 22045

The person who is at the time the issuing authority or the 22046  
director of housing and development, or the officers or 22047  
employees of either of them, are not liable in their personal 22048  
capacities on any obligations or any agreements of or with the 22049  
issuing authority or the director of housing and development. 22050

(K) The issuing authority may issue obligations for the 22051  
refunding, including funding and retirement, and advance 22052  
refunding with or without payment or redemption prior to 22053  
maturity, of any obligations previously issued. Such obligations 22054  
may be issued in amounts sufficient for payment of the principal 22055  
amount of the prior obligations, any redemption premiums 22056  
thereon, principal maturities of any such obligations maturing 22057  
prior to the redemption of the remaining obligations on a parity 22058  
therewith, interest accrued or to accrue to the maturity dates 22059  
or dates of redemption of such obligations, and expenses 22060  
incurred or to be incurred in connection with such issuance and 22061  
such refunding, funding, and retirement. Subject to the bond 22062  
proceedings therefor, the portion of proceeds of the sale of 22063  
obligations issued under this division to be applied to bond 22064  
service charges on the prior obligations shall be credited to an 22065  
appropriate account held by the trustee for such prior or new 22066  
obligations or to the appropriate account in the bond service 22067  
fund for such obligations. Obligations authorized under this 22068  
division shall be deemed to be issued for those purposes for 22069  
which such prior obligations were issued and are subject to the 22070  
provisions of this section pertaining to other obligations, 22071  
except as otherwise provided in this section. 22072

(L) The authority to issue obligations under this section 22073

includes authority to issue obligations in the form of bond 22074  
anticipation notes and to renew the same from time to time by 22075  
the issuance of new notes. The holders of such notes or interest 22076  
coupons pertaining thereto shall have a right to be paid solely 22077  
from the pledged receipts and special funds that may be pledged 22078  
to the payment of the bonds anticipated, or from the proceeds of 22079  
such anticipated bonds or renewal notes, or both, as the issuing 22080  
authority provides in the order authorizing such notes. Such 22081  
notes may be additionally secured by covenants of the issuing 22082  
authority and the director of housing and development to the 22083  
effect that the issuing authority and the director of housing 22084  
and development will do such or all things necessary for the 22085  
issuance of such bonds or renewal notes in appropriate amounts, 22086  
and apply the proceeds thereof to the extent necessary, to make 22087  
full payment of the principal of and interest on such notes at 22088  
the time or times contemplated, as provided in such order. For 22089  
this purpose, the issuing authority shall issue bonds or renewal 22090  
notes in such principal amount and upon such terms as may be 22091  
necessary to provide funds to pay, when required, the principal 22092  
of and interest and any premium on such notes. Subject to this 22093  
division, all provisions for and references to obligations in 22094  
this section are applicable to notes authorized under this 22095  
division. 22096

The issuing authority in the bond proceedings authorizing 22097  
the issuance of bond anticipation notes shall set forth for such 22098  
bonds an estimated interest rate and a schedule of principal 22099  
payments for such bonds and the annual maturity dates thereof, 22100  
but this provision does not modify any authority in this section 22101  
to pledge receipts to, to grant a security interest in those 22102  
receipts for the purpose of securing, and to covenant to issue 22103  
bonds to fund, the payment of principal of and interest and any 22104



premium on such notes, or to provide in the bond proceedings 22105  
authorizing the issuance of the anticipated bonds interest rates 22106  
and a schedule of principal payments for such bonds and the 22107  
annual maturity dates thereof which differ from the estimates in 22108  
the bond proceedings authorizing the issuance of such bond 22109  
anticipation notes. 22110

(M) Obligations issued under this section are lawful 22111  
investments for banks; savings banks; savings and loan 22112  
associations; credit union share guarantee corporations; trust 22113  
companies; trustees; fiduciaries; insurance companies, including 22114  
domestic for life and domestic not for life; trustees or other 22115  
officers having charge of sinking and bond retirement or other 22116  
special funds of the state and of subdivisions and taxing 22117  
districts of the state; the commissioners of the sinking fund of 22118  
the state; the administrator of workers' compensation, subject 22119  
to the approval of the workers' compensation board; the state 22120  
teachers retirement system; the public employees retirement 22121  
system; the school employees retirement system; and the Ohio 22122  
police and fire pension fund, notwithstanding any other 22123  
provisions of the Revised Code or rules adopted pursuant to 22124  
those provisions by any agency of the state with respect to 22125  
investments by them, and are also eligible as security for the 22126  
repayment of the deposit of public moneys. 22127

(N) Provision may be made in the applicable bond 22128  
proceedings for the establishment of separate accounts in the 22129  
bond service fund and for the application of such accounts only 22130  
to the specified bond service charges on obligations pertinent 22131  
to such accounts and bond service fund and for other accounts 22132  
therein within the general purposes of such fund. Unless 22133  
otherwise provided in any applicable bond proceedings, moneys to 22134  
the credit of or in the several special funds established 22135

pursuant to this section shall be invested and disbursed as 22136  
provided in the bond proceedings. 22137

(O) The issuing authority shall pledge and grant a 22138  
security interest in all, or such portion as the issuing 22139  
authority determines, of the pledged receipts to the payment of 22140  
bond service charges on obligations, and for the establishment 22141  
and maintenance of any reserves, as provided in the bond 22142  
proceedings, and make other provisions therein with respect to 22143  
pledged receipts as authorized by this chapter, which provisions 22144  
are controlling notwithstanding any other provisions of law 22145  
pertaining thereto. 22146

(P) The obligations, the transfer thereof, and the 22147  
interest, accreted amount, and other income therefrom, including 22148  
any profit made on the sale thereof, shall at all times be free 22149  
from taxation, direct or indirect, within this state. 22150

**Sec. 3735.27.** (A) Whenever the director of housing and 22151  
development has determined that there is need for a housing 22152  
authority in any portion of any county that comprises two or 22153  
more political subdivisions or portions of two or more political 22154  
subdivisions but is less than all the territory within the 22155  
county, a metropolitan housing authority shall be declared to 22156  
exist, and the territorial limits of the authority shall be 22157  
defined, by a letter from the director. The director shall issue 22158  
a determination from the department of housing and development 22159  
declaring that there is need for a housing authority within 22160  
those territorial limits after finding either of the following: 22161

(1) Unsanitary or unsafe inhabited housing accommodations 22162  
exist in that area; 22163

(2) There is a shortage of safe and sanitary housing 22164

accommodations in that area available to persons who lack the 22165  
amount of income that is necessary, as determined by the 22166  
director, to enable them, without financial assistance, to live 22167  
in decent, safe, and sanitary dwellings without congestion. 22168

In determining whether dwelling accommodations are unsafe 22169  
or unsanitary, the director may take into consideration the 22170  
degree of congestion, the percentage of land coverage, the 22171  
light, air, space, and access available to the inhabitants of 22172  
the dwelling accommodations, the size and arrangement of rooms, 22173  
the sanitary facilities, and the extent to which conditions 22174  
exist in the dwelling accommodations that endanger life or 22175  
property by fire or other causes. 22176

The territorial limits of a metropolitan housing authority 22177  
as defined by the director under this division shall be fixed 22178  
for the authority upon proof of a letter from the director 22179  
declaring the need for the authority to function in those 22180  
territorial limits. Any such letter from the director, any 22181  
certificate of determination issued by the director, and any 22182  
certificate of appointment of members of the authority shall be 22183  
admissible in evidence in any suit, action, or proceeding. 22184

A certified copy of the letter from the director declaring 22185  
the existence of a metropolitan housing authority and the 22186  
territorial limits of its district shall be immediately 22187  
forwarded to each appointing authority. A metropolitan housing 22188  
authority shall consist of members who are residents of the 22189  
territory in which they serve. 22190

(B) (1) Except as otherwise provided in division (C), (D), 22191  
(E), or (F) of this section, the members of a metropolitan 22192  
housing authority shall be appointed as follows: 22193

(a) (i) In a district in a county in which a charter has  
been adopted under Article X, Section 3 of the Ohio  
Constitution, and in which the most populous city is not the  
city with the largest ratio of housing units owned or managed by  
the authority to population, one member shall be appointed by  
the probate court, one member shall be appointed by the court of  
common pleas, one member shall be appointed by the board of  
county commissioners, one member shall be appointed by the chief  
executive officer of the city that has the largest ratio of  
housing units owned or managed by the authority to population,  
and two members shall be appointed by the chief executive  
officer of the most populous city in the district.

(ii) If, in a district that appoints members pursuant to  
division (B) (1) (a) of this section, the most populous city  
becomes the city with the largest ratio of housing units owned  
or managed by the authority to population, when the term of  
office of the member who was appointed by the chief executive  
officer of the city with the largest ratio expires, that member  
shall not be reappointed, and the membership of the authority  
shall be as described in division (B) (1) (b) of this section.

(b) In any district other than one described in division  
(B) (1) (a) of this section, one member shall be appointed by the  
probate court, one member shall be appointed by the court of  
common pleas, one member shall be appointed by the board of  
county commissioners, and two members shall be appointed by the  
chief executive officer of the most populous city in the  
district.

(2) At the time of the initial appointment of the  
authority, the member appointed by the probate court shall be  
appointed for a period of four years, the member appointed by

the court of common pleas shall be appointed for three years, 22224  
the member appointed by the board of county commissioners shall 22225  
be appointed for two years, one member appointed by the chief 22226  
executive officer of the most populous city in the district 22227  
shall be appointed for one year, and the other member appointed 22228  
by the chief executive officer of the most populous city in the 22229  
district shall be appointed for five years. 22230

If appointments are made under division (B) (1) (a) of this 22231  
section, the member appointed by the chief executive officer of 22232  
the city in the district that is not the most populous city, but 22233  
that has the largest ratio of housing units owned or managed by 22234  
the authority to population, shall be appointed for five years. 22235

After the initial appointments, all members of the 22236  
authority shall be appointed for five-year terms, and any 22237  
vacancy occurring upon the expiration of a term shall be filled 22238  
by the appointing authority that made the initial appointment. 22239

(3) For purposes of this division, population shall be 22240  
determined according to the last preceding federal census. 22241

(C) For any metropolitan housing authority district that 22242  
contained, as of the 1990 federal census, a population of at 22243  
least one million, two members of the authority shall be 22244  
appointed by the legislative authority of the most populous city 22245  
in the district, two members shall be appointed by the chief 22246  
executive officer of the most populous city in the district, and 22247  
one member shall be appointed by the chief executive officer, 22248  
with the approval of the legislative authority, of the city in 22249  
the district that has the second highest number of housing units 22250  
owned or managed by the authority. 22251

At the time of the initial appointment of the authority, 22252

one member appointed by the legislative authority of the most 22253  
populous city in the district shall be appointed for three 22254  
years, and one such member shall be appointed for one year; the 22255  
member appointed by the chief executive officer of the city with 22256  
the second highest number of housing units owned or managed by 22257  
the authority shall be appointed, with the approval of the 22258  
legislative authority, for three years; and one member appointed 22259  
by the chief executive officer of the most populous city in the 22260  
district shall be appointed for three years, and one such member 22261  
shall be appointed for one year. Thereafter, all members of the 22262  
authority shall be appointed for three-year terms, and any 22263  
vacancy shall be filled by the same appointing power that made 22264  
the initial appointment. At the expiration of the term of any 22265  
member appointed by the chief executive officer of the most 22266  
populous city in the district before March 15, 1983, the chief 22267  
executive officer of the most populous city in the district 22268  
shall fill the vacancy by appointment for a three-year term. At 22269  
the expiration of the term of any member appointed by the board 22270  
of county commissioners before March 15, 1983, the chief 22271  
executive officer of the city in the district with the second 22272  
highest number of housing units owned or managed by the 22273  
authority shall, with the approval of the municipal legislative 22274  
authority, fill the vacancy by appointment for a three-year 22275  
term. At the expiration of the term of any member appointed 22276  
before March 15, 1983, by the court of common pleas or the 22277  
probate court, the legislative authority of the most populous 22278  
city in the district shall fill the vacancy by appointment for a 22279  
three-year term. 22280

After March 15, 1983, at least one of the members 22281  
appointed by the chief executive officer of the most populous 22282  
city shall be a resident of a dwelling unit owned or managed by 22283

the authority. At least one of the initial appointments by the 22284  
chief executive officer of the most populous city, after March 22285  
15, 1983, shall be a resident of a dwelling unit owned or 22286  
managed by the authority. Thereafter, any member appointed by 22287  
the chief executive officer of the most populous city for the 22288  
term established by this initial appointment, or for any 22289  
succeeding term, shall be a person who resides in a dwelling 22290  
unit owned or managed by the authority. If there is an elected, 22291  
representative body of all residents of the authority, the chief 22292  
executive officer of the most populous city shall, whenever 22293  
there is a vacancy in this resident term, provide written notice 22294  
of the vacancy to the representative body. If the representative 22295  
body submits to the chief executive officer of the most populous 22296  
city, in writing and within sixty days after the date on which 22297  
it was notified of the vacancy, the names of at least five 22298  
residents of the authority who are willing and qualified to 22299  
serve as a member, the chief executive officer of the most 22300  
populous city shall appoint to the resident term one of the 22301  
residents recommended by the representative body. At no time 22302  
shall residents constitute a majority of the members of the 22303  
authority. 22304

(D) (1) For any metropolitan housing authority district 22305  
that is located in a county that has, according to the most 22306  
recent federal decennial census, a population greater than seven 22307  
hundred thousand but less than nine hundred thousand, the 22308  
members of the metropolitan housing authority shall be selected 22309  
as follows: 22310

(a) One member shall be appointed by the probate court. 22311

(b) One member shall be appointed by the court of common 22312  
pleas. 22313

(c) One member shall be appointed by the board of county commissioners. 22314  
22315

(d) Two members shall be appointed by the mayor of the 22316  
most populous city in the district, subject to approval by city 22317  
council. At least one of the initial appointments by the mayor 22318  
shall be a resident of a dwelling unit owned or managed by the 22319  
authority. Thereafter, any member appointed by the mayor of the 22320  
most populous city for the term established by the initial 22321  
appointment, or for any succeeding term, shall be a person who 22322  
resides in a dwelling unit owned or managed by the authority. If 22323  
there is an elected, representative body of all residents of the 22324  
authority, the mayor of the most populous city shall, whenever 22325  
there is a vacancy in the resident term, provide written notice 22326  
of the vacancy to the representative body. If the representative 22327  
body submits to the mayor of the most populous city, in writing 22328  
and within sixty days after the date on which it was notified of 22329  
the vacancy, the names of at least five residents of the 22330  
authority who are willing and qualified to serve as a member, 22331  
the mayor of the most populous city shall appoint to the 22332  
resident term one of the residents recommended by the 22333  
representative body. At no time shall residents constitute a 22334  
majority of the members of the authority. 22335

(e) One member shall be nominated by the township 22336  
association of the county. The name of the nominee submitted by 22337  
the township association of the county shall be sent to the 22338  
board of county commissioners and the executive director of the 22339  
metropolitan housing authority, if applicable. The board of 22340  
county commissioners shall accept or reject the nominee. 22341

(f) One member shall be nominated by the municipal league 22342  
of the county. The name of the nominee submitted by the 22343



municipal league of the county shall be sent to the board of 22344  
county commissioners and the executive director of the 22345  
metropolitan housing authority, if applicable. The nominee shall 22346  
not be a resident of the district's most populous city and shall 22347  
represent a city that is substantially impacted as described in 22348  
division (I) of this section. The board of county commissioners 22349  
shall accept or reject the nominee. 22350

(2) At the time of the initial appointment of the 22351  
authority described in division (D) (1) of this section, the 22352  
member appointed by the probate court shall be appointed for a 22353  
period of four years; the member appointed by the court of 22354  
common pleas shall be appointed for three years; the member 22355  
appointed by the board of county commissioners shall be 22356  
appointed for two years; one member appointed by the mayor of 22357  
the most populous city in the district shall be appointed for 22358  
one year, and the other member appointed by the mayor of the 22359  
most populous city in the district shall be appointed for five 22360  
years; the member nominated by the township association of the 22361  
county shall be appointed for the same number of years as the 22362  
nonresident member of the authority appointed by the mayor of 22363  
the most populous city in the district; and the member nominated 22364  
by the municipal league of the county shall be appointed for the 22365  
same number of years as the resident member of the authority 22366  
appointed by the mayor of the most populous city in the 22367  
district. 22368

After the initial appointments, all members of the 22369  
authority shall be appointed for five-year terms, and any 22370  
vacancy occurring upon the expiration of a term shall be filled 22371  
by the authority that made the initial appointment or 22372  
nomination. 22373

(E) (1) For any metropolitan housing authority district 22374  
located in a county that had, as of the 2000 federal census, a 22375  
population of at least four hundred thousand and no city with a 22376  
population greater than thirty per cent of the total population 22377  
of the county, one member of the authority shall be appointed by 22378  
the probate court, one member shall be appointed by the court of 22379  
common pleas, one member shall be appointed by the chief 22380  
executive officer of the most populous city in the district, and 22381  
two members shall be appointed by the board of county 22382  
commissioners. 22383

(2) At the time of the initial appointment of a 22384  
metropolitan housing authority pursuant to this division, the 22385  
member appointed by the probate court shall be appointed for a 22386  
period of four years, the member appointed by the court of 22387  
common pleas shall be appointed for three years, the member 22388  
appointed by the chief executive officer of the most populous 22389  
city shall be appointed for two years, one member appointed by 22390  
the board of county commissioners shall be appointed for one 22391  
year, and the other member appointed by the board of county 22392  
commissioners shall be appointed for five years. Thereafter, all 22393  
members of the authority shall be appointed for five-year terms, 22394  
with each term ending on the same day of the same month as the 22395  
term that it succeeds. Vacancies shall be filled in the manner 22396  
provided in the original appointments. Any member appointed to 22397  
fill a vacancy occurring prior to the expiration of the term 22398  
shall hold office as a member for the remainder of that term. 22399

(F) (1) One resident member shall be appointed to a 22400  
metropolitan housing authority when required by federal law. The 22401  
chief executive officer of the most populous city in the 22402  
district shall appoint that resident member for a term of five 22403  
years. Subsequent terms of that resident member also shall be 22404

for five years, and any vacancy in the position of the resident 22405  
member shall be filled by the chief executive officer of the 22406  
most populous city in the district. Any member appointed to fill 22407  
such a vacancy shall hold office as a resident member for the 22408  
remainder of that term. If, at any time, a resident member no 22409  
longer qualifies as a resident, another resident member shall be 22410  
appointed by the appointing authority who originally appointed 22411  
the resident member to serve for the unexpired portion of that 22412  
term. 22413

(2) On and after September 29, 2005, any metropolitan 22414  
housing authority to which two additional members were appointed 22415  
pursuant to former division (E)(1) of this section as enacted by 22416  
Amended Substitute House Bill No. 95 of the 125th general 22417  
assembly shall continue to have those additional members. Their 22418  
terms shall be for five years, and vacancies in their positions 22419  
shall be filled in the manner provided for their original 22420  
appointment under former division (E)(1) of this section as so 22421  
enacted. 22422

(G) Public officials, other than the officers having the 22423  
appointing power under this section, shall be eligible to serve 22424  
as members, officers, or employees of a metropolitan housing 22425  
authority notwithstanding any statute, charter, or law to the 22426  
contrary. Not more than two such public officials shall be 22427  
members of the authority at any one time. 22428

All members of an authority shall serve without 22429  
compensation but shall be entitled to be reimbursed for all 22430  
necessary expenses incurred. 22431

After a metropolitan housing authority district is formed, 22432  
the director may enlarge the territory within the district to 22433  
include other political subdivisions, or portions of other 22434

political subdivisions, but the territorial limits of the 22435  
district shall be less than that of the county. 22436

(H) (1) Any vote taken by a metropolitan housing authority 22437  
shall require a majority affirmative vote to pass. A tie vote 22438  
shall constitute a defeat of any measure receiving equal numbers 22439  
of votes for and against it. 22440

(2) The members of a metropolitan housing authority shall 22441  
act in the best interest of the district and shall not act 22442  
solely as representatives of their respective appointing 22443  
authorities. 22444

(I) "Substantially impacted" as used in division (D) (1) (f) 22445  
of this section means a city within a metropolitan housing 22446  
authority that, based on the percentage of housing units that 22447  
are subsidized housing, is in the top one-third of cities within 22448  
the county. 22449

**Sec. 3735.39.** Whenever a metropolitan housing authority 22450  
desires to discontinue its operations it shall make application 22451  
to the director of housing and development, for authority to 22452  
dissolve. If such application is granted, the director shall 22453  
take possession and dispose of all property belonging to the 22454  
authority, and, after paying the debts and liabilities of the 22455  
authority and the expenses of administering the dissolution, the 22456  
balance remaining shall be paid into the sinking fund of the 22457  
county in which the authority existed. 22458

**Sec. 3735.66.** The legislative authority of a political 22459  
subdivision may survey the housing within the municipal 22460  
corporation in the case of a municipal corporation, the 22461  
unincorporated area of the township in the case of a limited 22462  
home rule township, and the unincorporated area of the county in 22463

the case of a county. After the survey, the legislative 22464  
authority may adopt a resolution describing the boundaries of 22465  
community reinvestment areas which contain the conditions 22466  
required for the finding under division (B) of section 3735.65 22467  
of the Revised Code. The findings resulting from the survey 22468  
shall be incorporated in the resolution describing the 22469  
boundaries of an area. The legislative authority may stipulate 22470  
in the resolution that only new structures or remodeling 22471  
classified as to use as commercial, industrial, or residential, 22472  
or some combination thereof, and otherwise satisfying the 22473  
requirements of section 3735.67 of the Revised Code are eligible 22474  
for exemption from taxation under that section. If the 22475  
resolution does not include such a stipulation, all new 22476  
structures and remodeling satisfying the requirements of section 22477  
3735.67 of the Revised Code are eligible for exemption from 22478  
taxation regardless of classification. Whether or not the 22479  
resolution includes such a stipulation, the classification of 22480  
the structures or remodeling eligible for exemption in the area 22481  
shall at all times be consistent with zoning restrictions 22482  
applicable to the area. For the purposes of sections 3735.65 to 22483  
3735.70 of the Revised Code, whether a structure or remodeling 22484  
composed of multiple units is classified as commercial or 22485  
residential shall be determined by resolution or ordinance of 22486  
the legislative authority or, in the absence of such a 22487  
determination, by the classification of the use of the structure 22488  
or remodeling under the applicable zoning regulations. 22489

If construction or remodeling classified as residential is 22490  
eligible for exemption from taxation, the resolution shall 22491  
specify a percentage, not to exceed one hundred per cent, of the 22492  
assessed valuation of such property to be exempted. The 22493  
percentage specified shall apply to all residential construction 22494

or remodeling for which exemption is granted. 22495

Territory of a community reinvestment area designated by a 22496  
municipal corporation shall include only territory of the 22497  
municipal corporation. Territory of an area designated by a 22498  
limited home rule township shall include only unincorporated 22499  
territory of the township that is not already included in an 22500  
area designated by a county. Territory of an area designated by 22501  
a county shall include only unincorporated territory of the 22502  
county that is not already included in an area designated by a 22503  
limited home rule township. 22504

Upon the adoption of the resolution, the legislative 22505  
authority shall send, by certified mail, one copy of the 22506  
resolution and a map of the community reinvestment area in 22507  
sufficient detail to denote the specific boundaries of the area, 22508  
to the director of housing and development. 22509

The resolution adopted pursuant to this section shall be 22510  
published in a newspaper of general circulation in the political 22511  
subdivision that adopted the resolution once a week for two 22512  
consecutive weeks or as provided in section 7.16 of the Revised 22513  
Code, immediately following its adoption. 22514

Each legislative authority adopting a resolution pursuant 22515  
to this section shall designate a housing officer. The 22516  
legislative authority or housing officer shall not grant any 22517  
exemption from taxation under section 3735.67 of the Revised 22518  
Code until the director assigns to each community reinvestment 22519  
area a unique designation by which the area shall be identified 22520  
for purposes of sections 3735.65 to 3735.70 of the Revised Code. 22521

**Sec. 3735.671.** (A) If construction or remodeling of 22522  
commercial or industrial property is to be exempted from 22523

taxation pursuant to section 3735.67 of the Revised Code, the 22524  
legislative authority and the owner of the property, prior to 22525  
the commencement of construction or remodeling, shall enter into 22526  
a written agreement, binding on both parties for a period of 22527  
time that does not end prior to the end of the period of the 22528  
exemption, that includes all of the information and statements 22529  
described in divisions (B)(1) to (8) of this section. Agreements 22530  
may include terms not described in those divisions or otherwise 22531  
prescribed by the model agreement adopted by the director of 22532  
housing and development under division (B) of this section, but 22533  
such terms shall in no way derogate from the information and 22534  
statements described in divisions (B)(1) to (8) of this section. 22535

(1) Except as otherwise provided in division (A)(2) or (3) 22536  
of this section, an agreement entered into under this section 22537  
shall not be approved by the legislative authority unless the 22538  
board of education of the city, local, or exempted village 22539  
school district within the territory of which the property is or 22540  
will be located approves the agreement. For the purpose of 22541  
obtaining such approval, the legislative authority shall certify 22542  
a copy of the agreement to the board of education not later than 22543  
forty-five days prior to approving the agreement, excluding 22544  
Saturday, Sunday, and a legal holiday as defined in section 1.14 22545  
of the Revised Code. The board of education, by resolution 22546  
adopted by a majority of the board, shall approve or disapprove 22547  
the agreement and certify a copy of the resolution to the 22548  
legislative authority not later than fourteen days prior to the 22549  
date stipulated by the legislative authority as the date upon 22550  
which approval of the agreement is to be formally considered by 22551  
the legislative authority. The board of education may include in 22552  
the resolution conditions under which the board would approve 22553  
the agreement. The legislative authority may approve an 22554

agreement at any time after the board of education certifies its 22555  
resolution approving the agreement to the legislative authority, 22556  
or, if the board approves the agreement conditionally, at any 22557  
time after the conditions are agreed to by the board and the 22558  
legislative authority. 22559

(2) Approval of an agreement by the board of education is 22560  
not required under division (A)(1) of this section if, for each 22561  
tax year the real property is exempted from taxation, the sum of 22562  
the following quantities, as estimated at or prior to the time 22563  
the agreement is formally approved by the legislative authority, 22564  
equals or exceeds twenty-five per cent of the amount of taxes, 22565  
as estimated at or prior to that time, that would have been 22566  
charged and payable that year upon the real property had that 22567  
property not been exempted from taxation: 22568

(a) The amount of taxes charged and payable on any portion 22569  
of the assessed valuation of the new structure or of the 22570  
increased assessed valuation of an existing structure after 22571  
remodeling began that will not be exempted from taxation under 22572  
the agreement; 22573

(b) The amount of taxes charged and payable on tangible 22574  
personal property located on the premises of the new structure 22575  
or of the structure to be remodeled under the agreement, whether 22576  
payable by the owner of the structure or by a related member, as 22577  
defined in section 5733.042 of the Revised Code without regard 22578  
to division (B) of that section. 22579

(c) The amount of any cash payment by the owner of the new 22580  
structure or structure to be remodeled to the school district, 22581  
the dollar value, as mutually agreed to by the owner and the 22582  
board of education, of any property or services provided by the 22583  
owner of the property to the school district, whether by gift, 22584



loan, or otherwise, and any payment by the legislative authority 22585  
to the school district pursuant to section 5709.82 of the 22586  
Revised Code. 22587

The estimates of quantities used for purposes of division 22588  
(A) (2) of this section shall be estimated by the legislative 22589  
authority. The legislative authority shall certify to the board 22590  
of education that the estimates have been made in good faith. 22591  
Departures of the actual quantities from the estimates 22592  
subsequent to approval of the agreement by the board of 22593  
education do not invalidate the agreement. 22594

(3) If a board of education has adopted a resolution 22595  
waiving its right to approve agreements and the resolution 22596  
remains in effect, approval of an agreement by the board is not 22597  
required under division (A) (1) of this section. If a board of 22598  
education has adopted a resolution allowing a legislative 22599  
authority to deliver the notice required under this division 22600  
fewer than forty-five business days prior to the legislative 22601  
authority's execution of the agreement, the legislative 22602  
authority shall deliver the notice to the board not later than 22603  
the number of days prior to such execution as prescribed by the 22604  
board in its resolution. If a board of education adopts a 22605  
resolution waiving its right to approve agreements or shortening 22606  
the notification period, the board shall certify a copy of the 22607  
resolution to the legislative authority. If the board of 22608  
education rescinds such a resolution, it shall certify notice of 22609  
the rescission to the legislative authority. 22610

(4) If the owner of the property or the legislative 22611  
authority agree to make any payment to the school district as 22612  
described in division (A) (2) (c) of this section, the owner or 22613  
legislative authority shall agree to make payments to the joint 22614

vocational school district within which the property is located 22615  
at the same rate or amount and under the same terms received by 22616  
the city, local, or exempted village school district. 22617

(B) The director of housing and development shall adopt 22618  
rules in accordance with Chapter 119. of the Revised Code 22619  
prescribing the form of a model agreement that a legislative 22620  
authority may, in its discretion, use as the basis for an 22621  
agreement to be executed under this section. The model agreement 22622  
may include any term necessary for the administration and 22623  
enforcement of such agreements by the director and legislative 22624  
authority, but must include all of the following: 22625

(1) A space to include the description of real property to 22626  
be exempted from taxation under the agreement and to identify 22627  
the property's owners; 22628

(2) A space to denote the percentage of the assessed 22629  
valuation of real property exempted from taxation and the period 22630  
for which the exemption is granted; 22631

(3) A statement requiring the owner to pay real property 22632  
taxes not exempted under the agreement, as required by law, and 22633  
requiring rescission of the agreement if the owner fails to pay 22634  
those taxes beginning in and after the year any such taxes are 22635  
charged; 22636

(4) A statement that the owner certifies, at the time the 22637  
agreement is executed, that the owner does not owe any 22638  
delinquent property taxes or taxes for which the owner is liable 22639  
under Chapter 5735., 5739., 5741., 5743., 5747., or 5753. of the 22640  
Revised Code, or, if such delinquent taxes are owed, that the 22641  
owner is paying the delinquent taxes pursuant to an undertaking 22642  
enforceable by the state or an agent or instrumentality thereof, 22643

has filed a petition in bankruptcy, or has had a bankruptcy 22644  
petition filed against the owner; 22645

(5) A statement requiring the owner to provide to the 22646  
property tax incentive review council any information reasonably 22647  
required by the council to evaluate the applicant's compliance 22648  
with the agreement; 22649

(6) A statement that the agreement is not transferable or 22650  
assignable without the approval of the legislative authority; 22651

(7) A statement describing the circumstances under which 22652  
the legislative authority may revoke an agreement for 22653  
noncompliance; 22654

(8) A statement requiring the owner to provide an estimate 22655  
of the following for each agreement: 22656

(a) The number of employment opportunities created due to 22657  
the remodeling or construction, as well as the payroll 22658  
attributable to those opportunities; 22659

(b) The number of employment opportunities retained due to 22660  
the remodeling or construction, as well as the payroll 22661  
attributable to those opportunities. 22662

The model agreement shall also provide that a legislative 22663  
authority may, but is not required to, include a statement 22664  
describing the manner by which the legislative authority may 22665  
recover already-received benefits, which may include an action 22666  
brought in law or equity, a lien on the exempted property in the 22667  
amount to be recovered, or other means. In the case of a lien on 22668  
the exempted property, the lien shall attach, and may be 22669  
perfected, collected, and enforced, in the same manner as a 22670  
mortgage lien on real property, and otherwise has the same force 22671  
and effect as a mortgage lien on real property. 22672

Once the director adopts rules prescribing a model 22673  
agreement under this division, the model agreement may not be 22674  
changed unless the director adopts, amends, or rescinds those 22675  
rules in accordance with Chapter 119. of the Revised Code. 22676

(C) If any person that is party to an agreement granting 22677  
an exemption from taxation discontinues operations at the 22678  
structure to which that exemption applies prior to the 22679  
expiration of the term of the agreement, that person, any 22680  
successor to that person, and any related member shall not enter 22681  
into an agreement under this section or section 5709.62, 22682  
5709.63, or 5709.632 of the Revised Code, and no legislative 22683  
authority shall enter into such an agreement with such a person, 22684  
successor, or related member prior to the expiration of three 22685  
years after the person's discontinuation of operations. As used 22686  
in this division, "successor" means a person to which the assets 22687  
or equity of another person has been transferred, which transfer 22688  
resulted in the full or partial nonrecognition of gain or loss, 22689  
or resulted in a carryover basis, both as determined by rule 22690  
adopted by the tax commissioner. "Related member" has the same 22691  
meaning as defined in section 5733.042 of the Revised Code 22692  
without regard to division (B) of that section. 22693

The director of housing and development shall review all 22694  
agreements submitted to the director under section 3735.672 of 22695  
the Revised Code for the purpose of enforcing this division. If 22696  
the director determines there has been a violation of this 22697  
division, the director shall notify the legislative authority of 22698  
such violation, and the legislative authority immediately shall 22699  
revoke the exemption granted under the agreement. 22700

**Sec. 3735.672.** (A) On or before the thirty-first day of 22701  
March each year, a legislative authority that has entered into 22702

an agreement with a party under section 3735.671 of the Revised 22703  
Code shall submit to the director of housing and development a 22704  
report on all such agreements in effect during the preceding 22705  
calendar year. The report shall include the following: 22706

(1) The total number of community reinvestment areas 22707  
designated by the political subdivision, and the total 22708  
population of each area according to the most recent data 22709  
available; 22710

(2) The total number of agreements within each area; 22711

(3) The number of agreements approved and executed during 22712  
the calendar year for which the report is submitted, the total 22713  
number of agreements in effect on the thirty-first day of 22714  
December of the preceding calendar year, the number of 22715  
agreements that expired during the calendar year for which the 22716  
report is submitted, and the number of agreements scheduled to 22717  
expire during the calendar year in which the report is 22718  
submitted. For each agreement that expired during the calendar 22719  
year for which the report is submitted, the legislative 22720  
authority shall include the amount of taxes exempted under the 22721  
agreement. 22722

(4) The number of agreements the terms of which a party 22723  
has failed to comply with, indicating separately for each such 22724  
agreement the value of the real property exempted pursuant to 22725  
the agreement and a comparison of the estimated and actual 22726  
amounts described in division (B) (8) of section 3735.671 of the 22727  
Revised Code; 22728

(5) Any changes to zoning restrictions in any part of a 22729  
community reinvestment area, including a map of the area 22730  
indicating the new zoning restrictions in the area; 22731

(6) A copy of any agreement approved and executed or 22732  
amended during the calendar year for which the report is 22733  
submitted. 22734

(B) Upon the failure of a political subdivision to comply 22735  
with division (A) of this section: 22736

(1) Beginning on the first day of April of the calendar 22737  
year in which the political subdivision fails to comply with 22738  
that division, the political subdivision shall not enter into 22739  
any agreements under section 3735.671 of the Revised Code until 22740  
the political subdivision has complied with division (A) of this 22741  
section. 22742

(2) On the first day of each ensuing calendar month until 22743  
the political subdivision complies with that division, the 22744  
director of housing and development shall either order the 22745  
proper county auditor to deduct from the next succeeding payment 22746  
of taxes to the political subdivision under section 321.31, 22747  
321.32, 321.33, or 321.34 of the Revised Code an amount equal to 22748  
five hundred dollars for each calendar month the political 22749  
subdivision fails to comply with that division, or order the 22750  
county auditor to deduct such an amount from the next succeeding 22751  
payment to the political subdivision from the undivided local 22752  
government fund under section 5747.51 of the Revised Code. At 22753  
the time such a payment is made, the county auditor shall comply 22754  
with the director's order by issuing a warrant, drawn on the 22755  
fund from which such money would have been paid, to the director 22756  
of housing and development, who shall deposit the warrant into 22757  
the tax incentives operating fund created by section 122.174 of 22758  
the Revised Code. 22759

(C) The department of housing and development shall 22760  
publish on its web site a list of all community reinvestment 22761

areas within the state, with an accompanying display of their 22762  
geographical boundaries within each political subdivision. The 22763  
list shall also include, for each community reinvestment area, a 22764  
copy of the resolution governing that area and any agreement 22765  
entered into under section 3735.671 of the Revised Code for any 22766  
commercial or industrial property within the area. This list 22767  
shall be updated annually. 22768

**Sec. 3735.673.** If a person operating in a political 22769  
subdivision intends to relocate or relocates part or all of its 22770  
operations to another political subdivision and has entered into 22771  
or intends to enter into an agreement under section 3735.671 of 22772  
the Revised Code with that political subdivision, the 22773  
legislative authority of the political subdivision to which that 22774  
person intends to relocate or relocates shall serve the 22775  
legislative authority of the subdivision from which that person 22776  
intends to relocate or relocates with notice of the person's 22777  
intention to relocate, accompanied by a copy of the agreement to 22778  
be entered into or entered into pursuant to section 3735.671 of 22779  
the Revised Code and a statement of the person's reasons for 22780  
relocation. The legislative authority also shall serve such 22781  
notice on the director of housing and development. In both 22782  
cases, service shall be by personal service or certified mail, 22783  
return receipt requested, not later than thirty days prior to 22784  
the day of the first public meeting at which the agreement is 22785  
deliberated by the legislative authority of the political 22786  
subdivision to which the person intends to relocate or 22787  
relocates. With the approval of the director of housing and 22788  
development, service shall be not later than fifteen days prior 22789  
to the day of the first public meeting of the legislative 22790  
authority at which the agreement is deliberated. The legislative 22791  
authority required to serve notice shall seek such approval by 22792

applying to the director at the earliest possible time prior to 22793  
that meeting. The director may approve the later service if the 22794  
director determines that earlier notice is not possible or would 22795  
be likely to jeopardize realization of the project. If approval 22796  
for a later notice is applied for, the legislative authority 22797  
need not serve notice to the director as otherwise required by 22798  
this section. 22799

If the legislative authority required to serve such notice 22800  
fails to do so as prescribed by this section, the legislative 22801  
authority shall not enter into an agreement under that section 22802  
with that person. 22803

This section applies only to relocations of operations 22804  
that result or would result in the reduction of employment or 22805  
the cessation of operations at a place of business in this 22806  
state. 22807

**Sec. 3735.69.** (A) A community reinvestment area housing 22808  
council shall be appointed for each community reinvestment area, 22809  
as follows: 22810

(1) When the area is designated by a municipal 22811  
corporation, the council shall be composed of two members 22812  
appointed by the mayor of the municipal corporation, two members 22813  
appointed by the legislative authority of the municipal 22814  
corporation, and one member appointed by the planning commission 22815  
of the municipal corporation. The majority of the foregoing 22816  
members shall then appoint two additional members who shall be 22817  
residents of the municipal corporation. 22818

(2) When the area is designated by a limited home rule 22819  
township, the council shall be composed of two members appointed 22820  
by the board of trustees of the township, one member appointed 22821



by the township law director, one member appointed by the 22822  
township zoning commission or, if the township has not 22823  
established such a commission, the county planning commission, 22824  
and one member appointed by the board of county commissioners of 22825  
the county where the area is located. 22826

(3) When the area is designated by a county, the council 22827  
shall be composed of one member appointed by each member of the 22828  
board of county commissioners of the county where the area is 22829  
located and two members appointed by the county planning 22830  
commission. The majority of the foregoing members shall then 22831  
appoint two additional members who shall be residents of the 22832  
county. Terms of the members of the council shall be for three 22833  
years. 22834

An unexpired term resulting from a vacancy in the council 22835  
shall be filled in the same manner as the initial appointment 22836  
was made. 22837

The council shall make an annual inspection of the 22838  
properties within the community reinvestment area for which an 22839  
exemption has been granted under section 3735.67 of the Revised 22840  
Code. The council shall also hear appeals under section 3735.70 22841  
of the Revised Code. 22842

(B) On or before the thirty-first day of March each year, 22843  
any political subdivision that has created a community 22844  
reinvestment area under section 3735.66 of the Revised Code 22845  
shall submit to the director of housing and development a status 22846  
report summarizing the activities and projects for which an 22847  
exemption has been granted in that area. 22848

**Sec. 3742.32.** (A) The director of health shall appoint an 22849  
advisory council to assist in the ongoing development and 22850

implementation of the child lead poisoning prevention program 22851  
created under section 3742.31 of the Revised Code. The advisory 22852  
council shall consist of the following members: 22853

(1) A representative of the department of medicaid; 22854

(2) A representative of the bureau of child care in the 22855  
department of job and family services; 22856

(3) A representative of the department of environmental 22857  
protection; 22858

(4) A representative of the department of education and 22859  
workforce; 22860

(5) A representative of the department of housing and 22861  
development; 22862

(6) A representative of the department of children and 22863  
youth; 22864

(7) A representative of the Ohio apartment owner's 22865  
association; 22866

(8) A representative of the Ohio healthy homes network; 22867

(9) A representative of the Ohio environmental health 22868  
association; 22869

(10) An Ohio representative of the American coatings 22870  
association; 22871

(11) A representative from Ohio realtors; 22872

(12) A representative of the Ohio housing finance agency; 22873

(13) A physician knowledgeable in the field of lead 22874  
poisoning prevention; 22875

(14) A certified nurse-midwife, clinical nurse specialist, 22876

or certified nurse practitioner knowledgeable in the field of 22877  
lead poisoning prevention; 22878

(15) A representative of the public. 22879

(B) The advisory council shall do both of the following: 22880

(1) Provide the director with advice regarding the 22881  
policies the child lead poisoning prevention program should 22882  
emphasize, preferred methods of financing the program, and any 22883  
other matter relevant to the program's operation; 22884

(2) Submit a report of the state's activities to the 22885  
governor, president of the senate, and speaker of the house of 22886  
representatives on or before the first day of March each year. 22887

(C) The advisory council is not subject to sections 101.82 22888  
to 101.87 of the Revised Code. 22889

**Sec. 3746.121.** Upon receiving a request submitted under 22890  
section 122.16 of the Revised Code for verification of eligible 22891  
costs associated with a voluntary action incurred by the 22892  
applicant for the agreement under that section, a certified 22893  
professional shall submit to the director of housing and 22894  
development verification of the eligible costs associated with 22895  
the voluntary action as defined in section 122.16 of the Revised 22896  
Code. The verification shall be submitted in the form of an 22897  
affidavit subject to section 3746.20 of the Revised Code, shall 22898  
state that the information contained in the verification is true 22899  
to the best of the knowledge, information, and belief of the 22900  
certified professional, and shall be accompanied by any 22901  
receipts, invoices, canceled checks, or other documents 22902  
evidencing eligible costs associated with the voluntary action 22903  
that are provided by the applicant. Verification submitted under 22904  
this section does not constitute a finding or representation by 22905

the certified professional that eligible costs associated with 22906  
the voluntary action are reasonable. 22907

**Sec. 3746.20.** (A) All of the following shall be submitted 22908  
by affidavit: 22909

(1) Any information, data, documents, or reports submitted 22910  
by any of the following to another person for the purposes of a 22911  
voluntary action conducted under this chapter and rules adopted 22912  
under it: 22913

(a) The person undertaking the voluntary action; 22914

(b) A certified professional; 22915

(c) Any other person who performed work that was conducted 22916  
to support a request for a no further action letter as provided 22917  
in division (B) (2) of section 3746.10 of the Revised Code; 22918

(d) A certified laboratory; 22919

(e) An accredited laboratory. 22920

(2) Any information submitted by an environmental 22921  
professional to the director of environmental protection for the 22922  
purposes of complying with rules adopted under division (B) (5) 22923

(a) or (c) of section 3746.04 of the Revised Code; 22924

(3) The verification of eligible costs associated with a 22925  
voluntary action submitted by a certified professional to the 22926  
director of housing and development pursuant to section 3746.121 22927  
of the Revised Code. 22928

(B) No person shall materially falsify, tamper with, or 22929  
render inaccurate any information, data, documents, or reports 22930  
generated for the purposes of or used in documenting or 22931  
preparing a no further action letter under this chapter or rules 22932

adopted under it or verification of eligible costs under section 22933  
3746.121 of the Revised Code. 22934

Violation of this division is not falsification under 22935  
section 2921.13 of the Revised Code. 22936

(C) In accordance with rules adopted under division (B) (5) 22937  
(f) of section 3746.04 of the Revised Code, the director 22938  
permanently shall revoke the certification of a certified 22939  
professional who violates division (B) of this section. 22940

(D) No person, with purpose to deceive a certified 22941  
professional, accredited laboratory, or a contractor thereof, or 22942  
the environmental protection agency or a contractor thereof, 22943  
shall withhold, conceal, or destroy any data, information, 22944  
records, or documents relating to a voluntary action. 22945

**Sec. 3775.04.** (A) (1) A type A sports gaming proprietor 22946  
license authorizes a sports gaming proprietor to offer sports 22947  
gaming through one or more online sports pools. 22948

(2) (a) Except as otherwise provided under division (A) (2) 22949  
(b) of this section, the Ohio casino control commission shall 22950  
license not more than twenty-five type A sports gaming 22951  
proprietors at any one time. 22952

(b) When twenty-five type A sports gaming proprietors are 22953  
licensed in this state, the commission may issue additional type 22954  
A sports gaming proprietor licenses to eligible applicants who 22955  
demonstrate to the commission that the sports gaming market in 22956  
this state needs additional type A sports gaming proprietors. 22957

(3) A type A sports gaming proprietor shall meet at least 22958  
one of the following requirements at all times: 22959

(a) The type A sports gaming proprietor also shall operate 22960

a sports gaming facility under a type B sports gaming proprietor license. 22961  
22962

(b) The type A sports gaming proprietor shall maintain at 22963  
least one operational place of business in this state at which 22964  
the sports gaming proprietor regularly maintains multiple 22965  
employees. 22966

(4) The commission shall adopt by rule a procedure 22967  
allowing the commission to revoke a type A sports gaming 22968  
proprietor license if the licensee does not offer sports gaming 22969  
to patrons under the license for a continuous period of one year 22970  
or more. 22971

(B) (1) A type B sports gaming proprietor license 22972  
authorizes a sports gaming proprietor to offer sports gaming at 22973  
one sports gaming facility at a location specified on the 22974  
license. 22975

(2) The commission shall license not more than forty type 22976  
B sports gaming proprietors at any one time. 22977

(3) (a) (i) Except as otherwise provided in division (B) (3) 22978  
(a) (ii) of this section, no sports gaming facility shall be 22979  
located in a county with a population of less than one hundred 22980  
thousand, as determined by the 2010 federal decennial census. 22981

(ii) The commission may issue an initial or renewed type B 22982  
sports gaming proprietor license for one sports gaming facility 22983  
to be located in a county with a population of fifty thousand or 22984  
more, but less than one hundred thousand, as determined by the 22985  
2010 federal decennial census, at any one time, if the 22986  
commission determines, in consultation with the department of 22987  
housing and development, that the county received at least five 22988  
million visitors for purposes of tourism during the most recent 22989

calendar year for which the necessary data are available. 22990

(b) (i) Except as otherwise provided in division (B) (3) (b) 22991  
(ii) of this section, not more than one sports gaming facility 22992  
shall be located in a county with a population of one hundred 22993  
thousand or more, but less than four hundred thousand, as 22994  
determined by the 2010 federal decennial census, at any one 22995  
time. 22996

(ii) Not more than two sports gaming facilities shall be 22997  
located in a county with a population of one hundred thousand or 22998  
more, but less than four hundred thousand, as determined by the 22999  
2010 federal decennial census, at any one time, if a video 23000  
lottery sales agent operates video lottery terminals at a 23001  
facility in the county. 23002

(c) Not more than three sports gaming facilities shall be 23003  
located in a county with a population of four hundred thousand 23004  
or more, but less than eight hundred thousand, as determined by 23005  
the 2010 federal decennial census, at any one time. 23006

(d) Not more than five sports gaming facilities shall be 23007  
located in a county with a population of eight hundred thousand 23008  
or more, as determined by the 2010 federal decennial census, at 23009  
any one time. 23010

(4) The commission shall issue an initial type B sports 23011  
gaming proprietor license only to a person who conducts 23012  
significant economic activity in the county in which the sports 23013  
gaming facility is to be located, as determined by the 23014  
commission in consultation with the department of housing and 23015  
development. 23016

(C) (1) A type C sports gaming proprietor license 23017  
authorizes a sports gaming proprietor to offer sports gaming 23018

through self-service or clerk-operated sports gaming terminals 23019  
located at one or more type C sports gaming hosts' facilities 23020  
under section 3770.25 of the Revised Code. 23021

(2) The commission shall license at least two, and not 23022  
more than twenty, type C sports gaming proprietors at any one 23023  
time. However, if only one eligible and suitable person applies 23024  
for a type C sports gaming proprietor license, the commission 23025  
shall issue the license. 23026

(D) An applicant for an initial or renewed type A, type B, 23027  
or type C sports gaming proprietor license shall do all of the 23028  
following: 23029

(1) Submit a written application on a form furnished by 23030  
the commission. 23031

(a) If the application is for an initial type B sports 23032  
gaming proprietor license, the application shall specify both of 23033  
the following: 23034

(i) The intended location of the sports gaming facility 23035  
or, at a minimum, the county in which the sports gaming facility 23036  
is to be located if the license is granted; 23037

(ii) The expected overall capital investment in the sports 23038  
gaming facility, including its size, furnishings, and equipment. 23039

(b) If the application is for a renewed type B sports 23040  
gaming proprietor license, the application shall specify one of 23041  
the following, as applicable: 23042

(i) If the sports gaming proprietor does not intend to 23043  
relocate the sports gaming facility, the location of the sports 23044  
gaming facility; 23045

(ii) If the sports gaming proprietor intends to relocate 23046



the sports gaming facility, the intended new location of the 23047  
sports gaming facility or, at a minimum, the county in which the 23048  
sports gaming facility is to be located if the renewal is 23049  
granted. 23050

(2) Pay the fee required under division (C) (3) of section 23051  
109.572 of the Revised Code, along with a nonrefundable 23052  
application fee in an amount prescribed by the commission by 23053  
rule; 23054

(3) Submit an audit of the applicant's financial 23055  
transactions and the condition of the applicant's total 23056  
operations for the previous fiscal year prepared by a certified 23057  
public accountant in accordance with generally accepted 23058  
accounting principles and state and federal laws; 23059

(4) Satisfy any other requirements for licensure under 23060  
this chapter and rules adopted under this chapter. 23061

(E) After receiving a sports gaming proprietor license, 23062  
the sports gaming proprietor shall pay the following 23063  
nonrefundable license fees, as applicable, not later than the 23064  
dates indicated, and shall give to the state a surety bond, in 23065  
an amount and in the form approved by the commission, to 23066  
guarantee that the sports gaming proprietor faithfully makes all 23067  
payments required by this chapter and rules adopted under this 23068  
chapter during the period of the license: 23069

(1) For an initial or renewed type A sports gaming 23070  
proprietor license: 23071  
23072

	1	2	3	4	5	6
A		Upon	One year	Two years	Three	Four

	issuance of license	after license issued	after license issued	years after license issued	years after license issued
B Initial or renewed license - type A sports gaming proprietor that is a professional sports organization and that is not contracting with more than one mobile management services provider	\$500,000	\$125,000	\$125,000	\$125,000	\$125,000
C Initial or renewed license - any other type A sports gaming proprietor that is not contracting with more than one mobile management services provider	\$750,000	\$187,500	\$187,500	\$187,500	\$187,500
D Initial license - type A sports	\$1,666,667	\$416,667	\$416,667	\$416,667	\$416,667

gaming proprietor  
that is a  
professional  
sports  
organization and  
that is  
contracting with  
two mobile  
management  
services  
providers

E	Initial license -	\$2,500,000	\$625,000	\$625,000	\$625,000	\$625,000
	any other type A					
	sports gaming					
	proprietor that					
	is contracting					
	with two mobile					
	management					
	services					
	providers					

F	Renewed license -	\$500,000	\$125,000	\$125,000	\$125,000	\$125,000
	type A sports					
	gaming proprietor					
	that is a					
	professional					
	sports					
	organization and					
	that is					
	contracting with					

two mobile  
management  
services  
providers

G	Renewed license - any other type A sports gaming proprietor that is contracting with two mobile management services providers	\$750,000	\$187,500	\$187,500	\$187,500	\$187,500
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(2) For an initial or renewed type B sports gaming	23073
proprietor license:	23074
	23075

	1	2	3	4	5	6
A		Upon issuance of license	One year after license issued	Two years after license issued	Three years after license issued	Four years after license issued
B	Type B sports gaming proprietor that is also a type A sports gaming proprietor	\$100,000	\$10,000	\$10,000	\$10,000	\$10,000

C	Type B sports gaming proprietor that is not also a type A sports gaming proprietor	\$50,000	\$10,000	\$10,000	\$10,000	\$10,000
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(3) For a type C sports gaming proprietor license, one hundred thousand dollars upon being issued an initial license and twenty-five thousand dollars upon being issued a renewed license.

(F) (1) A sports gaming proprietor license shall be valid for a term of five years.

(2) Upon the expiration of a sports gaming proprietor license, the sports gaming proprietor may apply to renew the license in the same manner as for an initial license, unless the license is suspended or revoked or the commission determines that the sports gaming proprietor is not in compliance with this chapter and the rules adopted under this chapter.

**Sec. 3780.03. Establishment and authority of division of cannabis control; adoption of rules.**

(A) There is hereby established a division of cannabis control within the department of commerce.

(B) To ensure the proper oversight and control of the adult use cannabis industry, the division of cannabis control shall have the authority to license, regulate, investigate, and penalize adult use cannabis operators, adult use testing laboratories, and individuals required to be licensed under this chapter.

(C) The division of cannabis control shall adopt, and as advisable and necessary shall amend or repeal, rules on the

following: 23099

(1) Prevention of practices detrimental to the public interest 23100  
consistent with this chapter, and also ways to educate the 23101  
public about this chapter; 23102

(2) Establishing application, licensure, and renewal standards 23103  
and procedures for license applicants or license holders related 23104  
to adult use cannabis operators, adult use testing laboratories, 23105  
and individuals required to be licensed, including any 23106  
additional background check requirements, the disqualifying 23107  
offenses under section 3780.01 of the Revised Code that prohibit 23108  
licensure, and any exemption criteria from licensing 23109  
requirements for institutional or private investors who do not 23110  
have significant control or influence over a license applicant 23111  
or license holder, and whose ownership in a license is for 23112  
investment purposes only; 23113

(3) Establishing reasonable application, licensure, and renewal 23114  
fees amounts to ensure license applicants and license holders 23115  
under this chapter pay for the actual costs for administration 23116  
and licensure for the division of cannabis control; 23117

(4) Establishing standards for provisional licenses for an 23118  
individual who is required to be licensed and who has exigent 23119  
circumstances. Such standards for provisional licenses must 23120  
include submission of a complete application and compliance with 23121  
a required background check. A provisional license shall be 23122  
valid not longer than three months. A provisional license may be 23123  
renewed, at the division of cannabis control's discretion, for 23124  
an additional three months. In establishing standards with 23125  
regard to instant background checks the division of cannabis 23126  
control may use all available resources~~+~~. 23127

(5) Specifying the process and reasons for which a license holder may be fined, suspended either with or without a prior hearing, revoked, or not renewed or issued;

(6) The process and requirements for division of cannabis control approval of any requested change in ownership or transfer of control of an adult use cannabis operator or adult use testing laboratory;

(7) Establishing ~~process~~ processes and standards for expanding the size of the cultivation area for a cultivation facility;

(8) Establishing standards and procedures for the testing of adult use cannabis by an adult use testing laboratory licensed under this chapter. When establishing standards and procedures for the testing of cannabis, the division of cannabis control shall do all of the following:

(a) Specify when testing must be conducted;

(b) Determine the minimum amount of adult use cannabis that must be tested;

(c) Specify the manner in which testing is to be conducted in an effort to ensure uniformity of cannabis products processed ~~for~~ and dispensed; and

(d) Specify the manner in which test results are provided.

(9) The minimum amount of insurance or surety bond that must be maintained by an adult use cannabis operator and adult use testing laboratory;

(10) Requiring the division of cannabis control to adopt reasonable standards for any adult use cannabis samples, and advertising as prescribed in section 3780.21 of the Revised Code;

- (11) Requiring that the records, including financial statements, 23156  
of an adult use cannabis operator or adult use testing 23157  
laboratory be maintained in the manner up to two years as 23158  
prescribed by the division of cannabis control and which shall 23159  
be made available for inspection upon demand by the division of 23160  
cannabis control, but shall be subject to section 3780.31 of the 23161  
Revised Code; 23162
- (12) Prescribing technical standards and requirements consistent 23163  
with industry standards that must be met for security and 23164  
surveillance equipment necessary for the provision of security 23165  
and surveillance of adult use cannabis operators and adult use 23166  
testing laboratories; 23167
- (13) Prescribing requirements for a license holder's provision 23168  
of security services for an adult use cannabis operator and 23169  
adult use testing laboratories which shall include the license 23170  
holder's option to use armed or unarmed services including 23171  
through agents of the license holder; 23172
- (14) Prescribing standards according to which license holders 23173  
shall keep accounts and standards according to which adult use 23174  
cannabis operators and adult use testing laboratories accounts 23175  
shall be audited, and establish guidance for assisting the 23176  
department of taxation in levying and collecting the adult use 23177  
tax levied under section 3780.22 of the Revised Code; 23178
- (15) Determining penalties for violation of division of cannabis 23179  
control rules or this chapter, and a process for imposing such 23180  
penalties; 23181
- (16) Training requirements for employees and agents of adult use 23182  
cannabis operators and adult use laboratories; 23183
- (17) Prescribing standards and procedures to allow for adult use 23184



cannabis delivery to adult use consumers, and online and mobile 23185  
ordering procedures, which may only be conducted by an adult use 23186  
dispensary or their agent; 23187

(18) Prescribing cannabis inventory requirements to be 23188  
maintained in an electronic database consistent with section 23189  
3780.05 of the Revised Code; 23190

(19) Prescribing standards and procedures for product packaging 23191  
and labeling of adult use cannabis products; 23192

(20) Prescribing standards and procedures in coordination with 23193  
the department of housing and development to administer and 23194  
enforce the cannabis social equity and jobs program as 23195  
prescribed under section 3780.19 of the Revised Code; 23196

(21) Establishing a tetrahydrocannabinol content limit for adult 23197  
use cannabis, which for plant material the content limit shall 23198  
be ~~no-not~~ less than thirty-five per cent and for extracts the 23199  
content limit shall be ~~no-not~~ less than ninety per cent, but 23200  
that such content limits may be increased or eliminated by the 23201  
division of cannabis control; and 23202

(22) Prescribing duty to update requirements for license 23203  
holders. 23204

(D) All rules adopted under this section and chapter shall be 23205  
adopted in accordance with Chapter 119. of the Revised Code. 23206

(E) In addition to the rules described in division (C) of this 23207  
section, the division of cannabis control may adopt any other 23208  
rules it considers necessary for the administration, 23209  
implementation, and enforcement of this chapter consistent with 23210  
this chapter. 23211

(F) When adopting rules under this section, the division of 23212

cannabis control shall consider standards and procedures that 23213  
have been found to be best practices relative to the use and 23214  
regulation of adult use cannabis and shall harmonize any rules 23215  
with the rules adopted pursuant to sections 3796.03 and 3796.04 23216  
of the Revised Code to minimize duplication of operational 23217  
requirements and fees as much as possible. If there is a 23218  
conflict with Chapter 3796. of the Revised Code and related 23219  
rules, and ~~chapter~~ Chapter 3780. of the Revised Code and related 23220  
rules, then ~~chapter~~ Chapter 3780. of the Revised Code and 23221  
related rules shall govern. 23222

**Sec. 3780.19. Cannabis social equity and jobs program.** 23223

(A) As used in this section, "cannabis social equity and jobs 23224  
program participant" means a person certified as a participant 23225  
in the cannabis social equity and jobs program by the department 23226  
of housing and development under this section ~~of the Revised~~ 23227  
~~Code.~~ 23228

(B) The department of housing and development shall establish a 23229  
business assistance program known as the cannabis social equity 23230  
and jobs program funded by the cannabis social equity and jobs 23231  
fund, and shall adopt rules in accordance with Chapter 119. of 23232  
the Revised Code to administer the program including the 23233  
following: 23234

(1) Establish procedures by which a person may apply for 23235  
certification under the cannabis social equity and jobs program; 23236

(2) Establish a system of certifying cannabis social equity and 23237  
~~job~~ jobs program applicants based on a requirement that the 23238  
business owner or owners show both social and economic 23239  
disadvantage based on the following, as determined to be 23240  
sufficient by the department of housing and development: 23241

(a) Wealth of the business seeking certification as well as the personal wealth of the owner or owners of the business; 23242  
23243

(b) Social disadvantage based on any of the following: 23244

(i) The business owner or owners demonstrate membership in a racial minority group or show personal disadvantage due to color, ethnic origin, gender, physical disability, or long-term residence in an area of high unemployment; 23245  
23246  
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(ii) The owner or owners, or their spouse, child, or parent, have been arrested for, convicted of, or adjudicated delinquent for a marijuana related offense as determined by rule by the department of housing and development prior to the effective date of this section. 23249  
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(c) Economic disadvantage based on economic and business size thresholds and eligibility criteria designed to stimulate economic development through license awards to businesses located in qualified census tracts. 23254  
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23256  
23257

(3) Establish standards to determine when a cannabis social equity and jobs program participant no longer qualifies for cannabis social equity and jobs program certification; 23258  
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(4) Develop a process for evaluating and adjusting goals established by this section to determine what adjustments are necessary to achieve participation goals established by the department of housing and development; 23261  
23262  
23263  
23264

(5) Implement an outreach program to educate potential participants about the cannabis social equity and jobs program; 23265  
23266

(6) Implement a system of self-reporting by cannabis social equity and jobs program participants on compliance, as well as an on-site inspection process to validate the qualifications of 23267  
23268  
23269

a cannabis social equity and jobs program; 23270

(7) Establish a process for when there is a transfer of a 23271  
license from a certified cannabis social equity and jobs program 23272  
participant to a person or entity that does not qualify as a 23273  
participant to the cannabis social equity and jobs program, 23274  
which process shall not undermine the policy goals of the 23275  
program; 23276

(8) Provide financial assistance, loans, grants, and technical 23277  
assistance to persons certified by the department under the 23278  
cannabis social equity and jobs program pursuant to rules 23279  
adopted under this section. Notwithstanding any other law to the 23280  
contrary, the cannabis social equity and jobs program fund is 23281  
not subject to budgetary sweeps, administrative charge-backs, or 23282  
any other fiscal or budgetary maneuver that would in any way 23283  
transfer any amounts from the cannabis social equity and jobs 23284  
program fund into any other fund of the state; 23285

(9) Encourage employment practices, in which an adult use 23286  
cannabis operator can demonstrate a plan of action to inform, 23287  
hire, and educate minorities, women, veterans, and persons with 23288  
disabilities; and engage in fair labor practices; and provide 23289  
worker protections; 23290

(10) Study and fund judicial and criminal justice reform 23291  
including bail, parole, sentencing reform, expungement and 23292  
sealing of records, legal aid, and community policing related to 23293  
marijuana; 23294

(11) Study and propose policy reforms to address the social and 23295  
economic impacts of the enforcement of marijuana laws and to 23296  
track and prevent underage use of marijuana; 23297

(12) Fund direct investment in disproportionately impacted 23298

communities to enhance education, entrepreneurship, legal aid, 23299  
youth development, violence prevention, and the arts related to 23300  
the program; and 23301

(13) Utilize the cannabis social equity and jobs fund 23302  
exclusively for the purposes of this section and for the 23303  
implementation of this section. 23304

(C) For certified cannabis social equity and job program 23305  
participants, the division of cannabis control shall waive at 23306  
least fifty ~~percent~~ per cent of any license or application fees 23307  
associated with a license holder's application or license. 23308

(D) Any business or personal financial information, or trade 23309  
secrets submitted by a cannabis social equity and jobs program 23310  
applicant to the department of housing and development pursuant 23311  
to this section are not public records for purposes of section 23312  
149.43 of the Revised Code, unless the division of cannabis 23313  
control or department of housing and development is required to 23314  
present the financial information or trade secrets at a public 23315  
hearing or public proceeding regarding the applicant's 23316  
eligibility to participate in the program in which case the 23317  
agency shall only disclose any required information. 23318

(E) Any license or other preference to persons certified under 23319  
the cannabis social equity and jobs program under this section 23320  
shall be based on substantiated evidence that the preference is 23321  
needed to address the goals of cannabis social equity and ~~job~~ 23322  
jobs program under this chapter. 23323

(F) The department of housing and development shall create a 23324  
cannabis social equity and jobs program advisory group 23325  
promulgated through rule in accordance with Chapter 119. of the 23326  
Revised Code. The advisory group may develop and submit to the 23327

department of housing and development ~~on~~ any recommendations 23328  
related to the cannabis social equity and jobs program under 23329  
sections 3780.18 and 3780.19 of the Revised Code. 23330

**Sec. 4121.123.** (A) There is hereby created the workers' 23331  
compensation board of directors nominating committee consisting 23332  
of the following: 23333

(1) Three individuals who are members of affiliated 23334  
employee organizations of the Ohio chapter of the American 23335  
federation of labor-congress of industrial organizations, who 23336  
are selected by the Ohio chapter of the American federation of 23337  
labor-congress of industrial organizations and who, on account 23338  
of their previous vocation, employment, or affiliations, can be 23339  
classed as representative of employees who are members of an 23340  
employee organization. Terms of office shall be for one year, 23341  
with each term ending on the same day of the same month as did 23342  
the term that it succeeds. 23343

(2) Two individuals who, on account of their previous 23344  
vocation, employment, or affiliations, can be classed as 23345  
representative of employees, one of whom shall be an injured 23346  
worker with a valid, open, and active workers' compensation 23347  
claim and at least one of these two representatives also shall 23348  
represent employees who are not members of an employee 23349  
organization. The president of the senate and the speaker of the 23350  
house of representatives each shall appoint annually one of 23351  
these members. The member who is an injured worker shall serve 23352  
for a full term even if the member's workers' compensation claim 23353  
is invalidated, closed, or inactivated during the member's term. 23354

(3) The chief executive officer, or the equivalent of the 23355  
chief executive officer, of the Ohio chamber of commerce, the 23356  
Ohio manufacturers' association, the Ohio self-insurers' 23357

association, the Ohio council of retail merchants, the national 23358  
federation of independent business, and the Ohio farm bureau; 23359

(4) The director of housing and development; 23360

(5) The president of the Ohio township association and the 23361  
president of the Ohio county commissioners association, or if 23362  
any of the following circumstances apply: 23363

(a) In the event of a vacancy in either presidency, a 23364  
designee appointed by the governing body authorized to appoint 23365  
the president. A designee so appointed shall serve on the 23366  
nominating committee only until the vacancy in the presidency is 23367  
filled. 23368

(b) In the event that the president of the Ohio township 23369  
association is unavailable, a designee selected by the 23370  
president; 23371

(c) In the event that the president of the Ohio county 23372  
commissioners association is unavailable, a designee selected by 23373  
the president. 23374

(B) Each member appointed under divisions (A) (1) and (2) 23375  
of this section shall hold office from the date of the member's 23376  
appointment until the end of the term for which the member was 23377  
appointed. Such members may be reappointed. Vacancies shall be 23378  
filled in the manner provided for original appointments. Any 23379  
such member appointed to fill a vacancy occurring prior to the 23380  
expiration date of the term for which the member's predecessor 23381  
was appointed shall hold office as a member for the remainder of 23382  
that term. Such a member shall continue in office subsequent to 23383  
the expiration date of the member's term until the member's 23384  
successor takes office or until a period of sixty days has 23385  
elapsed, whichever occurs first. 23386

(C) The nominating committee shall meet at the request of 23387  
the governor or as the nominating committee determines 23388  
appropriate in order to make recommendations to the governor for 23389  
the appointment of members of the bureau of workers' 23390  
compensation board of directors under section 4121.12 of the 23391  
Revised Code. 23392

(D) The director of housing and development shall serve as 23393  
chairperson of the nominating committee and have no voting 23394  
rights on matters coming before the nominating committee, except 23395  
that the director may vote in the event of a tie vote of the 23396  
nominating committee. Annually, the nominating committee shall 23397  
select a secretary from among its members. The nominating 23398  
committee may adopt by-laws governing its proceedings. 23399

(E) Members of the nominating committee shall be paid 23400  
their reasonable and necessary expenses pursuant to section 23401  
126.31 of the Revised Code while engaged in the performance of 23402  
their duties as members of the nominating committee. 23403

(F) The nominating committee shall: 23404

(1) Review and evaluate possible appointees for the board. 23405  
In reviewing and evaluating possible appointees for the board, 23406  
the nominating committee may accept comments from, cooperate 23407  
with, and request information from any person. 23408

(2) Make recommendations to the governor for the 23409  
appointment of members to the board as provided in division (C) 23410  
of section 4121.12 of the Revised Code. 23411

(G) The nominating committee may make recommendations to 23412  
the general assembly concerning changes in legislation that will 23413  
assist the nominating committee in the performance of its 23414  
duties. 23415



**Sec. 4164.04.** There is hereby created and constituted 23416  
within the department of housing and development, the Ohio 23417  
nuclear development authority. The authority's exercise of 23418  
powers conferred by this chapter is the performance of an 23419  
essential governmental function and addresses matters of public 23420  
necessity for which public moneys may be spent. 23421

**Sec. 4164.12.** For the purpose of carrying out the Ohio 23422  
nuclear development authority's duties under the Revised Code, 23423  
the authority may make use of the staff and experts employed at 23424  
the department of housing and development in such manner as is 23425  
provided by mutual arrangement between the authority and the 23426  
department. 23427

**Sec. 4301.17.** (A) (1) Subject to local option as provided 23428  
in sections 4301.32 to 4301.40 of the Revised Code, five state 23429  
liquor stores or agencies may be established in each county. One 23430  
additional store may be established in any county for each 23431  
twenty thousand of population of that county or major fraction 23432  
thereof in excess of the first forty thousand, according to the 23433  
last preceding federal decennial census or according to the 23434  
population estimates certified by the department of housing and 23435  
development between decennial censuses. A person engaged in a 23436  
mercantile business may act as the agent for the division of 23437  
liquor control for the sale of spirituous liquor in a municipal 23438  
corporation, in the unincorporated area of a township, or in an 23439  
area designated and approved as a resort area under section 23440  
4303.262 of the Revised Code. The division shall fix the 23441  
compensation for such an agent in the manner it considers best, 23442  
but the compensation shall not exceed seven per cent of the 23443  
gross sales made by the agent in any one year. 23444

(2) The division shall adopt rules in accordance with 23445

Chapter 119. of the Revised Code governing the allocation and 23446  
equitable distribution of agency store contracts. The division 23447  
shall comply with the rules when awarding a contract under 23448  
division (A) (1) of this section. 23449

(3) Pursuant to an agency store's contract, an agency 23450  
store may be issued a D-1 permit to sell beer, a D-2 permit to 23451  
sell wine and mixed beverages, and a D-5 permit to sell beer, 23452  
wine, mixed beverages, and spirituous liquor. 23453

(4) Pursuant to an agency store's contract, an agency 23454  
store may be issued a D-3 permit to sell spirituous liquor if 23455  
the agency store contains at least ten thousand square feet of 23456  
sales floor area. A D-3 permit issued to an agency store shall 23457  
not be transferred to a new location. The division shall revoke 23458  
any D-3 permit issued to an agency store under division (A) (4) 23459  
of this section if the agent no longer operates the agency 23460  
store. The division shall not issue a D-3a permit to an agency 23461  
store. 23462

(5) An agency store to which a D-8 permit has been issued 23463  
may allow the consumption of tasting samples of spirituous 23464  
liquor in accordance with section 4301.171 of the Revised Code. 23465

(6) An agency store may sell beer, wine, mixed beverages, 23466  
and spirituous liquor only between the hours of nine a.m. and 23467  
eleven p.m. 23468

(B) When an agency contract is proposed, when an existing 23469  
agency contract is assigned, when an existing agency proposes to 23470  
relocate, or when an existing agency is relocated and assigned, 23471  
before entering into any contract, consenting to any assignment, 23472  
or consenting to any relocation, the division shall notify the 23473  
legislative authority of the municipal corporation in which the 23474

agency store is to be located, or the board of county 23475  
commissioners and the board of township trustees of the county 23476  
and the township in which the agency store is to be located if 23477  
the agency store is to be located outside the corporate limits 23478  
of a municipal corporation, of the proposed contract, 23479  
assignment, or relocation, and an opportunity shall be provided 23480  
officials or employees of the municipal corporation or county 23481  
and township for a complete hearing upon the advisability of 23482  
entering into the contract or consenting to the assignment or 23483  
relocation. When the division sends notice to the legislative 23484  
authority of the political subdivision, the division shall 23485  
notify the chief peace officer of the political subdivision, who 23486  
may appear and testify, either in person or through a 23487  
representative, at any hearing held on the advisability of 23488  
entering into the contract or consenting to the assignment or 23489  
relocation. 23490

If the proposed agency store, the assignment of an agency 23491  
contract, or the relocation of an agency store would be located 23492  
within five hundred feet of a school, church, library, public 23493  
playground, or township park, the division shall not enter into 23494  
an agency contract until it has provided notice of the proposed 23495  
contract to the authorities in control of the school, church, 23496  
library, public playground, or township park and has provided 23497  
those authorities with an opportunity for a complete hearing 23498  
upon the advisability of entering into the contract. If an 23499  
agency store so located is operating under an agency contract, 23500  
the division may consent to relocation of the agency store or to 23501  
the assignment of that contract to operate an agency store at 23502  
the same location. The division may also consent to the 23503  
assignment of an existing agency contract simultaneously with 23504  
the relocation of the agency store. In any such assignment or 23505

relocation, the assignee and the location shall be subject to 23506  
the same requirements that the existing location met at the time 23507  
that the contract was first entered into as well as any 23508  
additional requirements imposed by the division in rules adopted 23509  
by the superintendent of liquor control. The division shall not 23510  
consent to an assignment or relocation of an agency store until 23511  
it has notified the authorities in control of the school, 23512  
church, library, public playground, or township park and has 23513  
provided those authorities with an opportunity for a complete 23514  
hearing upon the advisability of consenting to the assignment or 23515  
relocation. 23516

Any hearing provided for in this division shall be held in 23517  
the central office of the division, except that upon written 23518  
request of the legislative authority of the municipal 23519  
corporation, the board of county commissioners, the board of 23520  
township trustees, or the authorities in control of the school, 23521  
church, library, public playground, or township park, the 23522  
hearing shall be held in the county seat of the county where the 23523  
proposed agency store is to be located. 23524

(C) All agency contracts entered into by the division 23525  
pursuant to this section shall be in writing and shall contain a 23526  
clause providing for the termination of the contract at will by 23527  
the division upon its giving ninety days' notice in writing to 23528  
the agent of its intention to do so. Any agency contract may 23529  
include a clause requiring the agent to report to the 23530  
appropriate law enforcement agency the name and address of any 23531  
individual under twenty-one years of age who attempts to make an 23532  
illegal purchase. 23533

The division shall issue a C-1 and C-2 permit to each 23534  
agent who prior to November 1, 1994, had not been issued both of 23535

these permits, notwithstanding the population quota restrictions 23536  
contained in section 4303.29 of the Revised Code or in any rule 23537  
of the liquor control commission and notwithstanding the 23538  
requirements of section 4303.31 of the Revised Code. The 23539  
location of a C-1 or C-2 permit issued to such an agent shall 23540  
not be transferred. The division shall revoke any C-1 or C-2 23541  
permit issued to an agent under this paragraph if the agent no 23542  
longer operates an agency store. 23543

The division may enter into agreements with the department 23544  
of housing and development to implement a minority loan program 23545  
to provide low-interest loans to minority business enterprises, 23546  
as defined in section 122.71 of the Revised Code, that are 23547  
awarded liquor agency contracts or assignments. 23548

(D) If the division closes a state liquor store and 23549  
replaces that store with an agency store, any employees of the 23550  
division employed at that state liquor store who lose their jobs 23551  
at that store as a result shall be given preference by the agent 23552  
who operates the agency store in filling any vacancies that 23553  
occur among the agent's employees, if that preference does not 23554  
conflict with the agent's obligations pursuant to a collective 23555  
bargaining agreement. 23556

If the division closes a state liquor store and replaces 23557  
the store with an agency store, any employees of the division 23558  
employed at the state liquor store who lose their jobs at that 23559  
store as a result may displace other employees as provided in 23560  
sections 124.321 to 124.328 of the Revised Code. If an employee 23561  
cannot displace other employees and is laid off, the employee 23562  
shall be reinstated in another job as provided in sections 23563  
124.321 to 124.328 of the Revised Code, except that the 23564  
employee's rights of reinstatement in a job at a state liquor 23565

store shall continue for a period of two years after the date of 23566  
the employee's layoff and shall apply to jobs at state liquor 23567  
stores located in the employee's layoff jurisdiction and any 23568  
layoff jurisdiction adjacent to the employee's layoff 23569  
jurisdiction. 23570

(E) The division shall require every agent to give bond 23571  
with surety to the satisfaction of the division, in the amount 23572  
the division fixes, conditioned for the faithful performance of 23573  
the agent's duties as prescribed by the division. 23574

**Sec. 4303.181.** (A) Permit D-5a may be issued either to the 23575  
owner or operator of a hotel or motel that is required to be 23576  
licensed under section 3731.03 of the Revised Code, that 23577  
contains at least fifty rooms for registered transient guests or 23578  
is owned by a state institution of higher education as defined 23579  
in section 3345.011 of the Revised Code or a private college or 23580  
university, and that qualifies under the other requirements of 23581  
this section, or to the owner or operator of a restaurant 23582  
specified under this section, to sell beer and any intoxicating 23583  
liquor at retail, only by the individual drink in glass and from 23584  
the container, for consumption on the premises where sold, and 23585  
to registered guests in their rooms, which may be sold by means 23586  
of a controlled access alcohol and beverage cabinet in 23587  
accordance with division (B) of section 4301.21 of the Revised 23588  
Code; and to sell the same products in the same manner and 23589  
amounts not for consumption on the premises as may be sold by 23590  
holders of D-1 and D-2 permits. The premises of the hotel or 23591  
motel shall include a retail food establishment or a food 23592  
service operation licensed pursuant to Chapter 3717. of the 23593  
Revised Code that operates as a restaurant for purposes of this 23594  
chapter and that is affiliated with the hotel or motel and 23595  
within or contiguous to the hotel or motel, and that serves food 23596

within the hotel or motel, but the principal business of the 23597  
owner or operator of the hotel or motel shall be the 23598  
accommodation of transient guests. In addition to the privileges 23599  
authorized in this division, the holder of a D-5a permit may 23600  
exercise the same privileges, and shall observe the same hours 23601  
of operation, as the holder of a D-5 permit. 23602

The owner or operator of a hotel, motel, or restaurant who 23603  
qualified for and held a D-5a permit on August 4, 1976, may, if 23604  
the owner or operator held another permit before holding a D-5a 23605  
permit, either retain a D-5a permit or apply for the permit 23606  
formerly held, and the division of liquor control shall issue 23607  
the permit for which the owner or operator applies and formerly 23608  
held, notwithstanding any quota. 23609

A D-5a permit shall not be transferred to another 23610  
location. No quota restriction shall be placed on the number of 23611  
D-5a permits that may be issued. 23612

The fee for this permit is two thousand three hundred 23613  
forty-four dollars. 23614

(B) Permit D-5b may be issued to the owner, operator, 23615  
tenant, lessee, or occupant of an enclosed shopping center to 23616  
sell beer and intoxicating liquor at retail, only by the 23617  
individual drink in glass and from the container, for 23618  
consumption on the premises where sold; and to sell the same 23619  
products in the same manner and amount not for consumption on 23620  
the premises as may be sold by holders of D-1 and D-2 permits. 23621  
In addition to the privileges authorized in this division, the 23622  
holder of a D-5b permit may exercise the same privileges, and 23623  
shall observe the same hours of operation, as a holder of a D-5 23624  
permit. 23625

A D-5b permit shall not be transferred to another 23626  
location. 23627

One D-5b permit may be issued at an enclosed shopping 23628  
center containing at least two hundred twenty-five thousand, but 23629  
less than four hundred thousand, square feet of floor area. 23630

Two D-5b permits may be issued at an enclosed shopping 23631  
center containing at least four hundred thousand square feet of 23632  
floor area. No more than one D-5b permit may be issued at an 23633  
enclosed shopping center for each additional two hundred 23634  
thousand square feet of floor area or fraction of that floor 23635  
area, up to a maximum of five D-5b permits for each enclosed 23636  
shopping center. The number of D-5b permits that may be issued 23637  
at an enclosed shopping center shall be determined by 23638  
subtracting the number of D-3 and D-5 permits issued in the 23639  
enclosed shopping center from the number of D-5b permits that 23640  
otherwise may be issued at the enclosed shopping center under 23641  
the formulas provided in this division. Except as provided in 23642  
this section, no quota shall be placed on the number of D-5b 23643  
permits that may be issued. Notwithstanding any quota provided 23644  
in this section, the holder of any D-5b permit first issued in 23645  
accordance with this section is entitled to its renewal in 23646  
accordance with section 4303.271 of the Revised Code. 23647

The holder of a D-5b permit issued before April 4, 1984, 23648  
whose tenancy is terminated for a cause other than nonpayment of 23649  
rent, may return the D-5b permit to the division of liquor 23650  
control, and the division shall cancel that permit. Upon 23651  
cancellation of that permit and upon the permit holder's payment 23652  
of taxes, contributions, premiums, assessments, and other debts 23653  
owing or accrued upon the date of cancellation to this state and 23654  
its political subdivisions and a filing with the division of a 23655



certification of that payment, the division shall issue to that 23656  
person either a D-5 permit, or a D-1, a D-2, and a D-3 permit, 23657  
as that person requests. The division shall issue the D-5 23658  
permit, or the D-1, D-2, and D-3 permits, even if the number of 23659  
D-1, D-2, D-3, or D-5 permits currently issued in the municipal 23660  
corporation or in the unincorporated area of the township where 23661  
that person's proposed premises is located equals or exceeds the 23662  
maximum number of such permits that can be issued in that 23663  
municipal corporation or in the unincorporated area of that 23664  
township under the population quota restrictions contained in 23665  
section 4303.29 of the Revised Code. Any D-1, D-2, D-3, or D-5 23666  
permit so issued shall not be transferred to another location. 23667  
If a D-5b permit is canceled under the provisions of this 23668  
paragraph, the number of D-5b permits that may be issued at the 23669  
enclosed shopping center for which the D-5b permit was issued, 23670  
under the formula provided in this division, shall be reduced by 23671  
one if the enclosed shopping center was entitled to more than 23672  
one D-5b permit under the formula. 23673

The fee for this permit is two thousand three hundred 23674  
forty-four dollars. 23675

(C) Permit D-5c may be issued to the owner or operator of 23676  
a retail food establishment or a food service operation licensed 23677  
pursuant to Chapter 3717. of the Revised Code that operates as a 23678  
restaurant for purposes of this chapter and that qualifies under 23679  
the other requirements of this section to sell beer and any 23680  
intoxicating liquor at retail, only by the individual drink in 23681  
glass and from the container, for consumption on the premises 23682  
where sold, and to sell the same products in the same manner and 23683  
amounts not for consumption on the premises as may be sold by 23684  
holders of D-1 and D-2 permits. In addition to the privileges 23685  
authorized in this division, the holder of a D-5c permit may 23686

exercise the same privileges, and shall observe the same hours 23687  
of operation, as the holder of a D-5 permit. 23688

To qualify for a D-5c permit, the owner or operator of a 23689  
retail food establishment or a food service operation licensed 23690  
pursuant to Chapter 3717. of the Revised Code that operates as a 23691  
restaurant for purposes of this chapter, shall have operated the 23692  
restaurant at the proposed premises for not less than twenty- 23693  
four consecutive months immediately preceding the filing of the 23694  
application for the permit, have applied for a D-5 permit no 23695  
later than December 31, 1988, and appear on the division's quota 23696  
waiting list for not less than six months immediately preceding 23697  
the filing of the application for the permit. In addition to 23698  
these requirements, the proposed D-5c permit premises shall be 23699  
located within a municipal corporation and further within an 23700  
election precinct that, at the time of the application, has no 23701  
more than twenty-five per cent of its total land area zoned for 23702  
residential use. 23703

A D-5c permit shall not be transferred to another 23704  
location. No quota restriction shall be placed on the number of 23705  
such permits that may be issued. 23706

Any person who has held a D-5c permit for at least two 23707  
years may apply for a D-5 permit, and the division of liquor 23708  
control shall issue the D-5 permit notwithstanding the quota 23709  
restrictions contained in section 4303.29 of the Revised Code or 23710  
in any rule of the liquor control commission. 23711

The fee for this permit is one thousand five hundred 23712  
sixty-three dollars. 23713

(D) (1) Permit D-5d may be issued to the owner or operator 23714  
of a retail food establishment or a food service operation 23715

licensed pursuant to Chapter 3717. of the Revised Code that 23716  
operates as a restaurant for purposes of this chapter and that 23717  
is located at an airport operated by a municipal corporation, at 23718  
an airport operated by a board of county commissioners pursuant 23719  
to section 307.20 of the Revised Code, at an airport operated by 23720  
a port authority pursuant to Chapter 4582. of the Revised Code, 23721  
or at an airport operated by a regional airport authority 23722  
pursuant to Chapter 308. of the Revised Code. 23723

(2) The holder of a D-5d permit may sell either of the 23724  
following: 23725

(a) Beer and any intoxicating liquor at retail, only by 23726  
the individual drink in glass and from the container, for 23727  
consumption on the premises where sold. In addition, such 23728  
consumption may occur in the area of the airport terminal that 23729  
is restricted to persons taking flights to and from the airport, 23730  
provided all of the following apply: 23731

(i) The airport's governing body authorizes the 23732  
consumption of beer and intoxicating liquor in that area. 23733

(ii) The D-5d permit holder is located in that area. 23734

(iii) The airport is a public-use airport, as defined in 23735  
section 4563.30 of the Revised Code, that has commercial flight 23736  
activity and has one or more passenger or property screening 23737  
checkpoints or restricted areas used as security measures. 23738

(iv) The beer or intoxicating liquor is served solely in 23739  
plastic bottles or other plastic containers that clearly 23740  
identify the D-5d permit holder. 23741

(b) The same products in the same manner and amounts not 23742  
for consumption on the premises where sold as may be sold by the 23743  
holders of D-1 and D-2 permits. 23744

In addition to the privileges authorized in division (D) 23745  
of this section, the holder of a D-5d permit may exercise the 23746  
same privileges, and shall observe the same hours of operation, 23747  
as the holder of a D-5 permit. 23748

(3) A D-5d permit shall not be transferred to another 23749  
location. No quota restrictions shall be placed on the number of 23750  
such permits that may be issued. 23751

(4) The fee for the D-5d permit is two thousand three 23752  
hundred forty-four dollars. 23753

(E) Permit D-5e may be issued to any nonprofit 23754  
organization that is exempt from federal income taxation under 23755  
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 23756  
501(c)(3), as amended, or that is a charitable organization 23757  
under any chapter of the Revised Code, and that owns or operates 23758  
a riverboat that meets all of the following: 23759

(1) Is permanently docked at one location; 23760

(2) Is designated as an historical riverboat by the Ohio 23761  
history connection; 23762

(3) Contains not less than fifteen hundred square feet of 23763  
floor area; 23764

(4) Has a seating capacity of fifty or more persons. 23765

The holder of a D-5e permit may sell beer and intoxicating 23766  
liquor at retail, only by the individual drink in glass and from 23767  
the container, for consumption on the premises where sold. 23768

A D-5e permit shall not be transferred to another 23769  
location. No quota restriction shall be placed on the number of 23770  
such permits that may be issued. The population quota 23771  
restrictions contained in section 4303.29 of the Revised Code or 23772

in any rule of the liquor control commission shall not apply to 23773  
this division, and the division shall issue a D-5e permit to any 23774  
applicant who meets the requirements of this division. However, 23775  
the division shall not issue a D-5e permit if the permit 23776  
premises or proposed permit premises are located within an area 23777  
in which the sale of spirituous liquor by the glass is 23778  
prohibited. 23779

In addition to the privileges authorized in this division, 23780  
the holder of a D-5e permit may exercise the same privileges, 23781  
and shall observe the same hours of operation, as the holder of 23782  
a D-5 permit. 23783

The fee for this permit is one thousand two hundred 23784  
nineteen dollars. 23785

(F) Permit D-5f may be issued to the owner or operator of 23786  
a retail food establishment or a food service operation licensed 23787  
under Chapter 3717. of the Revised Code that operates as a 23788  
restaurant for purposes of this chapter and that meets all of 23789  
the following: 23790

(1) It contains not less than twenty-five hundred square 23791  
feet of floor area. 23792

(2) It is located on or in, or immediately adjacent to, 23793  
the shoreline of, a navigable river. 23794

(3) It provides docking space for twenty-five boats. 23795

(4) It provides entertainment and recreation, provided 23796  
that not less than fifty per cent of the business on the permit 23797  
premises shall be preparing and serving meals for a 23798  
consideration. 23799

In addition, each application for a D-5f permit shall be 23800

accompanied by a certification from the local legislative 23801  
authority that the issuance of the D-5f permit is not 23802  
inconsistent with that political subdivision's comprehensive 23803  
development plan or other economic development goal as 23804  
officially established by the local legislative authority. 23805

The holder of a D-5f permit may sell beer and intoxicating 23806  
liquor at retail, only by the individual drink in glass and from 23807  
the container, for consumption on the premises where sold. 23808

A D-5f permit shall not be transferred to another 23809  
location. 23810

The division of liquor control shall not issue a D-5f 23811  
permit if the permit premises or proposed permit premises are 23812  
located within an area in which the sale of spirituous liquor by 23813  
the glass is prohibited. In addition to the privileges 23814  
authorized in this division, the holder of a D-5f permit may 23815  
exercise the same privileges, and shall observe the same hours 23816  
of operation, as the holder of a D-5 permit. 23817

A fee for this permit is two thousand three hundred forty- 23818  
four dollars. 23819

As used in this division, "navigable river" means a river 23820  
that is also a "navigable water" as defined in the "Federal 23821  
Power Act," 94 Stat. 770 (1980), 16 U.S.C. 796. 23822

(G) Permit D-5g may be issued to a nonprofit corporation 23823  
that is either the owner or the operator of a national 23824  
professional sports museum. The holder of a D-5g permit may sell 23825  
beer and any intoxicating liquor at retail, only by the 23826  
individual drink in glass and from the container, for 23827  
consumption on the premises where sold. The holder of a D-5g 23828  
permit shall sell no beer or intoxicating liquor for consumption 23829

on the premises where sold after two-thirty a.m. A D-5g permit 23830  
shall not be transferred to another location. No quota 23831  
restrictions shall be placed on the number of D-5g permits that 23832  
may be issued. In addition to the privileges authorized in this 23833  
division, the holder of a D-5g permit may exercise the same 23834  
privileges, and shall observe the same hours of operation, as 23835  
the holder of a D-5 permit. 23836

The fee for this permit is one thousand eight hundred 23837  
seventy-five dollars. 23838

(H) (1) Permit D-5h may be issued to any nonprofit 23839  
organization that is exempt from federal income taxation under 23840  
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 23841  
501(c) (3), as amended, that owns or operates any of the 23842  
following: 23843

(a) A fine arts museum, provided that the nonprofit 23844  
organization has no less than one thousand five hundred bona 23845  
fide members possessing full membership privileges; 23846

(b) A community arts center. As used in division (H) (1) (b) 23847  
of this section, "community arts center" means a facility that 23848  
provides arts programming to the community in more than one arts 23849  
discipline, including, but not limited to, exhibits of works of 23850  
art and performances by both professional and amateur artists. 23851

(c) A community theater, provided that the nonprofit 23852  
organization is a member of the Ohio arts council and the 23853  
American community theatre association and has been in existence 23854  
for not less than ten years. As used in division (H) (1) (c) of 23855  
this section, "community theater" means a facility that contains 23856  
at least one hundred fifty seats and has a primary function of 23857  
presenting live theatrical performances and providing 23858

recreational opportunities to the community. 23859

(2) The holder of a D-5h permit may sell beer and any 23860  
intoxicating liquor at retail, only by the individual drink in 23861  
glass and from the container, for consumption on the premises 23862  
where sold. A D-5h permit shall not be transferred to another 23863  
location. No quota restrictions shall be placed on the number of 23864  
D-5h permits that may be issued. 23865

(3) In addition to the privileges authorized in this 23866  
division, the holder of a D-5h permit may exercise the same 23867  
privileges, and shall observe the same hours of operation, as 23868  
the holder of a D-5 permit. 23869

(4) The fee for a D-5h permit is one thousand eight 23870  
hundred seventy-five dollars. 23871

(I) Permit D-5i may be issued to the owner or operator of 23872  
a retail food establishment or a food service operation licensed 23873  
under Chapter 3717. of the Revised Code that operates as a 23874  
restaurant for purposes of this chapter and that meets all of 23875  
the following requirements: 23876

(1) It is located in a municipal corporation or a township 23877  
with a population of one hundred thousand or less. 23878

(2) It has inside seating capacity for at least one 23879  
hundred forty persons. 23880

(3) It has at least four thousand square feet of floor 23881  
area. 23882

(4) It offers full-course meals, appetizers, and 23883  
sandwiches. 23884

(5) Its receipts from beer and liquor sales, excluding 23885  
wine sales, do not exceed twenty-five per cent of its total 23886



gross receipts. 23887

(6) It has at least one of the following characteristics: 23888

(a) The value of its real and personal property exceeds 23889  
seven hundred twenty-five thousand dollars. 23890

(b) It is located on property that is owned or leased by 23891  
the state or a state agency, and its owner or operator has 23892  
authorization from the state or the state agency that owns or 23893  
leases the property to obtain a D-5i permit. 23894

The holder of a D-5i permit may sell beer and any 23895  
intoxicating liquor at retail, only by the individual drink in 23896  
glass and from the container, for consumption on the premises 23897  
where sold, and may sell the same products in the same manner 23898  
and amounts not for consumption on the premises where sold as 23899  
may be sold by the holders of D-1 and D-2 permits. In addition 23900  
to the privileges authorized in this division, the holder of a 23901  
D-5i permit may exercise the same privileges, and shall observe 23902  
the same hours of operation, as the holder of a D-5 permit. 23903

A D-5i permit shall not be transferred to another 23904  
location. The division of liquor control shall not renew a D-5i 23905  
permit unless the retail food establishment or food service 23906  
operation for which it is issued continues to meet the 23907  
requirements described in divisions (I)(1) to (6) of this 23908  
section. No quota restrictions shall be placed on the number of 23909  
D-5i permits that may be issued. The fee for the D-5i permit is 23910  
two thousand three hundred forty-four dollars. 23911

(J) Permit D-5j may be issued to the owner or the operator 23912  
of a retail food establishment or a food service operation 23913  
licensed under Chapter 3717. of the Revised Code to sell beer 23914  
and intoxicating liquor at retail, only by the individual drink 23915

in glass and from the container, for consumption on the premises 23916  
where sold and to sell beer and intoxicating liquor in the same 23917  
manner and amounts not for consumption on the premises where 23918  
sold as may be sold by the holders of D-1 and D-2 permits. The 23919  
holder of a D-5j permit may exercise the same privileges, and 23920  
shall observe the same hours of operation, as the holder of a D- 23921  
5 permit. 23922

The D-5j permit shall be issued only within a community 23923  
entertainment district that is designated under section 4301.80 23924  
of the Revised Code. The permit shall not be issued to a 23925  
community entertainment district that is designated under 23926  
divisions (B) and (C) of section 4301.80 of the Revised Code if 23927  
the district does not meet one of the following qualifications: 23928

(1) It is located in a municipal corporation with a 23929  
population of at least one hundred thousand. 23930

(2) It is located in a municipal corporation with a 23931  
population of at least twenty thousand, and either of the 23932  
following applies: 23933

(a) It contains an amusement park the rides of which have 23934  
been issued a permit by the department of agriculture under 23935  
Chapter 1711. of the Revised Code. 23936

(b) Not less than fifty million dollars will be invested 23937  
in development and construction in the community entertainment 23938  
district's area located in the municipal corporation. 23939

(3) It is located in a township with a population of at 23940  
least forty thousand. 23941

(4) It is located in a township with a population of at 23942  
least twenty thousand, and not less than seventy million dollars 23943  
will be invested in development and construction in the 23944

community entertainment district's area located in the township. 23945

(5) It is located in a municipal corporation with a 23946  
population between seven thousand and twenty thousand, and both 23947  
of the following apply: 23948

(a) The municipal corporation was incorporated as a 23949  
village prior to calendar year 1880 and currently has a historic 23950  
downtown business district. 23951

(b) The municipal corporation is located in the same 23952  
county as another municipal corporation with at least one 23953  
community entertainment district. 23954

(6) It is located in a municipal corporation with a 23955  
population of at least ten thousand, and not less than seventy 23956  
million dollars will be invested in development and construction 23957  
in the community entertainment district's area located in the 23958  
municipal corporation. 23959

(7) It is located in a municipal corporation with a 23960  
population of at least three thousand, and not less than one 23961  
hundred fifty million dollars will be invested in development 23962  
and construction in the community entertainment district's area 23963  
located in the municipal corporation. 23964

The location of a D-5j permit may be transferred only 23965  
within the geographic boundaries of the community entertainment 23966  
district in which it was issued and shall not be transferred 23967  
outside the geographic boundaries of that district. 23968

Not more than one D-5j permit shall be issued within each 23969  
community entertainment district for each five acres of land 23970  
located within the district. Not more than fifteen D-5j permits 23971  
may be issued within a single community entertainment district. 23972  
Except as otherwise provided in division (J)(4) of this section, 23973

no quota restrictions shall be placed upon the number of D-5j permits that may be issued. 23974  
23975

The fee for a D-5j permit is two thousand three hundred forty-four dollars. 23976  
23977

(K) (1) Permit D-5k may be issued to any nonprofit organization that is exempt from federal income taxation under the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 501(c) (3), as amended, that is the owner or operator of a botanical garden recognized by the American association of botanical gardens and arboreta, and that has not less than twenty-five hundred bona fide members. 23978  
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(2) The holder of a D-5k permit may sell beer and any intoxicating liquor at retail, only by the individual drink in glass and from the container, on the premises where sold. 23985  
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(3) In addition to the privileges authorized in this division, the holder of a D-5k permit may exercise the same privileges, and shall observe the same hours of operation, as the holder of a D-5 permit. 23988  
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(4) A D-5k permit shall not be transferred to another location. 23992  
23993

(5) No quota restrictions shall be placed on the number of D-5k permits that may be issued. 23994  
23995

(6) The fee for the D-5k permit is one thousand eight hundred seventy-five dollars. 23996  
23997

(L) (1) Permit D-5l may be issued to the owner or the operator of a retail food establishment or a food service operation licensed under Chapter 3717. of the Revised Code to sell beer and intoxicating liquor at retail, only by the 23998  
23999  
24000  
24001

individual drink in glass and from the container, for 24002  
consumption on the premises where sold and to sell beer and 24003  
intoxicating liquor in the same manner and amounts not for 24004  
consumption on the premises where sold as may be sold by the 24005  
holders of D-1 and D-2 permits. The holder of a D-51 permit may 24006  
exercise the same privileges, and shall observe the same hours 24007  
of operation, as the holder of a D-5 permit. 24008

(2) The D-51 permit shall be issued only to a premises to 24009  
which all of the following apply: 24010

(a) The premises has gross annual receipts from the sale 24011  
of food and meals that constitute not less than seventy-five per 24012  
cent of its total gross annual receipts. 24013

(b) The premises is located within a revitalization 24014  
district that is designated under section 4301.81 of the Revised 24015  
Code. 24016

(c) The premises is located in a municipal corporation or 24017  
township in which the number of D-5 permits issued equals or 24018  
exceeds the number of those permits that may be issued in that 24019  
municipal corporation or township under section 4303.29 of the 24020  
Revised Code. 24021

(d) The premises meets any of the following 24022  
qualifications: 24023

(i) It is located in a county with a population of one 24024  
hundred twenty-five thousand or less according to the population 24025  
estimates certified by the department of housing and development 24026  
~~services agency~~ for calendar year 2006. 24027

(ii) It is located in the municipal corporation that has 24028  
the largest population in a county when the county has a 24029  
population between two hundred fifteen thousand and two hundred 24030

twenty-five thousand according to the population estimates 24031  
certified by the department of housing and development services 24032  
~~agency~~ for calendar year 2006. Division (L) (2) (d) (ii) of this 24033  
section applies only to a municipal corporation that is wholly 24034  
located in a county. 24035

(iii) It is located in the municipal corporation that has 24036  
the largest population in a county when the county has a 24037  
population between one hundred forty thousand and one hundred 24038  
forty-one thousand according to the population estimates 24039  
certified by the department of housing and development services 24040  
~~agency~~ for calendar year 2006. Division (L) (2) (d) (iii) of this 24041  
section applies only to a municipal corporation that is wholly 24042  
located in a county. 24043

(iv) It is located in a township with a population density 24044  
of less than four hundred fifty people per square mile. For 24045  
purposes of division (L) (2) (d) (iv) of this section, the 24046  
population of a township is considered to be the population 24047  
shown by the most recent regular federal decennial census. 24048

(v) It is located in a municipal corporation that is 24049  
wholly located within the geographic boundaries of a township, 24050  
provided that the municipal corporation and the unincorporated 24051  
portion of the township have a combined population density of 24052  
less than four hundred fifty people per square mile. For 24053  
purposes of division (L) (2) (d) (v) of this section, the 24054  
population of a municipal corporation and unincorporated portion 24055  
of a township is the population shown by the most recent federal 24056  
decennial census. 24057

(vi) It is located in a county with a population of not 24058  
less than one hundred seventy-two thousand and not more than one 24059  
hundred ninety-five thousand. For purposes of division (L) (2) (d) 24060

(vi) of this section, the population of a county is the 24061  
population shown by the most recent decennial census. 24062

(vii) It is located in a municipal corporation with a 24063  
population of less than ten thousand and the municipal 24064  
corporation is located in a county with a population of more 24065  
than one million. For purposes of division (L) (2) (d) (vii) of 24066  
this section, the population of a municipal corporation and a 24067  
county is the population shown by the most recent decennial 24068  
census. 24069

(3) The location of a D-51 permit may be transferred only 24070  
within the geographic boundaries of the revitalization district 24071  
in which it was issued and shall not be transferred outside the 24072  
geographic boundaries of that district. 24073

(4) Not more than one D-51 permit shall be issued within 24074  
each revitalization district for each five acres of land located 24075  
within the district. Not more than fifteen D-51 permits may be 24076  
issued within a single revitalization district. Except as 24077  
otherwise provided in division (L) (4) of this section, no quota 24078  
restrictions shall be placed upon the number of D-51 permits 24079  
that may be issued. 24080

(5) No D-51 permit shall be issued to an adult 24081  
entertainment establishment as defined in section 2907.39 of the 24082  
Revised Code. 24083

(6) The fee for a D-51 permit is two thousand three 24084  
hundred forty-four dollars. 24085

(M) Permit D-5m may be issued to either the owner or the 24086  
operator of a retail food establishment or food service 24087  
operation licensed under Chapter 3717. of the Revised Code that 24088  
operates as a restaurant for purposes of this chapter and that 24089

is located in, or affiliated with, a center for the preservation 24090  
of wild animals as defined in section 4301.404 of the Revised 24091  
Code, to sell beer and any intoxicating liquor at retail, only 24092  
by the glass and from the container, for consumption on the 24093  
premises where sold, and to sell the same products in the same 24094  
manner and amounts not for consumption on the premises as may be 24095  
sold by the holders of D-1 and D-2 permits. In addition to the 24096  
privileges authorized by this division, the holder of a D-5m 24097  
permit may exercise the same privileges, and shall observe the 24098  
same hours of operation, as the holder of a D-5 permit. 24099

A D-5m permit shall not be transferred to another 24100  
location. No quota restrictions shall be placed on the number of 24101  
D-5m permits that may be issued. The fee for a permit D-5m is 24102  
two thousand three hundred forty-four dollars. 24103

(N) Permit D-5n shall be issued to either a casino 24104  
operator or a casino management company licensed under Chapter 24105  
3772. of the Revised Code that operates a casino facility under 24106  
that chapter, to sell beer and any intoxicating liquor at 24107  
retail, only by the individual drink in glass and from the 24108  
container, for consumption on the premises where sold, and to 24109  
sell the same products in the same manner and amounts not for 24110  
consumption on the premises as may be sold by the holders of D-1 24111  
and D-2 permits. In addition to the privileges authorized by 24112  
this division, the holder of a D-5n permit may exercise the same 24113  
privileges, and shall observe the same hours for beer and 24114  
intoxicating liquor sales, as the holder of a D-5 permit. A D-5n 24115  
permit shall not be transferred to another location. Only one D- 24116  
5n permit may be issued per casino facility and not more than 24117  
four D-5n permits shall be issued in this state. The fee for a 24118  
permit D-5n shall be twenty thousand dollars. The holder of a D- 24119  
5n permit may conduct casino gaming on the permit premises 24120



notwithstanding any provision of the Revised Code or 24121  
Administrative Code. 24122

(O) Permit D-5o may be issued to the owner or operator of 24123  
a retail food establishment or a food service operation licensed 24124  
under Chapter 3717. of the Revised Code that operates as a 24125  
restaurant for purposes of this chapter and that is located 24126  
within a casino facility for which a D-5n permit has been 24127  
issued. The holder of a D-5o permit may sell beer and any 24128  
intoxicating liquor at retail, only by the individual drink in 24129  
glass and from the container, for consumption on the premises 24130  
where sold, and may sell the same products in the same manner 24131  
and amounts not for consumption on the premises where sold as 24132  
may be sold by the holders of D-1 and D-2 permits. In addition 24133  
to the privileges authorized by this division, the holder of a 24134  
D-5o permit may exercise the same privileges, and shall observe 24135  
the same hours for beer and intoxicating liquor sales, as the 24136  
holder of a D-5 permit. A D-5o permit shall not be transferred 24137  
to another location. No quota restrictions shall be placed on 24138  
the number of such permits that may be issued. The fee for this 24139  
permit is two thousand three hundred forty-four dollars. 24140

**Sec. 4303.262.** The department of housing and development 24141  
shall designate resort areas, certify the geographical limits of 24142  
such areas, and certify the tourist population of and the custom 24143  
and habits of the tourists in such areas. The liquor control 24144  
commission shall give notice as herein provided of public 24145  
hearings to be held for the purpose of determining whether class 24146  
D-7 permits shall be issued within such areas. 24147

When the resort area certified by the department is 24148  
located in whole or in part within the corporate limits of a 24149  
municipal corporation, the liquor control commission shall 24150

notify the clerk of the legislative authority of such municipal 24151  
corporation, by certified mail, of the date of the public 24152  
hearing to determine whether such area shall be designated a 24153  
resort area for purposes of issuing D-7 permits. 24154

When the area certified by the department is located in 24155  
whole or in part outside the corporate limits of a municipal 24156  
corporation, the liquor control commission shall notify, by 24157  
certified mail, the clerk of the board of county commissioners 24158  
of the county in which such resort area is located. Such notice 24159  
shall state the date of the public hearing to determine whether 24160  
such area shall be designated a resort area for purposes of 24161  
issuing D-7 permits. 24162

In addition to the notice to the clerk of the legislative 24163  
authority or the clerk of the county commissioners, or both, the 24164  
liquor control commission shall cause public notice of the date 24165  
of hearing for the purpose of designating such area as a resort 24166  
area for the purpose of issuing D-7 permits to be published in a 24167  
newspaper of general circulation within the area to be so 24168  
designated. The hearing shall be held in a place designated by 24169  
the liquor control commission. 24170

At the public hearing the department shall testify 24171  
concerning its findings and conclusions as to the designation of 24172  
such area as a resort area. The legislative authority and the 24173  
board of county commissioners shall be given the right to offer 24174  
testimony either in support of or opposition to the designation 24175  
of such area as a resort area. In addition, the liquor control 24176  
commission shall give members of the general public the 24177  
opportunity to give testimony either in support of or in 24178  
opposition to such designation. Any member of the general public 24179  
desiring to give testimony at such hearing shall give notice of 24180

such fact to the liquor control commission within five days of 24181  
such hearing. The liquor control commission may limit the number 24182  
of private citizens given the opportunity to testify at such 24183  
public hearing and limit the length of their presentation. Any 24184  
such limitation shall include an equal number of speakers in 24185  
opposition to and in favor of such designation. 24186

Within thirty days of such public hearing the liquor 24187  
control commission shall approve or deny by order the 24188  
designation as a resort area and may before approval modify the 24189  
geographical limits certified to it. In its order the liquor 24190  
control commission shall consider the testimony presented to it 24191  
at such hearing and shall take into consideration the transient 24192  
population during the resort season, the custom and habits of 24193  
visitors and tourists to the area, and the promotion of the 24194  
resort and tourist industry within the area. The commission 24195  
shall revoke or modify the designation as a "resort area" when 24196  
the area no longer qualifies. No revocation or modification of 24197  
the designation shall be made unless the notice and hearing 24198  
procedures provided in this section for the original designation 24199  
of the area are followed. 24200

**Sec. 4503.591.** (A) If a professional sports team located 24201  
in this state desires to have its logo appear on license plates 24202  
issued by this state, it shall enter into a contract with either 24203  
a sports commission to permit such display, as permitted by 24204  
division (E) of this section, or with a community charity, as 24205  
permitted by division (G) of this section. 24206

(B) The owner or lessee of any passenger car, 24207  
noncommercial motor vehicle, recreational vehicle, or other 24208  
vehicle of a class approved by the registrar of motor vehicles 24209  
may apply to the registrar for the registration of the vehicle 24210

and issuance of license plates bearing the logo of a 24211  
professional sports team that has entered into a contract 24212  
described in division (A) of this section. The application shall 24213  
designate the sports team whose logo the owner or lessee desires 24214  
to appear on the license plates. Failure to designate a 24215  
participating professional sports team shall result in rejection 24216  
by the registrar of the registration application. An application 24217  
made under this section may be combined with a request for a 24218  
special reserved license plate under section 4503.40 or 4503.42 24219  
of the Revised Code. Upon receipt of the completed application 24220  
and compliance by the applicant with divisions (C) and (D) of 24221  
this section, the registrar shall issue to the applicant the 24222  
appropriate vehicle registration and a set of license plates 24223  
bearing the logo of the professional sports team the owner 24224  
designated in the application and a validation sticker, or a 24225  
validation sticker alone when required by section 4503.191 of 24226  
the Revised Code. 24227

In addition to the letters and numbers ordinarily 24228  
inscribed thereon, professional sports team license plates shall 24229  
bear the logo of a participating professional sports team, and 24230  
shall display county identification stickers that identify the 24231  
county of registration as required under section 4503.19 of the 24232  
Revised Code. 24233

(C) The professional sports team license plates and 24234  
validation sticker, or validation sticker alone, as the case may 24235  
be, shall be issued upon payment of the regular license tax as 24236  
prescribed under section 4503.04 of the Revised Code, any 24237  
applicable motor vehicle license tax levied under Chapter 4504. 24238  
of the Revised Code, an additional fee of ten dollars, and 24239  
compliance with all other applicable laws relating to the 24240  
registration of motor vehicles. If the application for a 24241

professional sports team license plate is combined with a 24242  
request for a special reserved license plate under section 24243  
4503.40 or 4503.42 of the Revised Code, the license plates and 24244  
validation sticker, or validation sticker alone, shall be issued 24245  
upon payment of the taxes and fees described in this division 24246  
plus the additional fee prescribed under section 4503.40 or 24247  
4503.42 of the Revised Code and compliance with all other 24248  
applicable laws relating to the registration of motor vehicles. 24249

(D) For each application for registration and registration 24250  
renewal notice the registrar receives under this section, the 24251  
registrar shall collect a contribution of twenty-five dollars. 24252  
The registrar shall transmit this contribution to the treasurer 24253  
of state for deposit into the license plate contribution fund 24254  
created by section 4501.21 of the Revised Code. 24255

The registrar shall transmit the additional fee of ten 24256  
dollars, which is to compensate the bureau of motor vehicles for 24257  
the additional services required in the issuing of professional 24258  
sports team license plates, to the treasurer of state for 24259  
deposit into the state treasury to the credit of the public 24260  
safety - highway purposes fund created by section 4501.06 of the 24261  
Revised Code. 24262

(E) If a professional sports team located in this state 24263  
desires to have its logo appear on license plates issued by this 24264  
state and it desires to do so pursuant to this division, it 24265  
shall inform the largest convention and visitors' bureau of the 24266  
county in which the professional sports team is located of that 24267  
desire. That convention and visitors' bureau shall create a 24268  
sports commission to operate in that county to receive the 24269  
contributions that are paid by applicants who choose to be 24270  
issued license plates bearing the logo of that professional 24271

sports team for display on their motor vehicles. The sports 24272  
commission shall negotiate with the professional sports team to 24273  
permit the display of the team's logo on license plates issued 24274  
by this state, enter into the contract with the team to permit 24275  
such display, and pay to the team any licensing or rights fee 24276  
that must be paid in connection with the issuance of the license 24277  
plates. Upon execution of the contract, the sports commission 24278  
shall provide a copy of it to the registrar, along with any 24279  
other documentation the registrar may require. Upon receipt of 24280  
the contract and any required additional documentation, and when 24281  
the numerical requirement contained in section 4503.78 of the 24282  
Revised Code has been met relative to that particular 24283  
professional sports team, the registrar shall take the measures 24284  
necessary to issue license plates bearing the logo of that team. 24285

(F) A sports commission shall expend the money it receives 24286  
pursuant to section 4501.21 of the Revised Code to attract 24287  
amateur regional, national, and international sporting events to 24288  
the municipal corporation, county, or township in which it is 24289  
located, and it may sponsor such events. Prior to attracting or 24290  
sponsoring such events, the sports commission shall perform an 24291  
economic analysis to determine whether the proposed event will 24292  
have a positive economic effect on the greater area in which the 24293  
event will be held. A sports commission shall not expend any 24294  
money it receives under that section to attract or sponsor an 24295  
amateur regional, national, or international sporting event if 24296  
its economic analysis does not result in a finding that the 24297  
proposed event will have a positive economic effect on the 24298  
greater area in which the event will be held. 24299

A sports commission that receives money pursuant to that 24300  
section, in addition to any other duties imposed on it by law 24301  
and notwithstanding the scope of those duties, also shall 24302

encourage the economic development of this state through the 24303  
promotion of tourism within all areas of this state. A sports 24304  
commission that receives ten thousand dollars or more during any 24305  
calendar year shall submit a written report to the director of 24306  
housing and development, on or before the first day of October 24307  
of the next succeeding year, detailing its efforts and 24308  
expenditures in the promotion of tourism during the calendar 24309  
year in which it received the ten thousand dollars or more. 24310

As used in this division, "promotion of tourism" means the 24311  
encouragement through advertising, educational and informational 24312  
means, and public relations, both within the state and outside 24313  
of it, of travel by persons away from their homes for pleasure, 24314  
personal reasons, or other purposes, except to work, to this 24315  
state or to the region in which the sports commission is 24316  
located. 24317

(G) If a professional sports team located in this state 24318  
desires to have its logo appear on license plates issued by this 24319  
state and it does not desire to do so pursuant to division (E) 24320  
of this section, it shall do so pursuant to this division. The 24321  
professional sports team shall notify a community charity of 24322  
that desire. That community charity may negotiate with the 24323  
professional sports team to permit the display of the team's 24324  
logo on license plates issued by this state, enter into a 24325  
contract with the team to permit such display, and pay to the 24326  
team any licensing or rights fee that must be paid in connection 24327  
with the issuance of the license plates. Upon execution of a 24328  
contract, the community charity shall provide a copy of it to 24329  
the registrar along with any other documentation the registrar 24330  
may require. Upon receipt of the contract and any required 24331  
additional documentation, and when the numerical requirement 24332  
contained in section 4503.78 of the Revised Code has been met 24333

relative to that particular professional sports team, the 24334  
registrar shall take the measures necessary to issue license 24335  
plates bearing the logo of that team. 24336

(H) (1) A community charity shall expend the money it 24337  
receives pursuant to section 4501.21 of the Revised Code solely 24338  
to provide financial support to a sports commission for the 24339  
purposes described in division (F) of this section and to 24340  
nonprofit organizations located in this state that seek to 24341  
improve the lives of those who are less fortunate and who reside 24342  
in the region and state in which is located the sports team with 24343  
which the community charity entered into a contract pursuant to 24344  
division (G) of this section. Such organizations shall achieve 24345  
this purpose through activities such as youth sports programs; 24346  
educational, health, social, and community service programs; or 24347  
services such as emergency assistance or employment, education, 24348  
housing, and nutrition services. 24349

The community charity shall not expend any money it 24350  
receives pursuant to section 4501.21 of the Revised Code if the 24351  
expenditure will be received by a nonprofit organization that 24352  
will use the money in a manner or for a purpose that is not 24353  
described in this division. 24354

(2) The community charity shall provide a written 24355  
quarterly report to the director of housing and development and 24356  
the director of job and family services detailing the 24357  
expenditures of the money it receives pursuant to section 24358  
4501.21 of the Revised Code. The report shall include the amount 24359  
of such money received and an accounting of all expenditures of 24360  
such money. 24361

(I) For purposes of this section: 24362



(1) The "largest" convention and visitors' bureau of a 24363  
county is the bureau that receives the largest amount of money 24364  
generated in that county from excise taxes levied on lodging 24365  
transactions under sections 351.021, 5739.08, and 5739.09 of the 24366  
Revised Code. 24367

(2) "Sports commission" means a commission consisting of 24368  
at least fifteen members that is a nonprofit corporation 24369  
organized under the laws of this state that is entitled to tax 24370  
exempt status under section 501(c)(3) of the "Internal Revenue 24371  
Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 501, as amended, and 24372  
whose function is to attract, promote, or sponsor sports and 24373  
athletic events within a municipal corporation, county, or 24374  
township. 24375

A sports commission may provide all services related to 24376  
attracting, promoting, or sponsoring such events, including, but 24377  
not limited to, the booking of athletes and teams, scheduling, 24378  
and hiring or contracting for staff, ushers, managers, and other 24379  
persons whose functions are directly related to the sports and 24380  
athletic events the commission attracts, promotes, or sponsors. 24381

(3) "Community charity" means a nonprofit corporation 24382  
organized under the laws of this state that is entitled to tax 24383  
exempt status under section 501(c)(3) of the "Internal Revenue 24384  
Code of 1986," 100 Stat. 2085, 26 U.S.C. 501, as amended, and 24385  
that enters into a contract with a professional sports team 24386  
pursuant to division (G) of this section. 24387

(4) "Nonprofit organization" means a nonprofit corporation 24388  
organized under the laws of this state that is entitled to tax 24389  
exempt status under section 501(c)(3) of the "Internal Revenue 24390  
Code of 1986," 100 Stat. 2085, 26 U.S.C. 501, as amended, and 24391  
that receives money from a community charity pursuant to 24392

division (H) (1) of this section. 24393

**Sec. 4582.58.** (A) All final actions of the port authority 24394  
shall be journalized and the journal and the records of the port 24395  
authority shall be open to public inspection at all reasonable 24396  
times. Not later than the first day of April every year, every 24397  
port authority shall submit a report to the director of housing 24398  
and development detailing the projects and activities of the 24399  
port authority during the previous calendar year. The report 24400  
shall include, but not be limited to, all aspects of those 24401  
projects and activities, including the progress and status of 24402  
the projects and their costs, and any other information the 24403  
director determines should be included in the report. 24404

(B) Financial and proprietary information, including trade 24405  
secrets, submitted by or on behalf of an employer to a port 24406  
authority or to a nonprofit corporation engaged by contract to 24407  
provide economic development services for a port authority, in 24408  
connection with the relocation, location, expansion, 24409  
improvement, or preservation of the business of that employer is 24410  
not a public record subject to section 149.43 of the Revised 24411  
Code. Any other information submitted by such an employer under 24412  
those circumstances is not a public record subject to section 24413  
149.43 of the Revised Code until that employer commits in 24414  
writing to proceed with the relocation, location, expansion, 24415  
improvement, or preservation. 24416

(C) Notwithstanding section 121.22 of the Revised Code, 24417  
the board of directors of a port authority and the board of 24418  
trustees of a nonprofit corporation described in division (B) of 24419  
this section, and any committee or subcommittee of either, when 24420  
considering information that is not a public record under this 24421  
section, may close any meeting during the consideration of that 24422

information pursuant to a vote of the majority of the members 24423  
present on a motion stating that such information is to be 24424  
considered. No other matters shall be considered during the 24425  
closed session. 24426

**Sec. 4901.021.** (A) There is hereby created a public 24427  
utilities commission nominating council consisting of the 24428  
following: 24429

(1) The chairperson of the consumers' counsel governing 24430  
board; 24431

(2) The president of the accountancy board; 24432

(3) The chairperson of the state board of registration for 24433  
professional engineers and surveyors; 24434

(4) The president of the Ohio state bar association; 24435

(5) The president of the Ohio municipal league; 24436

(6) The director of housing and development or the 24437  
director's department-employed designee; 24438

(7) A member of the public appointed by the speaker of the 24439  
house of representatives, to serve at the pleasure of the 24440  
speaker; 24441

(8) A member of the public appointed by the president of 24442  
the senate, to serve at the pleasure of the president; 24443

(9) A representative of the regulated public utilities of 24444  
the state appointed by the governor, to serve at the pleasure of 24445  
the governor; 24446

(10) A representative of the business community appointed 24447  
by the governor, to serve at the pleasure of the governor; 24448

(11) A representative of organized labor appointed by the 24449

governor, to serve at the pleasure of the governor; 24450

(12) A senior citizen sixty-five years of age or older 24451  
appointed by the director of aging, to serve at the pleasure of 24452  
the director. 24453

(B) At its first meeting each calendar year, the council 24454  
shall select from among its members a chairperson and secretary. 24455  
The council may adopt bylaws governing its proceedings. 24456

(C) The council shall keep a record of its proceedings. 24457  
Special meetings may be called by the chairperson, and shall be 24458  
called by the chairperson upon receipt of a written request for 24459  
a meeting signed by two or more members of the council. Written 24460  
notice of the time and place of each meeting shall be sent to 24461  
each member of the council. With the approval of the 24462  
association's or league's governing body, the president of the 24463  
Ohio state bar association or the president of the Ohio 24464  
municipal league, respectively, may designate an alternate to 24465  
represent the president at meetings of the council. With the 24466  
approval of the board, the president of the accountancy board or 24467  
the chairperson of the state board of registration for 24468  
professional engineers and surveyors may designate such an 24469  
alternate. Six members, or their alternates, constitute a 24470  
quorum. 24471

(D) The council shall: 24472

(1) Review and evaluate possible appointees for the office 24473  
of commissioner of the public utilities commission; 24474

(2) Consistent with division (D) of section 4901.02 of the 24475  
Revised Code, not more than eighty-five nor less than sixty days 24476  
prior to the expiration of the term of a public utilities 24477  
commissioner or not more than thirty days after the death of, 24478

resignation of, or termination of service by, a public utilities 24479  
commissioner, provide the governor with a list of four 24480  
individuals who are, in the judgment of the council, the most 24481  
fully qualified to accede to the office of commissioner. The 24482  
council shall not include the name of an individual upon the 24483  
list, if the appointment of that individual by the governor 24484  
would result in more than three members of the commission 24485  
belonging to or being affiliated with the same political party. 24486  
The council shall include on the list only the names of 24487  
attorneys admitted to the practice of law in any state or the 24488  
District of Columbia if an attorney must be appointed to fulfill 24489  
the requirement of division (D) of section 4901.02 of the 24490  
Revised Code. To the extent possible, in its performance of this 24491  
duty, the council shall continually attempt to ensure that the 24492  
primary focus of the background of two commissioners is in 24493  
energy and that the primary focus of the background of two 24494  
commissioners is in transportation or communications technology. 24495

(E) In reviewing and evaluating possible appointees for 24496  
the office of public utilities commissioner, the council may 24497  
accept comments from, cooperate with, and request information 24498  
from any person. The council may make recommendations to the 24499  
general assembly concerning changes in legislation to assist the 24500  
council in the performance of its duties. 24501

(F) Within thirty days of receipt of the council's 24502  
recommendations, the governor shall fill a vacancy occurring in 24503  
the office of commissioner by appointment of one of the persons 24504  
recommended by the council. Nothing in this section shall 24505  
prevent the governor in the governor's discretion from rejecting 24506  
all of the nominees of the council and reconvening the council 24507  
in order to select four additional nominees. However, when the 24508  
governor has reconvened the council and the council has provided 24509

the governor with a second list of four names, the governor 24510  
shall make the appointment from one of the names on the first 24511  
list or the second list. Each appointment by the governor shall 24512  
be subject to the advice and consent of the senate. 24513

(G) Members of the council shall be compensated on a per 24514  
diem basis pursuant to the procedures set forth in section 24515  
124.14 of the Revised Code plus reasonable travel expenses. All 24516  
the expenses of the nominating council shall be paid from moneys 24517  
appropriated to the public utilities commission for that 24518  
purpose. 24519

**Sec. 4906.02.** (A) (1) There is hereby created within the 24520  
public utilities commission the power siting board, composed of 24521  
the chairperson of the public utilities commission, the director 24522  
of environmental protection, the director of health, the 24523  
director of housing and development, the director of natural 24524  
resources, the director of agriculture, and a representative of 24525  
the public who shall be an engineer and shall be appointed by 24526  
the governor, from a list of three nominees submitted to the 24527  
governor by the office of the consumers' counsel, with the 24528  
advice and consent of the senate and shall serve for a term of 24529  
four years. The chairperson of the public utilities commission 24530  
shall be chairperson of the board and its chief executive 24531  
officer. The chairperson shall designate one of the voting 24532  
members of the board to act as vice-chairperson who shall 24533  
possess during the absence or disability of the chairperson all 24534  
of the powers of the chairperson. All hearings, studies, and 24535  
consideration of applications for certificates shall be 24536  
conducted by the board or representatives of its members. 24537

In addition, the board shall include four legislative 24538  
members who may participate fully in all the board's 24539

deliberations and activities except that they shall serve as 24540  
nonvoting members. The speaker of the house of representatives 24541  
shall appoint one legislative member, and the president of the 24542  
senate and minority leader of each house shall each appoint one 24543  
legislative member. Each such legislative leader shall designate 24544  
an alternate to attend meetings of the board when the regular 24545  
legislative member appointed by the legislative leader is unable 24546  
to attend. Each legislative member and alternate shall serve for 24547  
the duration of the elected term that the legislative member is 24548  
serving at the time of appointment. A quorum of the board is a 24549  
majority of its voting members. 24550

The representative of the public and, notwithstanding 24551  
section 101.26 of the Revised Code, legislative members of the 24552  
board or their designated alternates, when engaged in their 24553  
duties as members of the board, shall be paid at the per diem 24554  
rate of step 1, pay range 32, under schedule B of section 124.15 24555  
of the Revised Code and shall be reimbursed for the actual and 24556  
necessary expenses they incur in the discharge of their official 24557  
duties. 24558

(2) In all cases involving an application for a 24559  
certificate or a material amendment to an existing certificate 24560  
for a utility facility, as defined in section 303.57 of the 24561  
Revised Code, the board shall include two voting ad hoc members, 24562  
as described in section 4906.021 of the Revised Code. 24563

(B) The chairperson shall keep a complete record of all 24564  
proceedings of the board, issue all necessary process, writs, 24565  
warrants, and notices, keep all books, maps, documents, and 24566  
papers ordered filed by the board, conduct investigations 24567  
pursuant to section 4906.07 of the Revised Code, and perform 24568  
such other duties as the board may prescribe. 24569

(C) The chairperson of the public utilities commission may 24570  
assign or transfer duties among the commission's staff. However, 24571  
the board's authority to grant certificates under section 24572  
4906.10 of the Revised Code shall not be exercised by any 24573  
officer, employee, or body other than the board itself. 24574

(D) (1) The chairperson may call to the chairperson's 24575  
assistance, temporarily, any employee of the environmental 24576  
protection agency, the department of natural resources, the 24577  
department of agriculture, the department of health, or the 24578  
department of housing and development, for the purpose of making 24579  
studies, conducting hearings, investigating applications, or 24580  
preparing any report required or authorized under this chapter. 24581  
Such employees shall not receive any additional compensation 24582  
over that which they receive from the agency by which they are 24583  
employed, but they shall be reimbursed for their actual and 24584  
necessary expenses incurred while working under the direction of 24585  
the chairperson. All contracts for special services are subject 24586  
to the approval of the chairperson. 24587

(2) Subject to controlling board approval, the board may 24588  
contract for the services of any expert or analyst, other than 24589  
an employee described in division (D) (1) of this section, for 24590  
the purposes of carrying out the board's powers and duties as 24591  
described in Chapter 4906. of the Revised Code. Any such expert 24592  
or analyst shall be compensated from the application fee, or if 24593  
necessary, supplemental application fees assessed in accordance 24594  
with division (F) of section 4906.06 of the Revised Code. 24595

(E) The board's offices shall be located in those of the 24596  
public utilities commission. 24597

**Sec. 4928.06.** (A) Beginning on the starting date of 24598  
competitive retail electric service, the public utilities 24599



commission shall ensure that the policy specified in section 24600  
4928.02 of the Revised Code is effectuated. To the extent 24601  
necessary, the commission shall adopt rules to carry out this 24602  
chapter. Initial rules necessary for the commencement of the 24603  
competitive retail electric service under this chapter shall be 24604  
adopted within one hundred eighty days after the effective date 24605  
of this section. Except as otherwise provided in this chapter, 24606  
the proceedings and orders of the commission under the chapter 24607  
shall be subject to and governed by Chapter 4903. of the Revised 24608  
Code. 24609

(B) If the commission determines, on or after the starting 24610  
date of competitive retail electric service, that there is a 24611  
decline or loss of effective competition with respect to a 24612  
competitive retail electric service of an electric utility, 24613  
which service was declared competitive by commission order 24614  
issued pursuant to division (A) of section 4928.04 of the 24615  
Revised Code, the commission shall ensure that that service is 24616  
provided at compensatory, fair, and nondiscriminatory prices and 24617  
terms and conditions. 24618

(C) In addition to its authority under section 4928.04 of 24619  
the Revised Code and divisions (A) and (B) of this section, the 24620  
commission, on an ongoing basis, shall monitor and evaluate the 24621  
provision of retail electric service in this state for the 24622  
purpose of discerning any noncompetitive retail electric service 24623  
that should be available on a competitive basis on or after the 24624  
starting date of competitive retail electric service pursuant to 24625  
a declaration in the Revised Code, and for the purpose of 24626  
discerning any competitive retail electric service that is no 24627  
longer subject to effective competition on or after that date. 24628  
Upon such evaluation, the commission periodically shall report 24629  
its findings and any recommendations for legislation to the 24630

standing committees of both houses of the general assembly that 24631  
have primary jurisdiction regarding public utility legislation. 24632  
Until 2008, the commission and the consumer's counsel also shall 24633  
provide biennial reports to those standing committees, regarding 24634  
the effectiveness of competition in the supply of competitive 24635  
retail electric services in this state. In addition, until the 24636  
end of all market development periods as determined by the 24637  
commission under section 4928.40 of the Revised Code, those 24638  
standing committees shall meet at least biennially to consider 24639  
the effect on this state of electric service restructuring and 24640  
to receive reports from the commission, consumers' counsel, and 24641  
director of housing and development. 24642

(D) In determining, for purposes of division (B) or (C) of 24643  
this section, whether there is effective competition in the 24644  
provision of a retail electric service or reasonably available 24645  
alternatives for that service, the commission shall consider 24646  
factors including, but not limited to, all of the following: 24647

(1) The number and size of alternative providers of that 24648  
service; 24649

(2) The extent to which the service is available from 24650  
alternative suppliers in the relevant market; 24651

(3) The ability of alternative suppliers to make 24652  
functionally equivalent or substitute services readily available 24653  
at competitive prices, terms, and conditions; 24654

(4) Other indicators of market power, which may include 24655  
market share, growth in market share, ease of entry, and the 24656  
affiliation of suppliers of services. 24657

The burden of proof shall be on any entity requesting, 24658  
under division (B) or (C) of this section, a determination by 24659

the commission of the existence of or a lack of effective 24660  
competition or reasonably available alternatives. 24661

(E) (1) Beginning on the starting date of competitive 24662  
retail electric service, the commission has authority under 24663  
Chapters 4901. to 4909. of the Revised Code, and shall exercise 24664  
that authority, to resolve abuses of market power by any 24665  
electric utility that interfere with effective competition in 24666  
the provision of retail electric service. 24667

(2) In addition to the commission's authority under 24668  
division (E) (1) of this section, the commission, beginning the 24669  
first year after the market development period of a particular 24670  
electric utility and after reasonable notice and opportunity for 24671  
hearing, may take such measures within a transmission 24672  
constrained area in the utility's certified territory as are 24673  
necessary to ensure that retail electric generation service is 24674  
provided at reasonable rates within that area. The commission 24675  
may exercise this authority only upon findings that an electric 24676  
utility is or has engaged in the abuse of market power and that 24677  
that abuse is not adequately mitigated by rules and practices of 24678  
any independent transmission entity controlling the transmission 24679  
facilities. Any such measure shall be taken only to the extent 24680  
necessary to protect customers in the area from the particular 24681  
abuse of market power and to the extent the commission's 24682  
authority is not preempted by federal law. The measure shall 24683  
remain in effect until the commission, after reasonable notice 24684  
and opportunity for hearing, determines that the particular 24685  
abuse of market power has been mitigated. 24686

(F) An electric utility, electric services company, 24687  
electric cooperative, or governmental aggregator subject to 24688  
certification under section 4928.08 of the Revised Code shall 24689

provide the commission with such information, regarding a 24690  
competitive retail electric service for which it is subject to 24691  
certification, as the commission considers necessary to carry 24692  
out this chapter. An electric utility shall provide the 24693  
commission with such information as the commission considers 24694  
necessary to carry out divisions (B) to (E) of this section. The 24695  
commission shall take such measures as it considers necessary to 24696  
protect the confidentiality of any such information. 24697

The commission shall require each electric utility to file 24698  
with the commission on and after the starting date of 24699  
competitive retail electric service an annual report of its 24700  
intrastate gross receipts and sales of kilowatt hours of 24701  
electricity, and shall require each electric services company, 24702  
electric cooperative, and governmental aggregator subject to 24703  
certification to file an annual report on and after that 24704  
starting date of such receipts and sales from the provision of 24705  
those retail electric services for which it is subject to 24706  
certification. For the purpose of the reports, sales of kilowatt 24707  
hours of electricity are deemed to occur at the meter of the 24708  
retail customer. 24709

**Sec. 4928.43.** (A) Each state agency that provides 24710  
employment assistance and job training programs, including the 24711  
bureau of employment services and the department of housing and 24712  
development, shall provide concentrated attention through those 24713  
programs to assisting employees whose employment is affected by 24714  
electric industry restructuring under this chapter. 24715

(B) To the extent not prohibited by federal law or any law 24716  
of this state and except as otherwise provided in a labor 24717  
contract or other agreement, no unencumbered money in a pension 24718  
fund for employees of electric utilities shall be used for any 24719

purpose other than to pay allowable pensions or early retirement 24720  
buyouts for the employees. 24721

**Sec. 4928.51.** (A) There is hereby established in the state 24722  
treasury a universal service fund, into which shall be deposited 24723  
all universal service revenues remitted to the director of 24724  
housing and development under this section, for the exclusive 24725  
purposes of providing funding for the low-income customer 24726  
assistance programs and for the consumer education program 24727  
authorized under section 4928.56 of the Revised Code, and paying 24728  
the administrative costs of the low-income customer assistance 24729  
programs and the consumer education program. Interest on the 24730  
fund shall be credited to the fund. Disbursements from the fund 24731  
shall be made to any supplier that provides a competitive retail 24732  
electric service or a noncompetitive retail electric service to 24733  
a customer who is approved to receive assistance under a 24734  
specified low-income customer assistance program and to any 24735  
authorized provider of weatherization or energy efficiency 24736  
service to a customer approved to receive such assistance under 24737  
a specified low-income customer assistance program. 24738

(B) Universal service revenues shall include all of the 24739  
following: 24740

(1) Revenues remitted to the director after collection by 24741  
an electric distribution utility beginning July 1, 2000, 24742  
attributable to the collection from customers of the universal 24743  
service rider prescribed under section 4928.52 of the Revised 24744  
Code; 24745

(2) Revenues remitted to the director that have been 24746  
collected by an electric distribution utility beginning July 1, 24747  
2000, as customer payments under the percentage of income 24748  
payment plan program, including revenues remitted under division 24749

(C) of this section; 24750

(3) Adequate revenues remitted to the director after 24751  
collection by a municipal electric utility or electric 24752  
cooperative in this state not earlier than July 1, 2000, upon 24753  
the utility's or cooperative's decision to participate in the 24754  
low-income customer assistance programs. 24755

(C) (1) Beginning July 1, 2000, an electric distribution 24756  
utility shall transfer to the director the right to collect all 24757  
arrearage payments of a customer for percentage of income 24758  
payment plan program debt owed to the utility on the day before 24759  
that date or retain the right to collect that debt but remit to 24760  
the director all program revenues received by the utility for 24761  
that customer. 24762

(2) A current or past percentage of income payment plan 24763  
program customer is relieved of any payment obligation under the 24764  
percentage of income payment program for any unpaid arrears 24765  
accrued by the customer under the program as of the effective 24766  
date of this section if the customer, as determined by the 24767  
director, meets both of the following criteria: 24768

(a) The customer as of that date has complied with 24769  
customer payment responsibilities under the program. 24770

(b) The customer is permanently and totally disabled as 24771  
defined in section 5117.01 of the Revised Code or is sixty-five 24772  
years of age or older as defined in that section. 24773

(D) The public utilities commission shall complete an 24774  
audit of each electric utility by July 1, 2000, for the purpose 24775  
of establishing a baseline for the percentage of income payment 24776  
plan program component of the low-income assistance programs. 24777

**Sec. 4928.52.** (A) Beginning July 1, 2000, the universal 24778

service rider shall replace the percentage of income payment 24779  
plan rider in existence on the effective date of this section 24780  
and any amount in the rates of an electric utility for the 24781  
funding of low-income customer energy efficiency programs. The 24782  
universal service rider shall be a rider on retail electric 24783  
distribution service rates as such rates are determined by the 24784  
public utilities commission pursuant to this chapter. The 24785  
universal service rider for the first five years after the 24786  
starting date of competitive retail electric service shall be 24787  
the sum of all of the following: 24788

(1) The level of the percentage of income payment plan 24789  
program rider in existence on the effective date of this 24790  
section; 24791

(2) An amount equal to the level of funding for low-income 24792  
customer energy efficiency programs provided through electric 24793  
utility rates in effect on the effective date of this section; 24794

(3) Any additional amount necessary and sufficient to fund 24795  
through the universal service rider the administrative costs of 24796  
the low-income customer assistance programs and the consumer 24797  
education program created in section 4928.56 of the Revised 24798  
Code. 24799

(B) If, during or after the five-year period specified in 24800  
division (A) of this section, the director of housing and 24801  
development, after consultation with the public benefits 24802  
advisory board created under section 4928.58 of the Revised 24803  
Code, determines that revenues in the universal service fund and 24804  
revenues from federal or other sources of funding for those 24805  
programs, including general revenue fund appropriations for the 24806  
Ohio energy credit program, will be insufficient to cover the 24807  
administrative costs of the low-income customer assistance 24808

programs and the consumer education program and provide adequate 24809  
funding for those programs, the director shall file a petition 24810  
with the commission for an increase in the universal service 24811  
rider. The commission, after reasonable notice and opportunity 24812  
for hearing, may adjust the universal service rider by the 24813  
minimum amount necessary to provide the additional revenues. The 24814  
commission shall not decrease the universal service rider 24815  
without the approval of the director, after consultation by the 24816  
director with the advisory board. 24817

(C) The universal service rider established under division 24818  
(A) or (B) of this section shall be set in such a manner so as 24819  
not to shift among the customer classes of electric distribution 24820  
utilities the costs of funding low-income customer assistance 24821  
programs. 24822

**Sec. 4928.53.** (A) Beginning July 1, 2000, the director of 24823  
housing and development is hereby authorized to administer the 24824  
low-income customer assistance programs. For that purpose, the 24825  
public utilities commission shall cooperate with and provide 24826  
such assistance as the director requires for administration of 24827  
the low-income customer assistance programs. The director shall 24828  
consolidate the administration of and redesign and coordinate 24829  
the operations of those programs within the department to 24830  
provide, to the maximum extent possible, for efficient program 24831  
administration and a one-stop application and eligibility 24832  
determination process at the local level for consumers. 24833

(B) (1) Not later than March 1, 2000, the director, in 24834  
accordance with Chapter 119. of the Revised Code, shall adopt 24835  
rules to carry out sections 4928.51 to 4928.58 of the Revised 24836  
Code and ensure the effective and efficient administration and 24837  
operation of the low-income customer assistance programs. The 24838



rules shall take effect on July 1, 2000. 24839

(2) The director's authority to adopt rules under this 24840  
division for the Ohio energy credit program shall be subject to 24841  
such rule-making authority as is conferred on the director by 24842  
sections 5117.01 to 5117.12 of the Revised Code, as amended by 24843  
Sub. S.B. No. 3 of the 123rd general assembly, except that rules 24844  
initially adopted by the director for the Ohio energy credit 24845  
program shall incorporate the substance of those sections as 24846  
they exist on the effective date of this section. 24847

(3) The director's authority to adopt rules under this 24848  
division for the percentage of income payment plan program shall 24849  
include authority to adopt rules prescribing criteria for 24850  
customer eligibility and policies regarding payment and 24851  
crediting arrangements and responsibilities, procedures for 24852  
verifying customer eligibility, procedures for disbursing public 24853  
funds to suppliers and otherwise administering funds under the 24854  
director's jurisdiction, and requirements as to timely 24855  
remittances of revenues described in division (B) of section 24856  
4928.51 of the Revised Code. The rules shall prohibit the 24857  
imposition of a waiting period before enrolling an eligible 24858  
customer in the percentage of income payment plan. The 24859  
director's authority in division (B)(3) of this section excludes 24860  
authority to prescribe service disconnection and customer 24861  
billing policies and procedures and to address complaints 24862  
against suppliers under the percentage of payment plan program, 24863  
which excluded authority shall be exercised by the public 24864  
utilities commission, in coordination with the director. Rules 24865  
adopted by the director under this division for the percentage 24866  
of income payment plan program shall specify a level of payment 24867  
responsibility to be borne by an eligible customer based on a 24868  
percentage of the customer's income. Rules initially adopted by 24869

the director for the percentage of income payment plan program 24870  
shall incorporate the eligibility criteria and payment 24871  
arrangement and responsibility policies set forth in rule 24872  
4901:1-18-04(B) of the Ohio Administrative Code in effect on the 24873  
effective date of this section. 24874

**Sec. 4928.54.** The director of housing and development 24875  
~~services~~ shall aggregate percentage of income payment plan 24876  
program customers for the purpose of establishing a competitive 24877  
procurement process for the supply of competitive retail 24878  
electric service for those customers. The process shall be an 24879  
auction. Only bidders certified under section 4928.08 of the 24880  
Revised Code may participate in the auction. 24881

**Sec. 4928.543.** The director of housing and development 24882  
~~services~~ shall adopt rules in accordance with Chapter 119. of 24883  
the Revised Code to implement sections 4928.54, 4928.541, and 24884  
4928.542 of the Revised Code. The rules shall ensure a fair and 24885  
unbiased auction process and the performance of the winning 24886  
bidder or bidders. 24887

**Sec. 4928.544.** (A) For the purpose of facilitating 24888  
compliance with sections 4928.54, 4928.541, and 4928.542 of the 24889  
Revised Code, and upon written request by the director of 24890  
housing and development~~services~~, the public utilities 24891  
commission shall design, manage, and supervise the competitive 24892  
procurement process required by section 4928.54 of the Revised 24893  
Code. To the extent reasonably possible, and to minimize costs, 24894  
the process may be designed based on any existing competitive 24895  
procurement process for the establishment of the default 24896  
generation supply price for electric distribution utilities. 24897

This division does not preclude a process design that is 24898  
based on a competitive procurement process that applies to the 24899

combined certified territories of electric distribution 24900  
utilities subject to common ownership. 24901

(B) The director of housing and development ~~services~~ shall 24902  
reimburse the commission for its costs incurred under division 24903  
(A) of this section. The reimbursements constitute 24904  
administrative costs of the low-income customer assistance 24905  
programs for the purpose of division (A) of section 4928.51 of 24906  
the Revised Code. 24907

**Sec. 4928.55.** The director of housing and development 24908  
~~services~~ shall establish an energy efficiency and weatherization 24909  
program targeted, to the extent practicable, to high-cost, high- 24910  
volume use structures occupied by customers eligible for the 24911  
percentage of income payment plan program, with the goal of 24912  
reducing the energy bills of the occupants. Acceptance of energy 24913  
efficiency and weatherization services provided by the program 24914  
shall be a condition for the eligibility of any such customer to 24915  
participate in the percentage of income payment plan program. 24916

**Sec. 4928.56.** The director of housing and development may 24917  
adopt rules in accordance with Chapter 119. of the Revised Code 24918  
establishing an education program for consumers eligible to 24919  
participate in the low-income customer assistance programs. The 24920  
education program shall provide information to consumers 24921  
regarding energy efficiency and energy conservation. 24922

**Sec. 4928.57.** On and after the starting date of 24923  
competitive retail electric service, the director of housing and 24924  
development shall provide a report every two years until 2008 to 24925  
the standing committees of the general assembly that deal with 24926  
public utility matters, regarding the effectiveness of the low- 24927  
income customer assistance programs and the consumer education 24928  
program, and the effectiveness of the advanced energy program 24929

created under sections 4928.61 to 4928.63 of the Revised Code. 24930

**Sec. 4928.58.** (A) There is hereby created the public 24931  
benefits advisory board, which has the purpose of ensuring that 24932  
energy services be provided to low-income consumers in this 24933  
state in an affordable manner consistent with the policy 24934  
specified in section 4928.02 of the Revised Code. The advisory 24935  
board shall consist of twenty-one members as follows: the 24936  
director of housing and development, the chairperson of the 24937  
public utilities commission, the consumers' counsel, and the 24938  
director of the air quality development authority, each serving 24939  
ex officio and represented by a designee at the official's 24940  
discretion; two members of the house of representatives 24941  
appointed by the speaker of the house of representatives, 24942  
neither of the same political party, and two members of the 24943  
senate appointed by the president of the senate, neither of the 24944  
same political party; and thirteen members appointed by the 24945  
governor with the advice and consent of the senate, consisting 24946  
of one representative of suppliers of competitive retail 24947  
electric service; one representative of the residential class of 24948  
electric utility customers; one representative of the industrial 24949  
class of electric utility customers; one representative of the 24950  
commercial class of electric utility customers; one 24951  
representative of agricultural or rural customers of an electric 24952  
utility; two customers receiving assistance under one or more of 24953  
the low-income customer assistance programs, to represent 24954  
customers eligible for any such assistance, including senior 24955  
citizens; one representative of the general public; one 24956  
representative of local intake agencies; one representative of a 24957  
community-based organization serving low-income customers; one 24958  
representative of environmental protection interests; one 24959  
representative of lending institutions; and one person 24960

considered an expert in energy efficiency or renewables 24961  
technology. Initial appointments shall be made not later than 24962  
November 1, 1999. 24963

(B) Initial terms of six of the appointed members shall 24964  
end on June 30, 2003, and initial terms of the remaining seven 24965  
appointed members shall end on June 30, 2004. Thereafter, terms 24966  
of appointed members shall be for three years, with each term 24967  
ending on the same day of the same month as the term it 24968  
succeeds. Each member shall hold office from the date of the 24969  
member's appointment until the end of the term for which the 24970  
member was appointed. Members may be reappointed. 24971

Vacancies shall be filled in the manner provided for 24972  
original appointments. Any member appointed to fill a vacancy 24973  
occurring prior to the expiration date of the term for which the 24974  
member's predecessor was appointed shall hold office as a member 24975  
for the remainder of that term. A member shall continue in 24976  
office after the expiration date of the member's term until the 24977  
member's successor takes office or until a period of sixty days 24978  
has elapsed, whichever occurs first. 24979

(C) Board members shall be reimbursed for their actual and 24980  
necessary expenses incurred in the performance of board duties. 24981  
The reimbursements constitute, as applicable, administrative 24982  
costs of the low-income customer assistance programs for the 24983  
purpose of division (A) of section 4928.51 of the Revised Code 24984  
or administrative costs of the advanced energy program for the 24985  
purpose of division (A) of section 4528.61 of the Revised Code. 24986

(D) The advisory board shall select a chairperson from 24987  
among its members. Only board members appointed by the governor 24988  
with the advice and consent of the senate shall be voting 24989  
members of the board; each shall have one vote in all 24990

deliberations of the board. A majority of the voting members 24991  
constitute a quorum. 24992

(E) The duties of the advisory board shall be as follows: 24993

(1) Advise the director in the administration of the 24994  
universal service fund and the low-income customer assistance 24995  
programs and advise the director on the director's 24996  
recommendation to the commission regarding the appropriate level 24997  
of the universal service rider; 24998

(2) Advise the director on the administration of the 24999  
advanced energy program and the advanced energy fund under 25000  
sections 4928.61 to 4928.63 of the Revised Code. 25001

(F) The advisory board is not an agency for purposes of 25002  
sections 101.82 to 101.87 of the Revised Code. 25003

**Sec. 4928.581.** (A) The public benefits advisory board 25004  
shall conduct an independent investigation and analysis for the 25005  
purpose of making the report required under division (B) of this 25006  
section. 25007

(B) With the approval of a majority of its voting members, 25008  
the board shall prepare a written report containing all of the 25009  
following: 25010

(1) For each year since the establishment of the universal 25011  
service fund and for each electric distribution utility, the 25012  
annual amount of revenue collected from customers for the 25013  
purpose of supporting the universal service fund and the low- 25014  
income customer assistance programs. 25015

(2) For 2016, 2017, and 2018, and for each electric 25016  
distribution utility, a forecast of the annual amount of revenue 25017  
that will be collected from customers for the purpose of 25018

supporting the universal service fund and the low-income 25019  
customer assistance programs, assuming no changes are made to 25020  
the programs. The forecast shall identify all assumptions, input 25021  
variables, and values assigned to input variables. The forecast 25022  
may include alternative outcomes based on variations in the 25023  
assumptions, variables, and values, so as to show the 25024  
sensitivity of the forecast to alternative inputs. 25025

(3) A recommendation as to any changes that should be made 25026  
to the design and implementation of the current universal 25027  
service fund and the low-income customer assistance programs to 25028  
ensure that energy services are provided to low-income and other 25029  
consumers in this state in an affordable manner consistent with 25030  
the policy specified in section 4928.02 of the Revised Code. 25031

(C) The report required under division (B) of this section 25032  
may include dissenting views and alternative recommendations. 25033

(D) On or before December 15, 2015, the board shall submit 25034  
the report required under division (B) of this section to the 25035  
governor, the president of the senate, the speaker of the house 25036  
of representatives, each member of the standing committees of 25037  
both houses of the general assembly that have primary 25038  
jurisdiction regarding public utility legislation, the director 25039  
of housing and development~~services~~, the chairperson of the 25040  
public utilities commission, the Ohio consumers' counsel, and 25041  
each member of the public benefits advisory board. 25042

**Sec. 4928.582.** (A) To discharge the duties under section 25043  
4928.581 of the Revised Code, the public benefits advisory board 25044  
may obtain professional services as the board determines 25045  
appropriate. The professionals shall be promptly reimbursed by 25046  
the director of housing and development ~~services~~ for the actual 25047  
and necessary expenses incurred in the performance of their 25048

duties under section 4928.581 of the Revised Code. The 25049  
reimbursements constitute administrative costs of the low-income 25050  
customer assistance programs for the purpose of division (A) of 25051  
section 4928.51 of the Revised Code. 25052

(B) The chairperson of the board may execute, subject to 25053  
the advice and consent of the board, any professional-services 25054  
retention agreements that the board determines appropriate. 25055

**Sec. 4928.583.** The director of housing and development- 25056  
~~services~~, the public utilities commission, and each electric 25057  
distribution utility shall promptly respond to requests by the 25058  
public benefits advisory board for information needed to prepare 25059  
the report required under section 4928.581 of the Revised Code. 25060

**Sec. 4928.61.** (A) There is hereby established in the state 25061  
treasury the advanced energy fund, into which shall be deposited 25062  
all advanced energy revenues remitted to the director of housing 25063  
and development under division (B) of this section, for the 25064  
exclusive purposes of funding the advanced energy program 25065  
created under section 4928.62 of the Revised Code and paying the 25066  
program's administrative costs. Interest on the fund shall be 25067  
credited to the fund. 25068

(B) Advanced energy revenues shall include all of the 25069  
following: 25070

(1) Revenues remitted to the director after collection by 25071  
each electric distribution utility in this state of a temporary 25072  
rider on retail electric distribution service rates as such 25073  
rates are determined by the public utilities commission pursuant 25074  
to this chapter. The rider shall be a uniform amount statewide, 25075  
determined by the director of housing and development, after 25076  
consultation with the public benefits advisory board created by 25077



section 4928.58 of the Revised Code. The amount shall be 25078  
determined by dividing an aggregate revenue target for a given 25079  
year as determined by the director, after consultation with the 25080  
advisory board, by the number of customers of electric 25081  
distribution utilities in this state in the prior year. Such 25082  
aggregate revenue target shall not exceed more than fifteen 25083  
million dollars in any year through 2005 and shall not exceed 25084  
more than five million dollars in any year after 2005. The rider 25085  
shall be imposed beginning on the effective date of the 25086  
amendment of this section by Sub. H.B. 251 of the 126th general 25087  
assembly, January 4, 2007, and shall terminate at the end of ten 25088  
years following the starting date of competitive retail electric 25089  
service or until the advanced energy fund, including interest, 25090  
reaches one hundred million dollars, whichever is first. 25091

(2) Revenues from payments, repayments, and collections 25092  
under the advanced energy program and from program income; 25093

(3) Revenues remitted to the director after collection by 25094  
a municipal electric utility or electric cooperative in this 25095  
state upon the utility's or cooperative's decision to 25096  
participate in the advanced energy fund; 25097

(4) Revenues from renewable energy compliance payments as 25098  
provided under division (C) (2) of section 4928.64 of the Revised 25099  
Code; 25100

(5) Revenue from forfeitures under division (C) of section 25101  
4928.66 of the Revised Code; 25102

(6) Funds transferred pursuant to division (B) of Section 25103  
512.10 of S.B. 315 of the 129th general assembly; 25104

(7) Interest earnings on the advanced energy fund. 25105

(C) (1) Each electric distribution utility in this state 25106

shall remit to the director on a quarterly basis the revenues 25107  
described in divisions (B) (1) and (2) of this section. Such 25108  
remittances shall occur within thirty days after the end of each 25109  
calendar quarter. 25110

(2) Each participating electric cooperative and 25111  
participating municipal electric utility shall remit to the 25112  
director on a quarterly basis the revenues described in division 25113  
(B) (3) of this section. Such remittances shall occur within 25114  
thirty days after the end of each calendar quarter. For the 25115  
purpose of division (B) (3) of this section, the participation of 25116  
an electric cooperative or municipal electric utility in the 25117  
energy efficiency revolving loan program as it existed 25118  
immediately prior to the effective date of the amendment of this 25119  
section by Sub. H.B. 251 of the 126th general assembly, January 25120  
4, 2007, does not constitute a decision to participate in the 25121  
advanced energy fund under this section as so amended. 25122

(3) All remittances under divisions (C) (1) and (2) of this 25123  
section shall continue only until the end of ten years following 25124  
the starting date of competitive retail electric service or 25125  
until the advanced energy fund, including interest, reaches one 25126  
hundred million dollars, whichever is first. 25127

(D) Any moneys collected in rates for non-low-income 25128  
customer energy efficiency programs, as of October 5, 1999, and 25129  
not contributed to the energy efficiency revolving loan fund 25130  
authorized under this section prior to the effective date of its 25131  
amendment by Sub. H.B. 251 of the 126th general assembly, 25132  
January 4, 2007, shall be used to continue to fund cost- 25133  
effective, residential energy efficiency programs, be 25134  
contributed into the universal service fund as a supplement to 25135  
that required under section 4928.53 of the Revised Code, or be 25136

returned to ratepayers in the form of a rate reduction at the 25137  
option of the affected electric distribution utility. 25138

**Sec. 4928.62.** (A) There is hereby created the advanced 25139  
energy program, which shall be administered by the director of 25140  
housing and development. Under the program, the director may 25141  
authorize the use of moneys in the advanced energy fund for 25142  
financial, technical, and related assistance for advanced energy 25143  
projects in this state or for economic development assistance, 25144  
in furtherance of the purposes set forth in section 4928.63 of 25145  
the Revised Code. 25146

(1) To the extent feasible given approved applications for 25147  
assistance, the assistance shall be distributed among the 25148  
certified territories of electric distribution utilities and 25149  
participating electric cooperatives, and among the service areas 25150  
of participating municipal electric utilities, in amounts 25151  
proportionate to the remittances of each utility and cooperative 25152  
under divisions (B)(1) and (3) of section 4928.61 of the Revised 25153  
Code. 25154

(2) The funds described in division (B)(6) of section 25155  
4928.61 of the Revised Code shall not be subject to the 25156  
territorial requirements of division (A)(1) of this section. 25157

(3) The director shall not authorize financial assistance 25158  
for an advanced energy project under the program unless the 25159  
director first determines that the project will create new jobs 25160  
or preserve existing jobs in this state or use innovative 25161  
technologies or materials. 25162

(B) In carrying out sections 4928.61 to 4928.63 of the 25163  
Revised Code, the director may do all of the following to 25164  
further the public interest in advanced energy projects and 25165

economic development: 25166

(1) Award grants, contracts, loans, loan participation 25167  
agreements, linked deposits, and energy production incentives; 25168

(2) Acquire in the name of the director any property of 25169  
any kind or character in accordance with this section, by 25170  
purchase, purchase at foreclosure, or exchange, on such terms 25171  
and in such manner as the director considers proper; 25172

(3) Make and enter into all contracts and agreements 25173  
necessary or incidental to the performance of the director's 25174  
duties and the exercise of the director's powers under sections 25175  
4928.61 to 4928.63 of the Revised Code; 25176

(4) Employ or enter into contracts with financial 25177  
consultants, marketing consultants, consulting engineers, 25178  
architects, managers, construction experts, attorneys, technical 25179  
monitors, energy evaluators, or other employees or agents as the 25180  
director considers necessary, and fix their compensation; 25181

(5) Adopt rules prescribing the application procedures for 25182  
financial assistance under the advanced energy program; the 25183  
fees, charges, interest rates, payment schedules, local match 25184  
requirements, and other terms and conditions of any grants, 25185  
contracts, loans, loan participation agreements, linked 25186  
deposits, and energy production incentives; criteria pertaining 25187  
to the eligibility of participating lending institutions; and 25188  
any other matters necessary for the implementation of the 25189  
program; 25190

(6) Do all things necessary and appropriate for the 25191  
operation of the program. 25192

(C) The department of housing and development may hold 25193  
ownership to any unclaimed energy efficiency and renewable 25194

energy emission allowances provided for in Chapter 3745-14 of 25195  
the Administrative Code or otherwise, that result from advanced 25196  
energy projects that receive funding from the advanced energy 25197  
fund, and it may use the allowances to further the public 25198  
interest in advanced energy projects or for economic 25199  
development. 25200

(D) Financial statements, financial data, and trade 25201  
secrets submitted to or received by the director from an 25202  
applicant or recipient of financial assistance under sections 25203  
4928.61 to 4928.63 of the Revised Code, or any information taken 25204  
from those statements, data, or trade secrets for any purpose, 25205  
are not public records for the purpose of section 149.43 of the 25206  
Revised Code. 25207

(E) Nothing in the amendments of sections 4928.61, 25208  
4928.62, and 4928.63 of the Revised Code by Sub. H.B. 251 of the 25209  
126th general assembly shall affect any pending or effected 25210  
assistance, pending or effected purchases or exchanges of 25211  
property made, or pending or effected contracts or agreements 25212  
entered into pursuant to division (A) or (B) of this section as 25213  
the section existed prior to the effective date of those 25214  
amendments, January 4, 2007, or shall affect the exemption 25215  
provided under division (C) of this section as the section 25216  
existed prior to that effective date. 25217

(F) Any assistance a school district receives for an 25218  
advanced energy project, including a geothermal heating, 25219  
ventilating, and air conditioning system, shall be in addition 25220  
to any assistance provided under Chapter 3318. of the Revised 25221  
Code and shall not be included as part of the district or state 25222  
portion of the basic project cost under that chapter. 25223

**Sec. 4928.63.** The director of housing and development and 25224

the public benefits advisory board have the powers and duties 25225  
provided in sections 4928.61 and 4928.62 of the Revised Code, in 25226  
order to promote the welfare of the people of this state; 25227  
stabilize the economy; assist in the improvement and development 25228  
within this state of not-for-profit entity, industrial, 25229  
commercial, distribution, residential, and research buildings 25230  
and activities required for the people of this state; improve 25231  
the economic welfare of the people of this state by reducing 25232  
energy costs and by reducing energy usage in a cost-efficient 25233  
manner using, as determined by the director, both the most 25234  
appropriate national, federal, or other standards for products 25235  
and the best practices for the use of technology, products, or 25236  
services in the context of a total facility or building; and 25237  
assist in the lowering of energy demand to reduce air, water, or 25238  
thermal pollution. It is hereby determined that the 25239  
accomplishment of those purposes is essential so that the people 25240  
of this state may maintain their present high standards in 25241  
comparison with the people of other states and so that 25242  
opportunities for improving the economic welfare of the people 25243  
of this state, for improving the housing of residents of this 25244  
state, and for favorable markets for the products of this 25245  
state's natural resources, agriculture, and manufacturing shall 25246  
be improved; and that it is necessary for this state to 25247  
establish the program authorized pursuant to sections 4928.61 25248  
and 4928.62 of the Revised Code. 25249

**Sec. 4928.75.** Beginning in fiscal year 2021 and each 25250  
fiscal year thereafter, the director of housing and development 25251  
~~services~~ shall, in each fiscal year, submit a completed waiver 25252  
request in accordance with section 96.83 of Title 45 of the Code 25253  
of Federal Regulations to the United States department of health 25254  
and human services and any other applicable federal agencies for 25255

the state to expend twenty-five per cent of federal low-income 25256  
home energy assistance programs funds from the home energy 25257  
assistance block grants for weatherization services allowed by 25258  
section 96.83(a) of Title 45 of the Code of Federal Regulations 25259  
to the United States department of health and human services. 25260

**Sec. 4929.16.** As used in sections 4929.16 to 4929.167 of 25261  
the Revised Code: 25262

(A) "Infrastructure development" means constructing, 25263  
upgrading, extending, or any other investment in, or associated 25264  
with, transmission or distribution facilities that, except as 25265  
provided for in division (B) (2) (b) of this section, a natural 25266  
gas company owns and operates. 25267

(B) (1) "Infrastructure development costs" means costs 25268  
associated with an investment in infrastructure development to 25269  
which either of the following apply: 25270

(a) The investment is for any deposit required by the 25271  
natural gas company, as defined in the line-extension provision 25272  
of the company's tariff, less any contribution in aid of 25273  
construction received from the owner or developer of the 25274  
project. 25275

(b) The investment is designed to provide natural gas 25276  
service to a site or economic development project that is 25277  
supported by JobsOhio, any JobsOhio network or regional partner, 25278  
or the department of housing and development. 25279

(2) "Infrastructure development costs" includes all of the 25280  
following: 25281

(a) Planning, development, and construction costs, 25282  
including costs incurred prior to the approval of an economic 25283  
development project pursuant to section 4929.163 of the Revised 25284

Code; 25285

(b) Costs associated with establishing or upgrading any 25286  
connections with any source of supply to serve an economic 25287  
development project, including interstate or intrastate 25288  
pipelines, regardless of ownership of the facilities; 25289

(c) A return on all infrastructure development costs, with 25290  
such return equal to the natural gas company's return on equity 25291  
authorized in the natural gas company's most recently approved 25292  
rate case under section 4909.18 of the Revised Code. 25293

**Sec. 4929.161.** (A) A natural gas company may file an 25294  
application with the public utilities commission for approval of 25295  
an infrastructure development rider to recover prudently 25296  
incurred infrastructure development costs of one or more 25297  
economic development projects approved under section 4929.163 of 25298  
the Revised Code. 25299

(B) The commission shall approve a maximum of one 25300  
infrastructure development rider per company. 25301

(C) The commission shall not accept an application for 25302  
infrastructure development costs described under division (B)(1) 25303  
(b) of section 4929.16 of the Revised Code unless a natural gas 25304  
company has obtained a notification by JobsOhio, any JobsOhio 25305  
network or regional partner, or the director of housing and 25306  
development that the project should be considered. The 25307  
commission shall not approve an application for an economic 25308  
development project that includes infrastructure development 25309  
costs described under division (B)(1)(b) of section 4929.16 of 25310  
the Revised Code filed beyond six years from March 28, 2024, the 25311  
effective date of the amendment to this section by H.B. 201 of 25312  
the 135th general assembly. 25313



(D) Notwithstanding division (C) of this section, recovery 25314  
of infrastructure development costs pursuant to section 4929.16 25315  
of the Revised Code for any approved economic development 25316  
projects filed within six years of March 28, 2024, the effective 25317  
date of the amendment to this section by H.B. 201 of the 135th 25318  
general assembly, shall continue until such time as all costs 25319  
eligible for recovery under sections 4929.16 to 4929.163 of the 25320  
Revised Code are recovered. 25321

**Sec. 4929.163.** (A) A natural gas company may file an 25322  
application with the public utilities commission for approval of 25323  
an economic development project for which the company will incur 25324  
infrastructure development costs. 25325

(B) The company shall file the application for project 25326  
approval prior to beginning the project. 25327

(C) The application for project approval, to the extent 25328  
applicable, shall contain a description of each of the 25329  
following: 25330

(1) The economic development project; 25331

(2) The infrastructure development costs to be expended on 25332  
the project; 25333

(3) How the project meets the criteria set forth in rules 25334  
adopted under division (D) of this section; 25335

(4) The support for the project by an economic development 25336  
entity or chamber of commerce. For purposes of this application 25337  
requirement, "economic development entity" includes any of the 25338  
following: 25339

(a) JobsOhio or any JobsOhio network or regional partner; 25340

(b) Department of housing and development; 25341

(c) Port authority created under Chapter 4582. of the	25342
Revised Code;	25343
(d) Special improvement district created under Chapter	25344
1710. of the Revised Code;	25345
(e) Community urban redevelopment corporation qualified to	25346
operate under Chapter 1728. of the Revised Code;	25347
(f) Community improvement corporation organized under	25348
Chapter 1724. of the Revised Code;	25349
(g) New community authority organized under Chapter 349.	25350
of the Revised Code;	25351
(h) Joint economic development district created under	25352
section 715.70 or 715.71 of the Revised Code;	25353
(i) Development corporation organized under Chapter 1726.	25354
of the Revised Code;	25355
(j) Municipal utility district designated under section	25356
715.84 of the Revised Code.	25357
(D) (1) The commission shall adopt rules setting forth the	25358
criteria for project approval under this section.	25359
(2) The commission may approve a project under this	25360
section that involves infrastructure development costs described	25361
in division (B) (1) (a) of section 4929.16 of the Revised Code if	25362
the infrastructure development costs, excluding the return set	25363
forth in division (B) (2) (c) of section 4929.16 of the Revised	25364
Code, are projected to generate a return on the company's	25365
investment that is less than the most recently authorized return	25366
on equity.	25367
(E) The commission shall adopt rules to provide for an	25368

accelerated review of an application filed under division (A) of 25369  
this section. The rules shall provide for the automatic approval 25370  
of the application not later than thirty days after the date of 25371  
the application filing unless the commission suspends the 25372  
application for good cause shown. If the application is 25373  
suspended, the commission shall approve, deny, modify, or hold a 25374  
hearing on the application not later than forty-five days after 25375  
the date that the suspension begins. 25376

**Sec. 4981.02.** (A) There is hereby created the Ohio rail 25377  
development commission, as an independent agency of the state 25378  
within the department of transportation, consisting of the 25379  
following members: 25380

(1) Two members of the Ohio senate, one of whom shall be 25381  
appointed by and serve at the pleasure of the president of the 25382  
senate and one of whom shall be appointed by and serve at the 25383  
pleasure of the minority leader of the senate; 25384

(2) Two members of the Ohio house of representatives, one 25385  
of whom shall be appointed by and serve at the pleasure of the 25386  
speaker of the house of representatives and one of whom shall be 25387  
appointed by and serve at the pleasure of the minority leader of 25388  
the house of representatives; 25389

(3) Two members representing the general public, one of 25390  
whom shall be appointed by the president of the senate and one 25391  
of whom shall be appointed by the speaker of the house of 25392  
representatives; 25393

(4) The director of transportation, or the director's 25394  
designee, who shall be an ex officio member; 25395

(5) The director of housing and development, or the 25396  
director's designee, who shall be an ex officio member; 25397

(6) The following members appointed by the governor with	25398
the advice and consent of the senate:	25399
(a) One member, who shall serve as chairperson of the	25400
commission until October 21, 2025, or an earlier date if the	25401
member resigns or otherwise leaves office;	25402
(b) One member, who shall represent the interests of a	25403
freight rail company;	25404
(c) One member, who shall represent the interests of	25405
passenger rail service;	25406
(d) One member, who shall have expertise in infrastructure	25407
financing;	25408
(e) One member, who shall represent the interests of	25409
organized labor;	25410
(f) One member, who shall represent the interests of	25411
manufacturers;	25412
(g) One member who shall represent the general public,	25413
subject to division (B) of this section.	25414
(B) Beginning on October 21, 2025, or at an earlier date	25415
if there is a vacancy in the position of chairperson, the	25416
director of transportation or the director's designee shall	25417
serve as the chairperson of the commission. Upon the director or	25418
director's designee assuming the position of chairperson, the	25419
governor shall appoint an additional member to the commission to	25420
represent the general public.	25421
(C) All members shall be reimbursed for actual expenses	25422
incurred in the performance of their duties. The members of the	25423
commission from the Ohio senate and the Ohio house of	25424
representatives shall serve as nonvoting members. No more than	25425

four members of the seven appointed to the commission by the 25426  
governor shall be from the same political party. Each member of 25427  
the commission shall be a resident of this state. 25428

(D) Within sixty days after October 20, 1994, the governor 25429  
shall make initial appointments to the commission. Of the 25430  
initial appointments made to the commission, three shall be for 25431  
a term ending three years after October 20, 1994, and three 25432  
shall be for a term ending six years after that date. Terms for 25433  
all other appointments made to the commission shall be for six 25434  
years. Vacancies shall be filled in the manner provided for 25435  
original appointments. Any member appointed to fill a vacancy 25436  
shall have the same qualifications as the member's predecessor. 25437  
Each term shall end on the same day of the same month of the 25438  
year as did the term which it succeeds. Each appointed member 25439  
shall hold office from the date of the member's appointment 25440  
until the end of the term for which the member was appointed. 25441  
Any member appointed to fill a vacancy before the expiration of 25442  
the term for which the member's predecessor was appointed shall 25443  
hold office for the remainder of that term. Any appointed member 25444  
shall continue in office subsequent to the expiration date of 25445  
the member's term until the member's successor takes office, or 25446  
for a period of sixty days, whichever occurs first. All members 25447  
shall be eligible for reappointment. 25448

(E) The commission may employ an executive director, who 25449  
shall have appropriate experience as determined by the 25450  
commission, and a secretary-treasurer and other employees that 25451  
the commission considers appropriate. The commission may fix the 25452  
compensation of the employees. 25453

(F) Six members of the commission shall constitute a 25454  
quorum, and the affirmative vote of six members shall be 25455

necessary for any action taken by the commission. No vacancy in 25456  
the membership of the commission shall impair the rights of a 25457  
quorum to exercise all the rights and perform all the duties of 25458  
the commission. 25459

(G) All members of the commission are subject to Chapter 25460  
102. of the Revised Code. 25461

(H) The department of transportation may use all 25462  
appropriate sources of revenue to assist the commission in 25463  
developing and implementing rail service. 25464

(I) Expenditures by the department of transportation, the 25465  
Ohio rail development commission, or any other state agency for 25466  
capital improvements for the development of passenger rail shall 25467  
be subject to the approval of the controlling board with an 25468  
affirmative vote of not fewer than five members, including the 25469  
affirmative vote of a majority of the controlling board members 25470  
appointed by the president of the senate and a majority of the 25471  
controlling board members appointed by the speaker of the house 25472  
of representatives. All public funds acquired by the commission 25473  
shall be used for developing, implementing, and regulating rail 25474  
service and not for operating rail service unless the general 25475  
assembly specifically approves the expenditure of funds for 25476  
operating rail service. 25477

**Sec. 4981.03.** (A) The Ohio rail development commission 25478  
shall do all of the following: 25479

(1) Develop, promote, and support safe, adequate, and 25480  
efficient rail service throughout the state; 25481

(2) Maintain adequate programs of investigation, research, 25482  
promotion, planning, and development for rail service, which 25483  
programs shall include the consideration of recommendations by 25484

public or private planning organizations; 25485

(3) Provide for the participation of private corporations 25486  
or organizations and the public in the development, 25487  
construction, operation, and maintenance of rail service, and as 25488  
franchisees of rail service. 25489

(B) In regard to rail service, the Ohio rail development 25490  
commission is the successor of the Ohio high speed rail 25491  
authority and the division of rail transportation of the 25492  
department of transportation. The commission shall succeed to 25493  
all federal allotments, entitlements, subsidies, and grants now 25494  
existing, whether such allotments, entitlements, subsidies, and 25495  
grants are encumbered or unencumbered, in the same manner and 25496  
with the same authority as the Ohio high speed rail authority 25497  
and the division of rail transportation exercised prior to 25498  
October 20, 1994. 25499

(C) Every authority, commission, department, or other 25500  
agency of this state shall provide the commission with data, 25501  
plans, research, and any other information that the commission 25502  
requests to assist it in performing its duties pursuant to this 25503  
chapter. 25504

(D) The commission may request and contract with any 25505  
railroad to provide it with data and information necessary to 25506  
carry out the purposes of this chapter. All railroads operating 25507  
within this state shall provide the requested data and 25508  
information to the commission. The commission shall not disclose 25509  
any confidential data or information supplied to it. 25510

(E) The commission shall cooperate with the director of 25511  
housing and development by exercising the commission's duty to 25512  
promote and develop rail service in this state in conjunction 25513

with the director's exercise of ~~his~~ duty to promote the economic 25514  
development of this state. 25515

(F) The commission, when developing rail service 25516  
throughout the state, may give priority to projects undertaken 25517  
within the geographic boundaries of qualifying subdivisions. 25518

**Sec. 5101.16.** (A) As used in this section and sections 25519  
5101.161 and 5101.162 of the Revised Code: 25520

(1) "Disability financial assistance" means the financial 25521  
assistance program established under former Chapter 5115. of the 25522  
Revised Code. 25523

(2) "Supplemental nutrition assistance program" means the 25524  
program administered by the department of job and family 25525  
services pursuant to section 5101.54 of the Revised Code. 25526

(3) "Ohio works first" means the program established by 25527  
Chapter 5107. of the Revised Code. 25528

(4) "Prevention, retention, and contingency" means the 25529  
program established by Chapter 5108. of the Revised Code. 25530

(5) "Public assistance expenditures" means expenditures 25531  
for all of the following: 25532

(a) Ohio works first; 25533

(b) County administration of Ohio works first; 25534

(c) Prevention, retention, and contingency; 25535

(d) County administration of prevention, retention, and 25536  
contingency; 25537

(e) Disability financial assistance; 25538

(f) County administration of disability financial 25539



assistance; 25540

(g) County administration of the supplemental nutrition 25541  
assistance program; 25542

(h) County administration of medicaid, excluding 25543  
administrative expenditures for transportation services covered 25544  
by the medicaid program. 25545

(6) "Title IV-A program" has the same meaning as in 25546  
section 5101.80 of the Revised Code. 25547

(B) Each board of county commissioners shall pay the 25548  
county share of public assistance expenditures in accordance 25549  
with section 5101.161 of the Revised Code. Except as provided in 25550  
division (C) of this section, a county's share of public 25551  
assistance expenditures is the sum of all of the following for 25552  
state fiscal year 1998 and each state fiscal year thereafter: 25553

(1) The amount that is twenty-five per cent of the 25554  
county's total expenditures for disability financial assistance 25555  
and county administration of that program during the state 25556  
fiscal year ending in the previous calendar year that the 25557  
department of job and family services determines are allowable. 25558

(2) The amount that is ten per cent, or other percentage 25559  
determined under division (D) of this section, of the county's 25560  
total expenditures for county administration of the supplemental 25561  
nutrition assistance program and medicaid (excluding 25562  
administrative expenditures for transportation services covered 25563  
by the medicaid program) during the state fiscal year ending in 25564  
the previous calendar year that the department determines are 25565  
allowable, less the amount of federal reimbursement credited to 25566  
the county under division (E) of this section for the state 25567  
fiscal year ending in the previous calendar year; 25568

(3) A percentage of the actual amount of the county share 25569  
of program and administrative expenditures during federal fiscal 25570  
year 1994 for assistance and services, other than child care, 25571  
provided under Titles IV-A and IV-F of the "Social Security 25572  
Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as those titles 25573  
existed prior to the enactment of the "Personal Responsibility 25574  
and Work Opportunity Reconciliation Act of 1996," 110 Stat. 25575  
2105. The department of job and family services shall determine 25576  
the actual amount of the county share from expenditure reports 25577  
submitted to the United States department of health and human 25578  
services. The percentage shall be the percentage established in 25579  
rules adopted under division (F) of this section. 25580

(C) (1) If a county's share of public assistance 25581  
expenditures determined under division (B) of this section for a 25582  
state fiscal year exceeds one hundred five per cent of the 25583  
county's share for those expenditures for the immediately 25584  
preceding state fiscal year, the department of job and family 25585  
services shall reduce the county's share for expenditures under 25586  
divisions (B) (1) and (2) of this section so that the total of 25587  
the county's share for expenditures under division (B) of this 25588  
section equals one hundred five per cent of the county's share 25589  
of those expenditures for the immediately preceding state fiscal 25590  
year. 25591

(2) A county's share of public assistance expenditures 25592  
determined under division (B) of this section may be increased 25593  
pursuant to section 5101.163 of the Revised Code and a sanction 25594  
under section 5101.24 of the Revised Code. An increase made 25595  
pursuant to section 5101.163 of the Revised Code may cause the 25596  
county's share to exceed the limit established by division (C) 25597  
(1) of this section. 25598

(D) (1) If the per capita tax duplicate of a county is less 25599  
than the per capita tax duplicate of the state as a whole and 25600  
division (D) (2) of this section does not apply to the county, 25601  
the percentage to be used for the purpose of division (B) (2) of 25602  
this section is the product of ten multiplied by a fraction of 25603  
which the numerator is the per capita tax duplicate of the 25604  
county and the denominator is the per capita tax duplicate of 25605  
the state as a whole. The department of job and family services 25606  
shall compute the per capita tax duplicate for the state and for 25607  
each county by dividing the tax duplicate for the most recent 25608  
available year by the current estimate of population prepared by 25609  
the development services agency. 25610

(2) If the percentage of families in a county with an 25611  
annual income of less than three thousand dollars is greater 25612  
than the percentage of such families in the state and division 25613  
(D) (1) of this section does not apply to the county, the 25614  
percentage to be used for the purpose of division (B) (2) of this 25615  
section is the product of ten multiplied by a fraction of which 25616  
the numerator is the percentage of families in the state with an 25617  
annual income of less than three thousand dollars a year and the 25618  
denominator is the percentage of such families in the county. 25619  
The department of job and family services shall compute the 25620  
percentage of families with an annual income of less than three 25621  
thousand dollars for the state and for each county by 25622  
multiplying the most recent estimate of such families published 25623  
by the department of housing and development services agency, by 25624  
a fraction, the numerator of which is the estimate of average 25625  
annual personal income published by the bureau of economic 25626  
analysis of the United States department of commerce for the 25627  
year on which the census estimate is based and the denominator 25628  
of which is the most recent such estimate published by the 25629

bureau. 25630

(3) If the per capita tax duplicate of a county is less 25631  
than the per capita tax duplicate of the state as a whole and 25632  
the percentage of families in the county with an annual income 25633  
of less than three thousand dollars is greater than the 25634  
percentage of such families in the state, the percentage to be 25635  
used for the purpose of division (B) (2) of this section shall be 25636  
determined as follows: 25637

(a) Multiply ten by the fraction determined under division 25638  
(D) (1) of this section; 25639

(b) Multiply the product determined under division (D) (3) 25640  
(a) of this section by the fraction determined under division 25641  
(D) (2) of this section. 25642

(4) The department of job and family services shall 25643  
determine, for each county, the percentage to be used for the 25644  
purpose of division (B) (2) of this section not later than the 25645  
first day of July of the year preceding the state fiscal year 25646  
for which the percentage is used. 25647

(E) The department of job and family services shall credit 25648  
to a county the amount of federal reimbursement the department 25649  
receives from the United States departments of agriculture and 25650  
health and human services for the county's expenditures for 25651  
administration of the supplemental nutrition assistance program 25652  
and medicaid (excluding administrative expenditures for 25653  
transportation services covered by the medicaid program) that 25654  
the department determines are allowable administrative 25655  
expenditures. 25656

(F) (1) The director of job and family services shall adopt 25657  
rules in accordance with section 111.15 of the Revised Code to 25658

establish all of the following: 25659

(a) The method the department is to use to change a 25660  
county's share of public assistance expenditures determined 25661  
under division (B) of this section as provided in division (C) 25662  
of this section; 25663

(b) The allocation methodology and formula the department 25664  
will use to determine the amount of funds to credit to a county 25665  
under this section; 25666

(c) The method the department will use to change the 25667  
payment of the county share of public assistance expenditures 25668  
from a calendar-year basis to a state fiscal year basis; 25669

(d) The percentage to be used for the purpose of division 25670  
(B) (3) of this section, which shall, except as provided in 25671  
section 5101.163 of the Revised Code, meet both of the following 25672  
requirements: 25673

(i) The percentage shall not be less than seventy-five per 25674  
cent nor more than eighty-two per cent; 25675

(ii) The percentage shall not exceed the percentage that 25676  
the state's qualified state expenditures is of the state's 25677  
historic state expenditures as those terms are defined in 42 25678  
U.S.C. 609(a) (7). 25679

(e) Other procedures and requirements necessary to 25680  
implement this section. 25681

(2) The director of job and family services may amend the 25682  
rule adopted under division (F) (1) (d) of this section to modify 25683  
the percentage on determination that the amount the general 25684  
assembly appropriates for Title IV-A programs makes the 25685  
modification necessary. The rule shall be adopted and amended as 25686

if an internal management rule and in consultation with the 25687  
director of budget and management. 25688

**Sec. 5104.30.** (A) The department of children and youth is 25689  
hereby designated as the state agency responsible for 25690  
administration and coordination of federal and state funding for 25691  
publicly funded child care in this state. Publicly funded child 25692  
care shall be provided to the following: 25693

(1) Recipients of transitional child care as provided 25694  
under section 5104.34 of the Revised Code; 25695

(2) Participants in the Ohio works first program 25696  
established under Chapter 5107. of the Revised Code; 25697

(3) Individuals who would be participating in the Ohio 25698  
works first program if not for a sanction under section 5107.16 25699  
of the Revised Code and who continue to participate in a work 25700  
activity, developmental activity, or alternative work activity 25701  
pursuant to an assignment under section 5107.42 of the Revised 25702  
Code; 25703

(4) A family receiving publicly funded child care on 25704  
October 1, 1997, until the family's income reaches one hundred 25705  
fifty per cent of the federal poverty line; 25706

(5) Subject to available funds, other individuals 25707  
determined eligible in accordance with rules adopted under 25708  
section 5104.38 of the Revised Code. 25709

The department shall apply to the United States department 25710  
of health and human services for authority to operate a 25711  
coordinated program for publicly funded child care, if the 25712  
director of children and youth determines that the application 25713  
is necessary. For purposes of this section, the department of 25714  
children and youth may enter into agreements with other state 25715

agencies that are involved in regulation or funding of child 25716  
care. The department shall consider the special needs of migrant 25717  
workers when it administers and coordinates publicly funded 25718  
child care and shall develop appropriate procedures for 25719  
accommodating the needs of migrant workers for publicly funded 25720  
child care. 25721

(B) The department of children and youth shall distribute 25722  
state and federal funds for publicly funded child care, 25723  
including appropriations of state funds for publicly funded 25724  
child care and appropriations of federal funds available under 25725  
the child care block grant act, Title IV-A, and Title XX. The 25726  
department may use any state funds appropriated for publicly 25727  
funded child care as the state share required to match any 25728  
federal funds appropriated for publicly funded child care. 25729

(C) In the use of federal funds available under the child 25730  
care block grant act, all of the following apply: 25731

(1) The department may use the federal funds to hire staff 25732  
to prepare any rules required under this chapter and to 25733  
administer and coordinate federal and state funding for publicly 25734  
funded child care. 25735

(2) Not more than five per cent of the aggregate amount of 25736  
the federal funds received for a fiscal year may be expended for 25737  
administrative costs. 25738

(3) The department shall allocate and use at least four 25739  
per cent of the federal funds for the following: 25740

(a) Activities designed to provide comprehensive consumer 25741  
education to parents and the public; 25742

(b) Activities that increase parental choice; 25743

(c) Activities, including child care resource and referral 25744  
services, designed to improve the quality, and increase the 25745  
supply, of child care; 25746

(d) Establishing the step up to quality program pursuant 25747  
to section 5104.29 of the Revised Code. 25748

(4) The department shall ensure that the federal funds 25749  
will be used only to supplement, and will not be used to 25750  
supplant, federal, state, and local funds available on the 25751  
effective date of the child care block grant act for publicly 25752  
funded child care and related programs. If authorized by rules 25753  
adopted by the department pursuant to section 5104.42 of the 25754  
Revised Code, county departments of job and family services may 25755  
purchase child care from funds obtained through any other means. 25756

(D) The department shall encourage the development of 25757  
suitable child care throughout the state, especially in areas 25758  
with high concentrations of recipients of public assistance and 25759  
families with low incomes. The department shall encourage the 25760  
development of suitable child care designed to accommodate the 25761  
special needs of migrant workers. On request, the department, 25762  
through its employees or contracts with state or community child 25763  
care resource and referral service organizations, shall provide 25764  
consultation to groups and individuals interested in developing 25765  
child care. The department of children and youth may enter into 25766  
interagency agreements with the department of education and 25767  
workforce, the chancellor of higher education, the department of 25768  
housing and development, and other state agencies and entities 25769  
whenever the cooperative efforts of the other state agencies and 25770  
entities are necessary for the department of children and youth 25771  
to fulfill its duties and responsibilities under this chapter. 25772

The department shall develop and maintain a registry of 25773



persons providing child care. The director shall adopt rules in 25774  
accordance with Chapter 119. of the Revised Code establishing 25775  
procedures and requirements for the registry's administration. 25776

(E) (1) The director shall adopt rules in accordance with 25777  
Chapter 119. of the Revised Code establishing both of the 25778  
following: 25779

(a) Reimbursement rates for providers of publicly funded 25780  
child care not later than the first day of July in each odd- 25781  
numbered year; 25782

(b) A procedure for reimbursing and paying providers of 25783  
publicly funded child care. 25784

(2) In establishing reimbursement rates under division (E) 25785  
(1) (a) of this section, the director shall do all of the 25786  
following: 25787

(a) Use the information obtained in accordance with 45 25788  
C.F.R. 98.45; 25789

(b) Establish an enhanced reimbursement rate for providers 25790  
who provide child care for caretaker parents who work 25791  
nontraditional hours; 25792

(c) With regard to the step up to quality program 25793  
established pursuant to section 5104.29 of the Revised Code, 25794  
establish enhanced reimbursement rates for child care providers 25795  
that participate in the program. 25796

(3) In establishing reimbursement rates under division (E) 25797  
(1) (a) of this section, the director may establish different 25798  
reimbursement rates based on any of the following: 25799

(a) Geographic location of the provider; 25800

(b) Type of care provided;	25801
(c) Age of the child served;	25802
(d) Special needs of the child served;	25803
(e) Whether the expanded hours of service are provided;	25804
(f) Whether weekend service is provided;	25805
(g) Whether the provider has exceeded the minimum	25806
requirements of state statutes and rules governing child care;	25807
(h) Any other factors the director considers appropriate.	25808
<b>Sec. 5117.02.</b> (A) The director of <u>housing and development</u>	25809
shall adopt rules, or amendments and rescissions of rules,	25810
pursuant to section 4928.52 of the Revised Code, for the	25811
administration of the Ohio energy credit program under sections	25812
5117.01 to 5117.12 of the Revised Code.	25813
(B) As a means of efficiently administering the program,	25814
the director may extend, by as much as a total of thirty days,	25815
any date specified in such sections for the performance of a	25816
particular action by an individual or an officer.	25817
(C) (1) Except as provided in division (C) (2) of this	25818
section, the director shall adopt, in accordance with divisions	25819
(A), (B), (C), (D), (E), and (F) of section 119.03 and section	25820
119.04 of the Revised Code, whatever rules, or amendments or	25821
rescissions of rules are required by or are otherwise necessary	25822
to implement sections 5117.01 to 5117.12 of the Revised Code. A	25823
rule, amendment, or rescission adopted under this division is	25824
not exempt from the hearing requirements of section 119.03 of	25825
the Revised Code pursuant to division (H) of that section, or	25826
subject to section 111.15 of the Revised Code.	25827

(2) If an emergency necessitates the immediate adoption of 25828  
a rule, or the immediate adoption of an amendment or rescission 25829  
of a rule that is required by or otherwise necessary to 25830  
implement sections 5117.01 to 5117.12 of the Revised Code, the 25831  
director immediately may adopt the emergency rule, amendment, or 25832  
rescission without complying with division (A), (B), (C), (D), 25833  
(E), or (F) of section 119.03 of the Revised Code so long as the 25834  
director states the reasons for the necessity in the emergency 25835  
rule, amendment, or rescission. The emergency rule, amendment, 25836  
or rescission is effective on the day the emergency rule, 25837  
amendment, or rescission, in final form and in compliance with 25838  
division (A)(2) of section 119.04 of the Revised Code, is filed 25839  
in electronic form with the secretary of state, the director of 25840  
the legislative service commission, and the joint committee on 25841  
agency rule review. If all filings are not completed on the same 25842  
day, the emergency rule, amendment, or rescission is effective 25843  
on the day on which the latest filing is completed. An emergency 25844  
rule, amendment, or rescission adopted under this division is 25845  
not subject to section 111.15 or division (G) of section 119.03 25846  
of the Revised Code. An emergency rule, amendment, or rescission 25847  
adopted under this division continues in effect until amended or 25848  
rescinded by the director in accordance with division (C)(1) or 25849  
(2) of this section, except that the rescission of an emergency 25850  
rescission does not revive the rule rescinded. 25851

(D) Except where otherwise provided, each form, 25852  
application, notice, and the like used in fulfilling the 25853  
requirements of sections 5117.01 to 5117.12 of the Revised Code 25854  
shall be approved by the director. 25855

**Sec. 5117.03.** (A)(1) The director of housing and 25856  
development shall prescribe the form of the application for 25857  
assistance under the Ohio energy credit program. The application 25858

shall be in the form of a signed statement, shall require no 25859  
more information than is necessary to establish an applicant's 25860  
eligibility under section 5117.07 of the Revised Code, and shall 25861  
be clear and concise in its format, requirements, and 25862  
instructions. The form shall request the following information: 25863

(a) The name and address of the applicant; 25864

(b) The type of energy or commodity that is the source of 25865  
the heat produced by the primary heating system in the residence 25866  
of the applicant; 25867

(c) The name of the energy company or energy dealer that 25868  
supplies the energy or commodity that is the source of the heat 25869  
produced by the primary heating system in the residence of the 25870  
applicant and, if the applicant receives the applicant's energy 25871  
from a company, the applicant's account number; 25872

(d) The applicant's total income or current total income; 25873

(e) In the case of an application based upon physical 25874  
disability, a certification signed by a physician, in the case 25875  
of an application based upon mental disability, a certification 25876  
signed by a physician or psychologist, or in the case of either 25877  
such disability, a certification from a state or federal agency 25878  
having the function of so classifying persons; 25879

(f) The age of the applicant; 25880

(g) Any other information required to make eligibility 25881  
determinations under section 5117.07 of the Revised Code. 25882

Each form shall contain a statement that signing such 25883  
application constitutes a delegation of authority by the 25884  
applicant to the director to examine any financial records that 25885  
relate to income earned by the applicant as stated on the 25886

application for the purpose of determining eligibility under 25887  
section 5117.07 of the Revised Code and possible violation of 25888  
division (B) of section 5117.11 of the Revised Code. 25889

(2) The director shall mail or otherwise provide an 25890  
application form to each person requesting such form. 25891

(B) (1) The director shall devise and prescribe an 25892  
application renewal form on which the head of household may 25893  
indicate by check mark that the head of household received a 25894  
credit or payment for the preceding heating season. Application 25895  
renewal forms shall seek from persons applying on such basis a 25896  
certification by the applicant attesting to the applicant's 25897  
permanent and total disability and the name of a physician, 25898  
psychologist, or government agency willing to provide an 25899  
additional certification if so requested under division (D) of 25900  
section 5117.07 of the Revised Code. Such forms shall also 25901  
include such other information as the director requires and 25902  
shall be clear and concise in format, requirements, and 25903  
instructions. 25904

(2) On or before the fifteenth day of June, the director 25905  
shall mail or otherwise provide an application renewal form to 25906  
each head of household who received a credit or payment during 25907  
the preceding heating season. 25908

(3) Application renewal forms shall be reviewed and 25909  
disposed of in the same manner provided for application forms in 25910  
section 5117.07 of the Revised Code. 25911

(C) Applications and application renewal forms shall be 25912  
returned to the director no later than the first day of 25913  
September. If an applicant is determined eligible for a credit 25914  
under division (A) (1) of section 5117.07 of the Revised Code and 25915

the applicant's account number is not provided on the 25916  
application form pursuant to division (A)(1)(c) of this section, 25917  
the director shall make a good faith effort to acquire such 25918  
number before certifying the applicant's eligibility to an 25919  
energy company under section 5117.08 of the Revised Code. The 25920  
director may request an energy company to assist in efforts to 25921  
acquire an applicant's account number and, if so requested, a 25922  
company shall cooperate in such efforts. 25923

**Sec. 5117.04.** (A) Every energy company and energy dealer, 25924  
at least once during June, and once during August, shall begin 25925  
to distribute to each of its residential heating customers a 25926  
plain and clear notice, printed in ten-point type on a sheet or 25927  
card on which no other words appear on either the front or back, 25928  
that states the right of qualified residential customers to 25929  
receive a credit or payment under the Ohio energy credit program 25930  
and that explains in detail, in a fashion reasonably calculated 25931  
to inform, the relevant mechanisms established under sections 25932  
5117.01 to 5117.12 of the Revised Code to effectuate that right. 25933  
The notice shall also contain, in ten-point boldface type, the 25934  
following statement: "The right of eligible customers to receive 25935  
a credit against utility bills or a payment for energy bills is 25936  
provided in legislation (House Bill 657) passed by the General 25937  
Assembly and signed by the Governor." 25938

(B) The director of housing and development shall cause to 25939  
be printed notices of the type specified in division (A) of this 25940  
section and application forms in sufficient quantity for 25941  
distribution. The director shall maintain a system for 25942  
distributing application forms to appropriate public locations. 25943  
The distribution system shall be designed to make application 25944  
forms available to as many qualified persons as possible. 25945

(C) The director shall arrange for the establishment of a 25946  
toll-free telephone number to enable all persons in this state 25947  
to make inquiries and obtain information concerning the credits 25948  
or payments. 25949

**Sec. 5117.05.** The director of housing and development, in 25950  
consultation with the commission on Hispanic-Latino affairs, 25951  
shall develop an outreach program, including Spanish-speaking 25952  
communication formats, designed to make all Spanish-speaking 25953  
persons who meet the eligibility requirements for participation 25954  
in the Ohio energy credit program aware of the nature and extent 25955  
of available benefits and methods for acquiring and making 25956  
applications. The program shall include assistance to such 25957  
persons in making applications. The director shall implement the 25958  
program in cooperation with the commission. 25959

**Sec. 5117.07.** (A) On or before the first day of October, 25960  
the director of housing and development shall review all 25961  
applications submitted under division (C) of section 5117.03 of 25962  
the Revised Code and shall determine the eligibility of each 25963  
applicant to receive a credit or payment. The total income and 25964  
current total income amounts set forth in division (A) of this 25965  
section are subject to adjustment under section 5117.071 of the 25966  
Revised Code. 25967

(1) An applicant is eligible for a credit of thirty per 25968  
cent if the applicant is a head of household, has a total income 25969  
of five thousand dollars or less or a current total income of 25970  
two thousand five hundred dollars or less, owns and occupies or 25971  
rents and occupies a household receiving the source of energy 25972  
for its primary heating system from an energy company and such 25973  
energy is separately metered, and is either of the following: 25974

(a) Sixty-five years of age or older; 25975

(b) Permanently and totally disabled. 25976

(2) An applicant is eligible for a credit of twenty-five 25977  
per cent if the applicant is a head of household, has a total 25978  
income of more than five thousand dollars but not more than nine 25979  
thousand dollars or a current total income of more than two 25980  
thousand five hundred dollars but not more than four thousand 25981  
five hundred dollars, is sixty-five years of age or older or 25982  
permanently and totally disabled, and owns and occupies or rents 25983  
and occupies a household receiving the source of energy for its 25984  
primary heating system from an energy company and such energy is 25985  
separately metered. 25986

(3) An applicant is eligible for a payment if either of 25987  
the following applies to the applicant: 25988

(a) The applicant would be eligible for the credit under 25989  
division (A)(1) or (2) of this section but for the fact that the 25990  
source of energy for the primary heating system of the 25991  
applicant's household is not separately metered; 25992

(b) The applicant is a head of household, has a total 25993  
income of no more than nine thousand dollars or a current total 25994  
income of no more than four thousand five hundred dollars, is 25995  
sixty-five years of age or older or permanently and totally 25996  
disabled, and owns and occupies or rents and occupies a 25997  
household receiving the source of energy for its primary heating 25998  
system from an energy dealer. 25999

(4) In the case of a multiple unit dwelling for which 26000  
separate metering for the source of energy for its primary 26001  
heating system is not provided, more than one applicant 26002  
occupying such dwelling may be determined eligible for a payment 26003  
under division (A)(3)(a) of this section. 26004



(B) Notwithstanding division (A) of this section: 26005

(1) No head of household who resides in public housing or 26006  
receives a rent subsidy from a government agency is eligible for 26007  
a credit or payment unless the person's rent subsidy does not 26008  
reflect the costs of that person's household receiving the 26009  
source of energy for its primary heating system; 26010

(2) A resident of a nursing home, hospital, or other 26011  
extended health care facility is not eligible for a credit or 26012  
payment for the costs of providing the source of energy for the 26013  
primary heating system of the facility. 26014

(C) The director shall establish a procedure whereby the 26015  
director ~~commissioner~~ can verify total income and current total 26016  
income for the calendar year in which an applicant is determined 26017  
eligible for a payment or credit. If a person receives a credit 26018  
or payment that the person is ineligible to receive under 26019  
division (A) of this section as determined by the director, that 26020  
person shall refund to the director the credit or payment, or 26021  
excess portion of a credit or payment, that person received. The 26022  
sum refunded shall be deposited in the state treasury to the 26023  
credit of the universal service fund created in section 4928.51 26024  
of the Revised Code. 26025

(D) The director may request an additional certification 26026  
of permanent and total disability for any applicant claiming 26027  
such status on an application renewal form submitted under 26028  
section 5117.03 of the Revised Code. Such certification shall be 26029  
requested from the person or agency named on the form pursuant 26030  
to division (B) (1) of section 5117.03 of the Revised Code. If 26031  
such additional certification is refused due to a conclusion by 26032  
the person or agency that the applicant is not permanently and 26033  
totally disabled, the director shall determine the applicant 26034

ineligible for any credit or payment. If such additional 26035  
certification is unavailable or refused for any other reason, 26036  
the director may determine the applicant to be eligible for a 26037  
credit or payment provided the director ~~commissioner~~ has good 26038  
cause to believe the applicant is permanently and totally 26039  
disabled. 26040

(E) On or before the first day of October, the director 26041  
shall notify each applicant of the disposition of the 26042  
applicant's application under divisions (A) and (B) of this 26043  
section. At the same time, the director ~~tax-commissioner~~ shall 26044  
notify the applicant, regardless of whether the applicant's 26045  
application is approved or disapproved, that the applicant may 26046  
be eligible to participate in a state or federal weatherization 26047  
program and should contact the applicant's community action 26048  
agency for further information. If an application is 26049  
disapproved, the applicant may appeal to the director for a 26050  
hearing on the matter. A notice of disapproval shall include a 26051  
detailed explanation of the applicant's right of appeal under 26052  
this chapter. Any such appeal shall be on an appeal form 26053  
prescribed by the director and shall be filed with the director 26054  
within twenty days of the receipt of the notice of disapproval. 26055

**Sec. 5117.071.** (A) In September of each year, the ~~tax-~~ 26056  
~~commissioner~~ director of housing and development shall adjust 26057  
the total income amounts set forth in sections 5117.07 and 26058  
5117.09 of the Revised Code to be used for applications 26059  
submitted for the heating season commencing in the next calendar 26060  
year, by completing the following steps: 26061

(1) Determine the percentage increase in the gross 26062  
domestic product deflator determined by the bureau of economic 26063  
analysis of the United States department of commerce for the 26064

preceding year; 26065

(2) Multiply that percentage increase by each of the total 26066  
income amounts for the preceding year; 26067

(3) Add the resulting products to each of the total income 26068  
amounts for the preceding year; 26069

(4) Round the resulting sums upward to the nearest 26070  
multiple of ten dollars. 26071

The ~~commissioner~~ director shall not make the adjustment in 26072  
any year in which the amounts resulting from the adjustment 26073  
would be less than the total income amounts for the preceding 26074  
year. 26075

(B) In September of each year, the ~~tax commissioner~~ 26076  
director of housing and development also shall adjust the 26077  
current total income amounts set forth in sections 5117.07 and 26078  
5117.09 of the Revised Code. For any year, the current total 26079  
income amounts shall equal one-half of the respective total 26080  
income amounts set forth in those sections and adjusted under 26081  
division (A) of this section for that year. 26082

(C) ~~Each year, the tax commissioner shall provide both the~~ 26083  
~~adjusted total income amounts referred to in division (A) of~~ 26084  
~~this section and the current total income amounts referred to in~~ 26085  
~~division (B) of this section to the director of development.~~ 26086

~~(D)~~ The director of housing and development and each 26087  
energy company and energy dealer shall use the adjusted total 26088  
income amounts and the current total income amounts determined 26089  
under divisions (A) and (B) of this section in performing their 26090  
duties under sections 5117.01 to 5117.12 of the Revised Code. 26091

**Sec. 5117.08.** (A) (1) On or before the tenth day of 26092

October, the director of housing and development shall begin to 26093  
prepare and certify to each energy company that provides energy 26094  
for home heating a list containing the name and account number 26095  
of each head of household determined eligible for a credit under 26096  
divisions (A) and (B) of section 5117.07 of the Revised Code and 26097  
served by that company, the address of the household, and the 26098  
source of the heat produced by the primary heating system in the 26099  
residence of the applicant. The director, for good cause, may 26100  
certify addenda to such lists, containing the names of any heads 26101  
of household whose names were not included in the earlier lists 26102  
but who, except for failure to meet the deadline requirements of 26103  
sections 5117.01 to 5117.12 of the Revised Code, would have been 26104  
certified in the original lists. Within thirty days of receipt 26105  
of such list and in any month for which a credit is required 26106  
under sections 5117.01 to 5117.12 of the Revised Code, the 26107  
company may verify that each head of household on the director's 26108  
list receives energy for home heating at the household address 26109  
appearing on such list or that the source of heat produced by 26110  
the primary heating system in the household is energy supplied 26111  
by the company. If the company determines that a person listed 26112  
does not receive energy for home heating at such address or that 26113  
the source of the heat produced by the primary heating system in 26114  
the residence of such person is not supplied by the company, it 26115  
shall notify the director of such fact and may refuse to grant 26116  
the credit provided under division (A) of section 5117.07 of the 26117  
Revised Code. Upon receipt of such notice, the director shall 26118  
determine the accuracy of the determination of the company and, 26119  
should the director not concur with the company, shall order the 26120  
company to provide the credit. 26121

(2) The good faith exercise by any company of any power of 26122  
refusal granted under division (A) (1) of this section does not 26123

subject such company to any penalty or liability provided under 26124  
division (A) of section 5117.11 of the Revised Code. 26125

(B)(1) Nothing in sections 5117.01 to 5117.12 of the 26126  
Revised Code shall be construed to abridge the right of an 26127  
otherwise eligible applicant to receive a credit or payment 26128  
because the applicant has either changed the location of the 26129  
applicant's residence or the nature of the occupancy of the 26130  
applicant's residence, as between a tenant or an owner, at a 26131  
time that could, as a result of the operation of sections 26132  
5117.01 to 5117.12 of the Revised Code, cause the applicant to 26133  
be disqualified from receiving, or continuing to receive, the 26134  
credit or payment. 26135

(2) Where a person who submits a form or information 26136  
required under sections 5117.01 to 5117.10 of the Revised Code 26137  
does so in a timely fashion but, because of the occurrence of an 26138  
error or omission with respect to such form or information, 26139  
either on the person's own part or on the part of those persons 26140  
required by sections 5117.01 to 5117.12 of the Revised Code to 26141  
take administrative, executive, or ministerial action regarding 26142  
such form or information, the certification of eligibility by 26143  
the director to an energy company takes place after the 26144  
expiration of a deadline imposed under sections 5117.01 to 26145  
5117.12 of the Revised Code, the company shall grant the credit 26146  
within thirty days and, whenever appropriate, grant the credit 26147  
on a retroactive basis. 26148

(3) The director shall adopt a rule ensuring that the 26149  
requirements of divisions (B)(1) and (2) of this section are 26150  
effectuated. 26151

**Sec. 5117.09.** (A)(1) With respect to each of its 26152  
residential customers, every energy company shall, after receipt 26153

of a certification list provided under division (A) of section 26154  
5117.08 of the Revised Code, cause the granting of a credit in 26155  
accordance with this section against the monthly billing of each 26156  
household appearing on the list except as provided in division 26157  
(A) of section 5117.08 of the Revised Code. In the case of an 26158  
applicant who has a total income of five thousand dollars or 26159  
less or a current total income of two thousand five hundred 26160  
dollars or less, the credit shall amount to thirty per cent of 26161  
the current monthly bill rendered to such household by the 26162  
company for the billing months of December, January, February, 26163  
March, and April following the receipt of a list on which the 26164  
household appears. In the case of an applicant who has a total 26165  
income of more than five thousand dollars but not more than nine 26166  
thousand dollars or a current total income of more than two 26167  
thousand five hundred dollars but not more than four thousand 26168  
five hundred dollars, the credit shall amount to twenty-five per 26169  
cent of the current monthly bill rendered to such household by 26170  
the company for the billing months of December, January, 26171  
February, March, and April following the receipt of a list on 26172  
which the household appears. If purchased power costs are 26173  
incurred by an energy company during the billing month for which 26174  
a credit is provided under this division, the credit shall also 26175  
be applied to such costs, whether or not the costs are charged 26176  
to a current monthly bill for such months. 26177

(2) The total income and current total income amounts set 26178  
forth in division (A)(1) of this section are subject to 26179  
adjustment under section 5117.071 of the Revised Code. 26180

(B) Every energy company shall read the meter of each of 26181  
its qualified residential customers who may receive a credit 26182  
under division (A) of this section at least one time for the 26183  
service period of November and at least one time in the service 26184

period for the current monthly bill rendered for the billing 26185  
month of April. In the event a company is unable to read a meter 26186  
because of failure to gain access after a good faith effort or 26187  
because a certification list was supplied to the utility fewer 26188  
than thirty days prior to the normal date of meter reading, the 26189  
company may render a calculated bill. In such instances, the 26190  
company shall make an adjustment to the amount of the credit 26191  
granted to the customer based upon the next actual reading of 26192  
the meter if the reading shows the previous calculation to have 26193  
been in error and set forth the amount of such adjustments in 26194  
the report required to be filed with the director of housing and 26195  
development under division (D) of this section. 26196

(C) On each billing that is subject to a credit under 26197  
division (A) of this section, there shall appear in ten-point 26198  
type both the amount of the credit and to the left of such 26199  
amount "Ohio Energy Credit." 26200

(D) On or before the fifteenth day of each month following 26201  
one in which credits were provided under division (A) of this 26202  
section, each energy company shall, on a form prescribed by the 26203  
director and requesting information that the director 26204  
~~commissioner~~ determines is necessary for the purpose of 26205  
verifying the propriety of the payment of credits, certify to 26206  
the director the total amount of all credits it granted pursuant 26207  
to division (A) of this section during the preceding month. Not 26208  
later than thirty days after receipt of such certification, the 26209  
director shall pay the company the amount certified. If the 26210  
director determines that a company previously received amounts 26211  
greater than the amounts of credits properly granted, such 26212  
company, upon notice from the director, shall reimburse the 26213  
director in the amount of the overpayments. Such reimbursements 26214  
shall be deposited in the general revenue fund. 26215

(E) (1) Any energy company that purposely fails to grant 26216  
the credit provided under division (A) of this section is liable 26217  
to each person entitled to the credit and certified to the 26218  
company by the director pursuant to division (A) of section 26219  
5117.08 of the Revised Code in treble the amount of the total 26220  
credit not granted. The consumers' counsel, on behalf of any 26221  
person or persons not granted the credit, may bring an action to 26222  
recover such treble damages in the court of common pleas of the 26223  
county in which is located the office of the company nearest the 26224  
household of any such person or persons. The consumers' counsel 26225  
also, on behalf of any persons not granted the credit, may bring 26226  
a class action to recover such treble damages in the court of 26227  
common pleas of any county in which is located an office of the 26228  
company and, if feasible, in which is located a significant 26229  
number of members of the class. Any treble damage recovery under 26230  
this division does not, in any manner, diminish any other 26231  
liability provided under sections 5117.01 to 5117.12 of the 26232  
Revised Code. Clerical errors shall not be considered an offense 26233  
or incur liability under this division. 26234

(2) An action shall be brought by the consumers' counsel 26235  
under division (E) (1) of this section only after the consumers' 26236  
counsel has made a good faith attempt to dispose of the claim by 26237  
settlement, including a good faith request for only such 26238  
information in the possession of an energy company as is needed 26239  
to determine the existence or extent of such a right of action. 26240

(3) Nothing in division (E) (1) of this section shall be 26241  
construed to prevent persons acting without the assistance of 26242  
the consumers' counsel from bringing an action or class action 26243  
under such division. 26244

**Sec. 5117.10.** (A) On or before the fifteenth day of 26245



January, the director of housing and development ~~services~~ shall 26246  
pay each applicant determined eligible for a payment under 26247  
divisions (A) and (B) of section 5117.07 of the Revised Code one 26248  
hundred twenty-five dollars. 26249

(B) The director may withhold from any payment to which a 26250  
person would otherwise be entitled under division (A) of this 26251  
section any amount that the director determines was erroneously 26252  
received by such person in a preceding year under this or the 26253  
program established under Am. Sub. H.B. 230, as amended by Am. 26254  
H.B. 937, Am. Sub. H.B. 1073, Am. Sub. S.B. 493, and Am. Sub. 26255  
S.B. 523 of the 112th general assembly, provided the director 26256  
has employed all other legal methods reasonably available to 26257  
obtain reimbursement for the erroneous payment or credit prior 26258  
to the commencement of the current program year. 26259

(C) Payments made under this section and credits granted 26260  
under section 5117.09 of the Revised Code shall not be 26261  
considered income for the purpose of determining eligibility or 26262  
the level of benefits or assistance under section 329.042 or 26263  
Chapter 5107. of the Revised Code; the medicaid program; 26264  
supplemental security income payments under Title XVI of the 26265  
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as 26266  
amended; or any other program under which eligibility or the 26267  
level of benefits or assistance is based upon need measured by 26268  
income. 26269

**Sec. 5117.12.** (A) On or before the thirty-first day of 26270  
August of each year, each energy company shall file a written 26271  
report with the director of housing and development regarding 26272  
the impact, if any, of the requirements of division (E) of 26273  
section 5117.11 of the Revised Code on the number of 26274  
uncollectible and past due residential accounts for the twelve- 26275

month period ending on the preceding thirty-first day of July. 26276  
The report shall include such information as is prescribed by 26277  
the director. The information shall be based on actual reviews 26278  
of residential customer accounts and shall be presented in 26279  
verifiable form. The director may consult with the public 26280  
utilities commission and the consumers' counsel in prescribing 26281  
the contents of such reports and complying with the requirements 26282  
of division (C) (4) of this section. 26283

(B) Before the thirty-first day of January of each year, 26284  
the director shall prepare a written report including a final 26285  
review of the Ohio energy credit program for which applications 26286  
were required to be mailed or provided by the fifteenth day of 26287  
June of the second preceding calendar year pursuant to section 26288  
5117.03 of the Revised Code and an interim review of the program 26289  
for which applications were required to be mailed or provided by 26290  
the fifteenth day of June of the preceding calendar year under 26291  
such section. On or before the thirty-first day of January of 26292  
each year, the director shall provide written copies of such 26293  
report to the speaker of the house of representatives, president 26294  
of the senate, minority leaders of the house of representatives 26295  
and senate, chairpersons of the house finance and appropriations 26296  
committee and senate finance committee, chairpersons of the 26297  
committees of the house of representatives and senate 26298  
customarily entrusted with matters concerning public utilities, 26299  
clerk of the house of representatives, and clerk of the senate. 26300

(C) Each report prepared under division (B) of this 26301  
section shall include a review of: 26302

- (1) Program costs; 26303
- (2) The number of persons receiving credits or payments 26304  
under the program; 26305

(3) Progress in the implementation of any changes in the 26306  
program made by the general assembly within the period covered 26307  
by the report; 26308

(4) The impact, if any, of the requirements of division 26309  
(E) of section 5117.11 of the Revised Code on the number of 26310  
uncollectible and past due residential accounts of energy 26311  
companies for the twelve-month period ending on the preceding 26312  
thirty-first day of July; 26313

(5) The impact of any federal energy assistance programs 26314  
available to the same groups of people as are eligible for the 26315  
energy credit program under sections 5117.01 to 5117.12 of the 26316  
Revised Code, together with any recommendations on modifications 26317  
that may, because of the federal programs, be needed in the 26318  
energy credit program; 26319

(6) Any suggestions for improving the program; 26320

(7) Any other matters considered appropriate by the 26321  
director. 26322

(D) The director shall consult with the auditor of state, 26323  
energy companies, energy dealers, department of aging, and 26324  
commission on Hispanic-Latino affairs in the preparation of any 26325  
report under this section. The director may require information 26326  
from such agencies for the purpose of preparing such report. 26327

**Sec. 5117.22.** All petroleum violation escrow funds 26328  
received by this state from the federal government shall be 26329  
deposited in the state treasury to the credit of the energy oil 26330  
overcharge fund, which is hereby created. The fund shall be used 26331  
by the department of housing and development ~~services agency~~ for 26332  
energy conservation and assistance programs approved by the 26333  
United States department of energy. All investment earnings of 26334

the fund shall be credited to the fund. 26335

**Sec. 5119.34.** (A) As used in this section and sections 26336  
5119.341 to 5119.343 of the Revised Code: 26337

(1) "Accommodations" means housing, daily meal 26338  
preparation, laundry, housekeeping, arranging for 26339  
transportation, social and recreational activities, maintenance, 26340  
security, and other services that do not constitute personal 26341  
care services or skilled nursing care. 26342

(2) "ADAMHS board" means a board of alcohol, drug 26343  
addiction, and mental health services. 26344

(3) "Adult" means a person who is eighteen years of age or 26345  
older, other than a person described in division (A)(4) of this 26346  
section who is between eighteen and twenty-one years of age. 26347

(4) "Child" means a person who is under eighteen years of 26348  
age or a person with a mental disability who is under twenty-one 26349  
years of age. 26350

(5) "Community mental health services provider" means a 26351  
community mental health services provider as defined in section 26352  
5119.01 of the Revised Code. 26353

(6) "Community mental health services" means any mental 26354  
health services certified by the department pursuant to section 26355  
5119.36 of the Revised Code. 26356

(7) "Operator" means the person or persons, firm, 26357  
partnership, agency, governing body, association, corporation, 26358  
or other entity that is responsible for the administration and 26359  
management of a residential facility and that is the applicant 26360  
for a residential facility license. 26361

(8) "Personal care services" means services including, but 26362

not limited to, the following: 26363

(a) Assisting residents with activities of daily living; 26364

(b) Assisting residents with self-administration of 26365  
medication in accordance with rules adopted under this section; 26366

(c) Preparing special diets, other than complex 26367  
therapeutic diets, for residents pursuant to the instructions of 26368  
a physician or a licensed dietitian, in accordance with rules 26369  
adopted under this section. 26370

"Personal care services" does not include "skilled nursing 26371  
care" as defined in section 3721.01 of the Revised Code. A 26372  
facility need not provide more than one of the services listed 26373  
in division (A) (8) of this section to be considered to be 26374  
providing personal care services. 26375

(9) "Room and board" means the provision of sleeping and 26376  
living space, meals or meal preparation, laundry services, 26377  
housekeeping services, or any combination thereof. 26378

(10) "Residential state supplement program" means the 26379  
program established under section 5119.41 of the Revised Code. 26380

(11) "Supervision" means any of the following: 26381

(a) Observing a resident to ensure the resident's health, 26382  
safety, and welfare while the resident engages in activities of 26383  
daily living or other activities; 26384

(b) Reminding a resident to perform or complete an 26385  
activity, such as reminding a resident to engage in personal 26386  
hygiene or other self-care activities; 26387

(c) Assisting a resident in making or keeping an 26388  
appointment. 26389

(12) "Unrelated" means that a resident is not related to 26390  
the owner or operator of a residential facility or to the 26391  
owner's or operator's spouse as a parent, grandparent, child, 26392  
stepchild, grandchild, brother, sister, niece, nephew, aunt, or 26393  
uncle, or as the child of an aunt or uncle. 26394

(B) (1) A "residential facility" is a publicly or privately 26395  
operated home or facility that falls into one of the following 26396  
categories: 26397

(a) Class one facilities provide accommodations, 26398  
supervision, personal care services, and mental health services 26399  
for one or more unrelated adults with mental illness or one or 26400  
more unrelated children or adolescents with severe emotional 26401  
disturbances; 26402

(b) Class two facilities provide accommodations, 26403  
supervision, and personal care services to any of the following: 26404

(i) One or two unrelated persons with mental illness; 26405  
(ii) One or two unrelated adults who are receiving 26406  
payments under the residential state supplement program; 26407  
(iii) Three to sixteen unrelated adults. 26408

(c) Class three facilities provide room and board for five 26409  
or more unrelated adults with mental illness. 26410

(2) "Residential facility" does not include any of the 26411  
following: 26412

(a) A hospital subject to licensure under section 5119.33 26413  
of the Revised Code or an institution maintained, operated, 26414  
managed, and governed by the department of mental health and 26415  
addiction services for the hospitalization of persons with 26416  
mental illnesses pursuant to section 5119.14 of the Revised 26417

Code;	26418
(b) A residential facility licensed under section 5123.19	26419
of the Revised Code or otherwise regulated by the department of	26420
developmental disabilities;	26421
(c) An institution or association subject to certification	26422
under section 5103.03 of the Revised Code;	26423
(d) A facility operated by a hospice care program licensed	26424
under section 3712.04 of the Revised Code that is used	26425
exclusively for care of hospice patients;	26426
(e) A nursing home, residential care facility, or home for	26427
the aging as defined in section 3721.02 of the Revised Code;	26428
(f) A facility licensed under section 5119.37 of the	26429
Revised Code to operate an opioid treatment program;	26430
(g) Any facility that receives funding for operating costs	26431
from the department of <u>housing and</u> development under any program	26432
established to provide emergency shelter housing or transitional	26433
housing for the homeless;	26434
(h) A terminal care facility for the homeless that has	26435
entered into an agreement with a hospice care program under	26436
section 3712.07 of the Revised Code;	26437
(i) A facility approved by the veterans administration	26438
under section 104(a) of the "Veterans Health Care Amendments of	26439
1983," 97 Stat. 993, 38 U.S.C. 630, as amended, and used	26440
exclusively for the placement and care of veterans;	26441
(j) The residence of a relative or guardian of a person	26442
with mental illness.	26443
(C) Nothing in division (B) of this section shall be	26444

construed to permit personal care services to be imposed on a 26445  
resident who is capable of performing the activity in question 26446  
without assistance. 26447

(D) Except in the case of a residential facility described 26448  
in division (B)(1)(a) of this section, members of the staff of a 26449  
residential facility shall not administer medication to the 26450  
facility's residents, but may do any of the following: 26451

(1) Remind a resident when to take medication and watch to 26452  
ensure that the resident follows the directions on the 26453  
container; 26454

(2) Assist a resident in the self-administration of 26455  
medication by taking the medication from the locked area where 26456  
it is stored, in accordance with rules adopted pursuant to this 26457  
section, and handing it to the resident. If the resident is 26458  
physically unable to open the container, a staff member may open 26459  
the container for the resident. 26460

(3) Assist a resident who is physically impaired but 26461  
mentally alert, such as a resident with arthritis, cerebral 26462  
palsy, or Parkinson's disease, in removing oral or topical 26463  
medication from containers and in consuming or applying the 26464  
medication, upon request by or with the consent of the resident. 26465  
If a resident is physically unable to place a dose of medicine 26466  
to the resident's mouth without spilling it, a staff member may 26467  
place the dose in a container and place the container to the 26468  
mouth of the resident. 26469

(E) A person operating or seeking to operate a residential 26470  
facility shall apply for licensure of the facility to the 26471  
department of mental health and addiction services. The 26472  
application shall be submitted by the operator. When applying 26473



for the license, the applicant shall pay to the department the 26474  
application fee specified in rules adopted under division (N) of 26475  
this section. The fee is nonrefundable. 26476

The department shall send a copy of an application to the 26477  
ADAMHS board serving the county in which the person operates or 26478  
seeks to operate the facility. The ADAMHS board shall review the 26479  
application and provide to the department any information about 26480  
the applicant or the facility that the board would like the 26481  
department to consider in reviewing the application. 26482

(F) The department of mental health and addiction services 26483  
shall inspect and license the operation of residential 26484  
facilities. The department may issue a license to operate a 26485  
residential facility only if all of the following are the case: 26486

(1) The department is satisfied, after investigation, that 26487  
the facility is managed and operated by qualified persons and is 26488  
adequately staffed and equipped to operate. 26489

(2) The department has not been notified under section 26490  
5119.343 of the Revised Code or is not otherwise aware that the 26491  
residential facility or any owner, operator, or manager of the 26492  
residential facility has been the subject of an adverse action, 26493  
as defined in that section, taken during the three-year period 26494  
immediately preceding the date of application. 26495

(3) The department has not been notified or is not 26496  
otherwise aware that the residential facility or any owner, 26497  
operator, or manager of the facility has been the subject of an 26498  
adverse action, as defined in that section, taken at any time 26499  
based on an act or omission that violated the right of a 26500  
residential facility resident to be free from abuse, neglect, or 26501  
exploitation. 26502

The department may issue full, probationary, and interim licenses. A full license shall expire up to three years after the date of issuance, a probationary license shall expire in a shorter period of time as specified in rules adopted by the director of mental health and addiction services under division (N) of this section, and an interim license shall expire ninety days after the date of issuance. A license may be renewed in accordance with rules adopted by the director under division (N) of this section. The renewal application shall be submitted by the operator. When applying for renewal of a license, the applicant shall pay to the department the renewal fee specified in rules adopted under division (N) of this section. The fee is nonrefundable.

(G) (1) If the department finds any of the following with respect to a residential facility, the department may issue an order suspending the admission of residents to the facility, refuse to issue or renew a license for the facility, or revoke the facility's license:

(a) The facility is not in compliance with rules adopted by the director pursuant to division (N) of this section;

(b) Any facility operated by the applicant or licensee has been cited for a pattern of serious noncompliance or repeated violations of statutes or rules during the period of current or previous licenses;

(c) The applicant or licensee submits false or misleading information as part of a license application, renewal, or investigation.

(2) Proceedings initiated to deny applications for full or probationary licenses, to refuse to renew full or probationary

licenses, or to revoke full or probationary licenses are 26532  
governed by Chapter 119. of the Revised Code. If an order has 26533  
been issued suspending the admission of residents to the 26534  
facility, the order remains in effect during the pendency of 26535  
those proceedings. 26536

Proceedings initiated to suspend the admission of 26537  
residents to a facility are governed by Chapter 119. of the 26538  
Revised Code, except as provided in division (H) of this 26539  
section. 26540

(3) In a proceeding initiated to suspend the admission of 26541  
residents to a facility, to deny an application for a full or 26542  
probationary license, to refuse to renew a full or probationary 26543  
license, or to revoke a full or probationary license, the 26544  
department may order the suspension, denial, refusal, or 26545  
revocation regardless of whether some or all of the deficiencies 26546  
that prompted the proceedings have been corrected at the time of 26547  
the hearing. 26548

(4) When the department issues an order suspending the 26549  
admission of residents to a facility, denies an application for 26550  
a full or probationary license, refuses to renew a full or 26551  
probationary license, or revokes a full or probationary license, 26552  
the department shall not grant an opportunity for submitting a 26553  
plan of correction. 26554

(H) (1) If a suspension of admissions of residents to a 26555  
facility is proposed because the director has determined that 26556  
the licensee has demonstrated a pattern of serious noncompliance 26557  
or that a violation creates a substantial risk to the health and 26558  
safety of residents, the director may issue an order imposing 26559  
the suspension of admissions before providing an opportunity for 26560  
an adjudication under Chapter 119. of the Revised Code. The 26561

director shall lift the order for the suspension of admissions 26562  
if the director determines that the violation that formed the 26563  
basis for the order has been corrected. 26564

(2) Appeals from proceedings initiated to order the 26565  
suspension of admissions to a facility shall be conducted in 26566  
accordance with Chapter 119. of the Revised Code, unless the 26567  
order was issued before providing an opportunity for an 26568  
adjudication, in which case all of the following apply: 26569

(a) The licensee may request a hearing not later than ten 26570  
days after being served in accordance with sections 119.05 and 26571  
119.07 of the Revised Code. 26572

(b) If a timely request for a hearing that includes the 26573  
licensee's current address is made, the hearing shall commence 26574  
not later than thirty days after the department receives the 26575  
request. 26576

(c) After commencing, the hearing shall continue 26577  
uninterrupted, except for Saturdays, Sundays, and legal 26578  
holidays, unless other interruptions are agreed to by the 26579  
licensee and the director. 26580

(d) If the hearing is conducted by a hearing examiner, the 26581  
hearing examiner shall file a report and recommendations with 26582  
the department not later than ten days after the last of the 26583  
following: 26584

(i) The close of the hearing; 26585

(ii) If a transcript of the proceedings is ordered, the 26586  
hearing examiner receives the transcript; 26587

(iii) If post-hearing briefs are timely filed, the hearing 26588  
examiner receives the briefs. 26589

(e) The hearing examiner shall send a written copy of the 26590  
report and recommendations, by certified mail, to the licensee, 26591  
or the licensee's attorney, if applicable, not later than five 26592  
days after the report is filed with the department. 26593

(f) Not later than five days after receiving the report 26594  
and recommendations, the licensee may file objections with the 26595  
department. 26596

(g) Not later than fifteen days after the hearing examiner 26597  
files the report and recommendations, the department shall issue 26598  
an order approving, modifying, or disapproving the report and 26599  
recommendations. 26600

(h) Notwithstanding the pendency of the hearing, the 26601  
department shall lift the order for the suspension of admissions 26602  
if the department determines the violation that formed the basis 26603  
for the order has been corrected. 26604

(I) The department may issue an interim license to operate 26605  
a residential facility if both of the following conditions are 26606  
met: 26607

(1) The department determines that the closing of or the 26608  
need to remove residents from another residential facility has 26609  
created an emergency situation requiring immediate removal of 26610  
residents and an insufficient number of licensed beds are 26611  
available. 26612

(2) The residential facility applying for an interim 26613  
license meets standards established for interim licenses in 26614  
rules adopted by the director under division (N) of this 26615  
section. 26616

An interim license shall be valid for ninety days and may 26617  
be renewed by the director no more than twice. Proceedings 26618

initiated to deny applications for or to revoke interim licenses 26619  
under this division are not subject to Chapter 119. of the 26620  
Revised Code. 26621

(J) (1) The department of mental health and addiction 26622  
services may conduct an inspection of a residential facility as 26623  
follows: 26624

(a) Prior to issuance of a license for the facility; 26625

(b) Prior to renewal of the license; 26626

(c) To determine whether the facility has completed a plan 26627  
of correction required pursuant to division (J) (2) of this 26628  
section and corrected deficiencies to the satisfaction of the 26629  
department and in compliance with this section and rules adopted 26630  
pursuant to it; 26631

(d) Upon complaint by any individual or agency; 26632

(e) At any time the director considers an inspection to be 26633  
necessary in order to determine whether the facility is in 26634  
compliance with this section and rules adopted pursuant to this 26635  
section. 26636

(2) In conducting inspections the department may conduct 26637  
an on-site examination and evaluation of the residential 26638  
facility and its personnel, activities, and services. The 26639  
department shall have access to examine and copy all records, 26640  
accounts, and any other documents relating to the operation of 26641  
the residential facility, including records pertaining to 26642  
residents, and shall have access to the facility in order to 26643  
conduct interviews with the operator, staff, and residents. 26644  
Following each inspection and review, the department shall 26645  
complete a report listing any deficiencies, and including, when 26646  
appropriate, a time table within which the operator shall 26647

correct the deficiencies. The department may require the 26648  
operator to submit a plan of correction describing how the 26649  
deficiencies will be corrected. 26650

(K) No person shall do any of the following: 26651

(1) Operate a residential facility unless the facility 26652  
holds a valid license; 26653

(2) Violate any of the conditions of licensure after 26654  
having been granted a license; 26655

(3) Interfere with a state or local official's inspection 26656  
or investigation of a residential facility; 26657

(4) Violate any of the provisions of this section or any 26658  
rules adopted pursuant to this section. 26659

(L) The following may enter a residential facility at any 26660  
time: 26661

(1) Employees designated by the director of mental health 26662  
and addiction services; 26663

(2) Employees of an ADAMHS board under either of the 26664  
following circumstances: 26665

(a) When a resident of the facility is receiving services 26666  
from a community mental health services provider under contract 26667  
with that ADAMHS board or another ADAMHS board; 26668

(b) When authorized by section 340.05 of the Revised Code. 26669

(3) Employees of a community mental health services 26670  
provider under either of the following circumstances: 26671

(a) When the provider has a person receiving services 26672  
residing in the facility; 26673

(b) When the provider is acting as an agent of an ADAMHS board other than the board with which it is under contract. 26674  
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(4) Representatives of the state long-term care ombudsman program when the facility provides accommodations, supervision, and personal care services for three to sixteen unrelated adults or to one or two unrelated adults who are receiving payments under the residential state supplement program. 26676  
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The persons specified in division (L) of this section shall be afforded access to examine and copy all records, accounts, and any other documents relating to the operation of the residential facility, including records pertaining to residents. 26681  
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(M) Employees of the department of mental health and addiction services may enter, for the purpose of investigation, any institution, residence, facility, or other structure which has been reported to the department as, or that the department has reasonable cause to believe is, operating as a residential facility without a valid license. 26686  
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(N) The director shall adopt and may amend and rescind rules pursuant to Chapter 119. of the Revised Code governing the licensing and operation of residential facilities. The rules shall establish all of the following: 26692  
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(1) Minimum standards for the health, safety, adequacy, and cultural competency of treatment of and services for persons in residential facilities; 26696  
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(2) Procedures for the issuance, renewal, or revocation of the licenses of residential facilities; 26699  
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(3) Procedures for conducting background investigations for prospective or current operators, employees, volunteers, and 26701  
26702



other non-resident occupants who may have direct access to	26703
facility residents;	26704
(4) The fee to be paid when applying for a new residential	26705
facility license or renewing the license;	26706
(5) Procedures for the operator of a residential facility	26707
to follow when notifying the ADAMHS board serving the county in	26708
which the facility is located when the facility is serving	26709
residents with mental illness or severe mental disability,	26710
including the circumstances under which the operator is required	26711
to make such a notification;	26712
(6) Procedures for the issuance and termination of orders	26713
of suspension of admission of residents to a residential	26714
facility;	26715
(7) Measures to be taken by residential facilities	26716
relative to residents' medication;	26717
(8) Requirements relating to preparation of special diets;	26718
(9) The maximum number of residents who may be served in a	26719
residential facility;	26720
(10) The rights of residents of residential facilities and	26721
procedures to protect such rights;	26722
(11) Standards and procedures under which the director may	26723
waive the requirements of any of the rules adopted.	26724
(0) (1) The department may withhold the source of any	26725
complaint reported as a violation of this section when the	26726
department determines that disclosure could be detrimental to	26727
the department's purposes or could jeopardize the investigation.	26728
The department may disclose the source of any complaint if the	26729
complainant agrees in writing to such disclosure and shall	26730

disclose the source upon order by a court of competent 26731  
jurisdiction. 26732

(2) Any person who makes a complaint under division (O) (1) 26733  
of this section, or any person who participates in an 26734  
administrative or judicial proceeding resulting from such a 26735  
complaint, is immune from civil liability and is not subject to 26736  
criminal prosecution, other than for perjury, unless the person 26737  
has acted in bad faith or with malicious purpose. 26738

(P) (1) The director of mental health and addiction 26739  
services may petition the court of common pleas of the county in 26740  
which a residential facility is located for an order enjoining 26741  
any person from operating a residential facility without a 26742  
license or from operating a licensed facility when, in the 26743  
director's judgment, there is a present danger to the health or 26744  
safety of any of the occupants of the facility. The court shall 26745  
have jurisdiction to grant such injunctive relief upon a showing 26746  
that the respondent named in the petition is operating a 26747  
facility without a license or there is a present danger to the 26748  
health or safety of any residents of the facility. 26749

(2) When the court grants injunctive relief in the case of 26750  
a facility operating without a license, the court shall issue, 26751  
at a minimum, an order enjoining the facility from admitting new 26752  
residents to the facility and an order requiring the facility to 26753  
assist with the safe and orderly relocation of the facility's 26754  
residents. 26755

(3) If injunctive relief is granted against a facility for 26756  
operating without a license and the facility continues to 26757  
operate without a license, the director shall refer the case to 26758  
the attorney general for further action. 26759

(Q) The director may fine a person for violating division 26760  
(K) of this section. The fine shall be five hundred dollars for 26761  
a first offense; for each subsequent offense, the fine shall be 26762  
one thousand dollars. The director's actions in imposing a fine 26763  
shall be taken in accordance with Chapter 119. of the Revised 26764  
Code. 26765

**Sec. 5120.07.** (A) There is hereby created the ex-offender 26766  
reentry coalition consisting of the following twenty-one members 26767  
or their designees: 26768

- (1) The director of rehabilitation and correction; 26769
- (2) The director of aging; 26770
- (3) The director of mental health and addiction services; 26771
- (4) The director of housing and development; 26772
- (5) The director of education and workforce; 26773
- (6) The director of health; 26774
- (7) The director of job and family services; 26775
- (8) The director of developmental disabilities; 26776
- (9) The director of public safety; 26777
- (10) The director of youth services; 26778
- (11) The chancellor of higher education; 26779
- (12) A representative or member of the governor's staff; 26780
- (13) The executive director of the opportunities for 26781  
Ohioans with disabilities agency; 26782
- (14) The director of the department of commerce; 26783
- (15) The executive director of a health care licensing 26784

board created under Title XLVII of the Revised Code, as 26785  
appointed by the chairperson of the coalition; 26786

(16) The director of veterans services; 26787

(17) An ex-offender appointed by the director of 26788  
rehabilitation and correction; 26789

(18) Two members of the house of representatives appointed 26790  
by the speaker of the house of representatives, one of whom 26791  
shall be the chairperson of the standing committee in the house 26792  
of representatives that primarily addresses criminal justice 26793  
matters and the other of whom shall be a member of the minority 26794  
party in the house of representatives; 26795

(19) Two members of the senate appointed by the president 26796  
of the senate, one of whom shall be the chairperson of the 26797  
standing committee in the senate that primarily addresses 26798  
criminal justice matters and the other of whom shall be a member 26799  
of the minority party in the senate. 26800

(B) The members of the coalition shall serve without 26801  
compensation. The director of rehabilitation and correction or 26802  
the director's designee shall be the chairperson of the 26803  
coalition. 26804

(C) In consultation with persons interested and involved 26805  
in the reentry of ex-offenders into the community, the members 26806  
of the coalition shall meet periodically for the purpose of 26807  
formulating, discussing, and developing policies and practices 26808  
that facilitate the expansion and improvement of reentry 26809  
services provided by state and local agencies in the 26810  
collaborative efforts of those agencies to reintegrate offenders 26811  
into society while simultaneously maintaining public safety and 26812  
reducing recidivism in this state. Not later than one year after 26813

April 7, 2009, and on or before the same date of each year 26814  
thereafter, the coalition shall submit to the speaker of the 26815  
house of representatives and the president of the senate a 26816  
report, including recommendations for legislative action, the 26817  
activities of the coalition, and the barriers affecting the 26818  
successful reentry of ex-offenders into the community. The 26819  
report shall analyze the effects of those barriers on ex- 26820  
offenders and on their children and other family members in 26821  
various areas, including but not limited to, the following: 26822

- (1) Admission to public and other housing; 26823
- (2) Child support obligations and procedures; 26824
- (3) Parental incarceration and family reunification; 26825
- (4) Social security benefits, veterans' benefits, food 26826  
stamps, and other forms of public assistance; 26827
- (5) Employment; 26828
- (6) Education programs and financial assistance; 26829
- (7) Substance abuse and sex offender treatment programs 26830  
and financial assistance and mental health services and 26831  
financial assistance; 26832
- (8) Civic and political participation; 26833
- (9) Other collateral consequences under the Revised Code 26834  
or the Ohio administrative code law that may result from a 26835  
criminal conviction. 26836

(D) (1) The report shall also include the following 26837  
information: 26838

- (a) Identification of state appropriations for reentry 26839  
programs; 26840

(b) Identification of other funding sources for reentry programs that are not funded by the state. 26841  
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(2) The coalition shall gather information about reentry programs in a repository maintained and made available by the coalition. Where available, the information shall include the following: 26843  
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26846

(a) The amount of funding received; 26847

(b) The number of program participants; 26848

(c) The composition of the program, including program goals, methods for measuring success, and program success rate; 26849  
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(d) The type of post-program tracking that is utilized; 26851

(e) Information about employment rates and recidivism rates of ex-offenders. 26852  
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**Sec. 5126.071.** (A) As used in this section, "minority business enterprise" has the meaning given in division (E)(1) of section 122.71 of the Revised Code. 26854  
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(B) Any minority business enterprise that desires to bid on a contract under division (C) or (D) of this section shall first apply to the department of housing and development for certification as a minority business enterprise. The director of housing and development shall approve the application of any minority business enterprise that complies with the rules adopted under section 122.71 of the Revised Code. The director shall prepare and maintain a list of minority business enterprises certified under this section. 26857  
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(C) From the contracts to be awarded for the purchases of equipment, materials, supplies, insurance, and nonprogram services, other than contracts entered into and exempt under 26866  
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sections 307.86 and 5126.05 of the Revised Code, each county 26869  
board of developmental disabilities shall select a number of 26870  
contracts with an aggregate value of approximately fifteen per 26871  
cent of the total estimated value of such contracts to be 26872  
awarded in the current calendar year. The board shall set aside 26873  
the contracts so selected for bidding by minority business 26874  
enterprises only. The bidding procedures for such contracts 26875  
shall be the same as for all other contracts awarded under 26876  
section 307.86 of the Revised Code, except that only minority 26877  
business enterprises certified and listed under division (B) of 26878  
this section shall be qualified to submit bids. Contracts set 26879  
aside and awarded under this section shall not include contracts 26880  
for the purchase of services such as direct and ancillary 26881  
services, service and support administration, residential 26882  
services, and family support services. 26883

(D) To the extent that a board is authorized to enter into 26884  
contracts for construction which are not exempt from the 26885  
competitive bidding requirements of section 307.86 of the 26886  
Revised Code, the board shall set aside a number of contracts 26887  
the aggregate value of which equals approximately five per cent 26888  
of the aggregate value of construction contracts for the current 26889  
calendar year for bidding by minority business enterprises only. 26890  
The bidding procedures for the contracts set aside for minority 26891  
business enterprises shall be the same as for all other 26892  
contracts awarded by the board, except that only minority 26893  
business enterprises certified and listed under division (B) of 26894  
this section shall be qualified to submit bids. 26895

Any contractor awarded a construction contract pursuant to 26896  
this section shall make every effort to ensure that certified 26897  
minority business subcontractors and materials suppliers 26898  
participate in the contract. In the case of contracts specified 26899

in this division, the total value of subcontracts awarded to and 26900  
materials and services purchased from minority businesses shall 26901  
be at least ten per cent of the total value of the contract, 26902  
wherever possible and whenever the contractor awards 26903  
subcontracts or purchases materials or services. 26904

(E) In the case of contracts set aside under divisions (C) 26905  
and (D) of this section, if no bid is submitted by a minority 26906  
business enterprise, the contract shall be awarded according to 26907  
normal bidding procedures. The board shall from time to time set 26908  
aside such additional contracts as are necessary to replace 26909  
those contracts previously set aside on which no minority 26910  
business enterprise bid. 26911

(F) This section does not preclude any minority business 26912  
enterprise from bidding on any other contract not specifically 26913  
set aside for minority business enterprises. 26914

(G) Within ninety days after the beginning of each 26915  
calendar year, each county board of developmental disabilities 26916  
shall file a report with the department of developmental 26917  
disabilities that shows for that calendar year the name of each 26918  
minority business enterprise with which the board entered into a 26919  
contract, the value and type of each such contract, the total 26920  
value of contracts awarded under divisions (C) and (D) of this 26921  
section, the total value of contracts awarded for the purchases 26922  
of equipment, materials, supplies, or services, other than 26923  
contracts entered into under the exemptions of sections 307.86 26924  
and 5126.05 of the Revised Code, and the total value of 26925  
contracts entered into for construction. 26926

(H) Any person who intentionally misrepresents that person 26927  
as owning, controlling, operating, or participating in a 26928  
minority business enterprise for the purpose of obtaining 26929



contracts or any other benefits under this section shall be 26930  
guilty of theft by deception as provided for in section 2913.02 26931  
of the Revised Code. 26932

**Sec. 5126.18.** (A) As used in this section: 26933

(1) "Taxable value" means the taxable value of a county 26934  
certified under division (B) of this section. 26935

(2) "Per-mill yield" means the quotient obtained by 26936  
dividing the taxable value of a county by one thousand. 26937

(3) "Population" of a county means that shown by the 26938  
federal census for a census year or, for a noncensus year, the 26939  
population as estimated by the department of housing and 26940  
development. 26941

(4) "Six-year moving average" means the average of the 26942  
per-mill yields of a county for the most recent six years. 26943

(5) "Yield per person" means the quotient obtained by 26944  
dividing the six-year moving average of a county by the 26945  
population of that county. 26946

(6) "Tax equity payments" means payments to county boards 26947  
of developmental disabilities under this section or a prior 26948  
version of this section from money appropriated by the general 26949  
assembly to the department of developmental disabilities for 26950  
that purpose. 26951

(7) "Eligible county" means a county determined under 26952  
division (C) of this section to be eligible for tax equity 26953  
payments for the two-year period for which that determination is 26954  
made. 26955

(8) "Threshold county" means the county with the lowest 26956  
yield per person that is determined not to be eligible to 26957

receive tax equity payments. 26958

(B) At the request of the director of developmental 26959  
disabilities, the tax commissioner shall certify to the director 26960  
the taxable value of property on each county's most recent tax 26961  
list of real and public utility property. The director may 26962  
request any other tax information necessary for the purposes of 26963  
this section. 26964

(C) Beginning in 2011, on or before the thirty-first day 26965  
of May of that year and of every second year thereafter, the 26966  
director of developmental disabilities shall determine whether a 26967  
county is eligible to receive tax equity payments for the 26968  
ensuing two fiscal years as follows: 26969

(1) The director shall determine the six-year moving 26970  
average, population, and yield per person of each county in the 26971  
state, based on the most recent information available. 26972

(2) The director shall calculate a tax equity funding 26973  
threshold by adding the population of the county with the lowest 26974  
yield per person and the populations of individual counties in 26975  
order from lowest yield per person to highest yield per person 26976  
until the addition of the population of another county would 26977  
increase the aggregate sum to over thirty per cent of the total 26978  
state population. A county is eligible to receive tax equity 26979  
payments for the two-year period if its population is included 26980  
in the calculation of the threshold and the addition of its 26981  
population does not increase such sum to over thirty per cent of 26982  
the total state population. 26983

(D) (1) Except as provided in divisions (D) (2) and (3) of 26984  
this section, beginning in fiscal year 2012 and for each fiscal 26985  
year thereafter, the director shall make tax equity payments to 26986

each eligible county equal to the population of the county 26987  
multiplied by the difference between the yield per person of the 26988  
threshold county and the yield per person of the eligible 26989  
county. For purposes of this division, the population and yield 26990  
per person of a county equal the population and yield per person 26991  
most recently determined for that county under division (C) (1) 26992  
of this section. The payments shall be made in quarterly 26993  
installments of equal amounts not later than the thirtieth day 26994  
of September, the thirty-first day of December, the thirty-first 26995  
day of March, and the thirtieth day of June of each fiscal year. 26996

(2) In fiscal year 2012, if the amount determined under 26997  
division (D) (1) of this section for an eligible county is at 26998  
least twenty thousand dollars greater than or twenty thousand 26999  
dollars less than the amount of tax equity payments the county 27000  
received in fiscal year 2011, the county's tax equity payments 27001  
for fiscal years 2012 through 2014 shall equal the following: 27002

(a) For fiscal year 2012, one-fourth of the amount 27003  
calculated for the eligible county under division (D) (1) of this 27004  
section plus three-fourths of the amount of tax equity payments 27005  
the county received in fiscal year 2011; 27006

(b) For fiscal year 2013, one-half of the amount 27007  
calculated for the eligible county under division (D) (1) of this 27008  
section plus one-half of the amount of tax equity payments the 27009  
county received in fiscal year 2011; 27010

(c) For fiscal year 2014, three-fourths of the amount 27011  
calculated for the eligible county under division (D) (1) of this 27012  
section plus one-fourth of the amount of tax equity payments the 27013  
county received in fiscal year 2011. 27014

(3) In any fiscal year, if the total amount of tax equity 27015

payments for all eligible counties as determined under divisions 27016  
(D) (1) and (2) of this section is greater than the amount 27017  
appropriated to the department of developmental disabilities for 27018  
the purpose of making such payments in that fiscal year, the 27019  
director shall reduce the payments to each eligible county board 27020  
in equal proportion. If the total amount of tax equity payments 27021  
as determined under that division is less than the amount 27022  
appropriated to the department for that purpose, the director 27023  
shall determine how to allocate the excess money after 27024  
consultation with the Ohio association of county boards serving 27025  
people with developmental disabilities. 27026

(4) Tax equity payments shall be paid only to an eligible 27027  
county board of developmental disabilities and not to a regional 27028  
council established under section 5126.13 of the Revised Code or 27029  
any other entity. 27030

(E) (1) Except as provided in division (E) (2) of this 27031  
section, a county board of developmental disabilities shall use 27032  
tax equity payments solely to pay the nonfederal share of 27033  
medicaid expenditures it is required to pay under sections 27034  
5126.059 and 5126.0510 of the Revised Code. Tax equity payments 27035  
shall not be used to pay any salary or other compensation to 27036  
county board personnel. 27037

(2) Upon the written request of a county board, the 27038  
director of developmental disabilities may authorize a county 27039  
board to use tax equity payments for infrastructure improvements 27040  
necessary to support medicaid waiver administration. 27041

(3) The director may audit any county board receiving tax 27042  
equity payments to ensure appropriate use of the payments in 27043  
accordance with this section. If the director determines that a 27044  
county board is using payments inappropriately, the director 27045

shall notify the county board in writing of the determination. 27046  
Within thirty days after receiving the director's notification, 27047  
the county board shall submit a written plan of correction to 27048  
the director. The director may accept or reject the plan. If the 27049  
director rejects the plan, the director may require the county 27050  
board to repay all or a portion of the amount of tax equity 27051  
payments used inappropriately. The director shall distribute any 27052  
tax equity payments returned under this division to other 27053  
eligible county boards in accordance with a plan developed by 27054  
the director after consultation with the Ohio association of 27055  
county boards serving people with developmental disabilities. 27056

**Sec. 5501.031.** The department of transportation shall: 27057

(A) Consider energy conservation as an integral factor 27058  
along with economics, engineering, safety, and the environment 27059  
in the planning, design, and utilization of transportation 27060  
facilities; 27061

(B) Reevaluate existing plans for highways and other 27062  
transportation modes and require regional transportation studies 27063  
and local planning agencies operating under state coordination 27064  
or with state funds to cooperate in such reevaluation. Such 27065  
reevaluation shall consider shifts to energy conservation modes 27066  
and improvement in modal energy efficiencies, and shall include 27067  
both technological alternatives and administrative or management 27068  
strategies. Short-term conservation measures must be adaptable 27069  
to long-term conservation requirements to include permanent 27070  
reductions in gasoline usage and revitalization of railroads. 27071

(C) Take all necessary steps to increase the level of 27072  
awareness of transportation professions and related government 27073  
sectors of those techniques that are immediately available to 27074  
reduce petroleum consumption in improving operation and 27075

maintenance of transportation facilities; 27076

(D) Review construction specifications and design 27077  
standards for highway construction and maintenance, with a view 27078  
to pursuing the elimination of those found to be unnecessary and 27079  
wasteful of energy; 27080

(E) Submit recommendations to the department of housing 27081  
and development and to the general assembly, designed to reduce 27082  
the energy intensive nature of the existing transportation 27083  
system, control the growth of gasoline demand, and support other 27084  
efforts to conserve energy; 27085

(F) In cooperation with the department of housing and 27086  
development, encourage and promote the establishment of carpool 27087  
and vanpool programs including preferential parking for vehicles 27088  
used in carpools or vanpools. The department of transportation 27089  
shall also study the feasibility of preferential traffic control 27090  
for public transportation vehicles and variable working hours as 27091  
additional conservation measures. 27092

The department shall undertake to utilize to the fullest 27093  
extent funds made available under federal or state programs for 27094  
the development of park-and-ride lots to serve carpools and 27095  
vanpools and encourage the use of public transportation 27096  
facilities. Potential locations and funds for park-and-ride lots 27097  
shall be identified in at least one location in each standard 27098  
metropolitan statistical area in the state. These locations 27099  
shall be reported to the department of housing and development. 27100

**Sec. 5531.08.** (A) In order to expedite a highway project 27101  
involving the expenditure of federal and state funds and to 27102  
utilize all privileges provided by the "Intermodal Surface 27103  
Transportation Efficiency Act of 1991," 105 Stat. 1914, 49 27104

U.S.C.A. 101, the director of transportation may designate a 27105  
project team for the purposes of certifying design review and 27106  
performing field and office inspections and cost estimates, on 27107  
behalf of the federal highway administration. 27108

(B) (1) Upon a written determination by the director that 27109  
it would be in the best interests of the traveling public, the 27110  
director, upon the written request of a county, township, or 27111  
municipal corporation, may utilize moneys in the highway 27112  
operating fund created by section 5735.051 of the Revised Code 27113  
to pay that portion of the construction cost of a highway 27114  
project which the county, township, or municipal corporation 27115  
normally would be required to pay. 27116

(2) The director shall not utilize moneys in the highway 27117  
operating fund for a highway project in the manner described in 27118  
division (B) (1) of this section unless all of the following 27119  
apply: 27120

(a) The preliminary engineering design of the project is 27121  
complete, all necessary rights-of-way have been obtained, and 27122  
all federal, state, and local environmental studies and permits 27123  
have been performed or obtained; 27124

(b) The director of transportation has submitted the 27125  
proposed project to the director of housing and development for 27126  
an evaluation of the potential economic benefit to the area. The 27127  
county, township, or municipal corporation certifies to the 27128  
director of housing and development that the project will create 27129  
not less than five permanent living wage jobs. This requirement 27130  
shall be fulfilled during the three-year period following the 27131  
completion date of the project, and the county, township, or 27132  
municipal corporation may define the geographic area within 27133  
which the jobs will be created. 27134

(c) The quotient resulting from the division of the total 27135  
amount of moneys utilized to cover the portion of the 27136  
construction cost of the highway project that a county, 27137  
township, or municipal corporation would normally be required to 27138  
pay, divided by the number of permanent living wage jobs 27139  
certified to the director of housing and development by the 27140  
county, township, or municipal corporation pursuant to division 27141  
(B) (2) (b) of this section is less than or equal to ten thousand 27142  
dollars. 27143

(C) Upon a written determination by the director of 27144  
transportation that it would be in the best interests of the 27145  
traveling public, the director, upon the written request of a 27146  
county, township, or municipal corporation, may declare a waiver 27147  
of that portion of the cost of a highway project which the 27148  
county, township, or municipal corporation normally would be 27149  
required to pay. 27150

(D) The director of housing and development shall do all 27151  
of the following: 27152

(1) Review all requests submitted by a county, township, 27153  
or municipal corporation to the director of transportation 27154  
pursuant to division (B) of this section for the expenditure of 27155  
moneys from the highway operating fund; 27156

(2) Submit findings and recommendations to the director of 27157  
transportation upon completion of the review process; 27158

(3) Monitor the results of a highway project for which 27159  
moneys in the highway operating fund are utilized in order to 27160  
ascertain whether the number of permanent living wage jobs 27161  
certified to the director of transportation pursuant to division 27162  
(B) (2) (b) of this section actually are created as a result of 27163



the highway project within the three-year period following the 27164  
completion of the project, and submit reports relating to this 27165  
subject to the director as necessary. 27166

(E) The director of transportation may award eligible 27167  
federal funds or state general revenue funds to local units of 27168  
government, including regional transit authorities providing 27169  
public transportation service and metropolitan planning 27170  
organizations. These funds may be used for such purposes as 27171  
alleviating traffic congestion or improving air quality in 27172  
nonattainment areas of the state as defined by the "Clean Air 27173  
Act of 1990," 104 Stat. 2399, 42 U.S.C.A. 7401. The funds also 27174  
may be used to acquire or construct park-and-ride facilities, to 27175  
purchase traffic devices to improve vehicular flow, and for 27176  
other travel demand management activities that meet the mandates 27177  
of the Clean Air Act in nonattainment areas of the state. 27178

(F) As used in this section, "living wage job" means an 27179  
employment position paying an annual average gross wage amount 27180  
per full-time person of not less than twenty thousand dollars 27181  
per year. 27182

**Sec. 5703.0510.** (A) Notwithstanding any other provision of 27183  
the Revised Code that requires a taxpayer to provide a tax 27184  
credit certificate to the tax commissioner upon the 27185  
commissioner's request, any person claiming a credit against a 27186  
tax or fee administered by the commissioner shall provide a copy 27187  
of any accompanying certificate issued by the director of 27188  
housing and development services or by another state agency, if 27189  
applicable, demonstrating the person's eligibility for the 27190  
credit claimed. 27191

(B) If the commissioner prescribes a form for the purpose 27192  
of tracking the credits claimed by a person against any tax or 27193

fee administered by the commissioner, the person shall provide 27194  
the completed form and a copy of any certificate described in 27195  
division (A) of this section on or before the due date of the 27196  
return, report, or schedule for the tax or fee against which the 27197  
credit is claimed. 27198

(C) If a person fails to provide a certificate or form as 27199  
required under this section, the commissioner shall deny the 27200  
credit claimed by the person until such certificate or form is 27201  
provided to the commissioner. Any amount denied under this 27202  
section may be assessed in the same manner as the underlying tax 27203  
or fee. 27204

**Sec. 5709.12.** (A) As used in this section, "independent 27205  
living facilities" means any residential housing facilities and 27206  
related property that are not a nursing home, residential care 27207  
facility, or residential facility as defined in division (A) of 27208  
section 5701.13 of the Revised Code. 27209

(B) Lands, houses, and other buildings belonging to a 27210  
county, township, or municipal corporation and used exclusively 27211  
for the accommodation or support of the poor, or leased to the 27212  
state or any political subdivision for public purposes shall be 27213  
exempt from taxation. Real and tangible personal property 27214  
belonging to institutions that is used exclusively for 27215  
charitable purposes shall be exempt from taxation, including 27216  
real property belonging to an institution that is a nonprofit 27217  
corporation that receives a grant under the Thomas Alva Edison 27218  
grant program authorized by division (C) of section 122.33 of 27219  
the Revised Code at any time during the tax year and being held 27220  
for leasing or resale to others. If, at any time during a tax 27221  
year for which such property is exempted from taxation, the 27222  
corporation ceases to qualify for such a grant, the director of 27223

housing and development shall notify the tax commissioner, and 27224  
the tax commissioner shall cause the property to be restored to 27225  
the tax list beginning with the following tax year. All property 27226  
owned and used by a nonprofit organization exclusively for a 27227  
home for the aged, as defined in section 5701.13 of the Revised 27228  
Code, also shall be exempt from taxation. 27229

(C) (1) If a home for the aged described in division (B) (1) 27230  
of section 5701.13 of the Revised Code is operated in 27231  
conjunction with or at the same site as independent living 27232  
facilities, the exemption granted in division (B) of this 27233  
section shall include kitchen, dining room, clinic, entry ways, 27234  
maintenance and storage areas, and land necessary for access 27235  
commonly used by both residents of the home for the aged and 27236  
residents of the independent living facilities. Other facilities 27237  
commonly used by both residents of the home for the aged and 27238  
residents of independent living units shall be exempt from 27239  
taxation only if the other facilities are used primarily by the 27240  
residents of the home for the aged. Vacant land currently unused 27241  
by the home, and independent living facilities and the lands 27242  
connected with them are not exempt from taxation. Except as 27243  
provided in division (A) (1) of section 5709.121 of the Revised 27244  
Code, property of a home leased for nonresidential purposes is 27245  
not exempt from taxation. 27246

(2) Independent living facilities are exempt from taxation 27247  
if they are operated in conjunction with or at the same site as 27248  
a home for the aged described in division (B) (2) of section 27249  
5701.13 of the Revised Code; operated by a corporation, 27250  
association, or trust described in division (B) (1) (b) of that 27251  
section; operated exclusively for the benefit of members of the 27252  
corporation, association, or trust who are retired, aged, or 27253  
infirm; and provided to those members without charge in 27254

consideration of their service, without compensation, to a 27255  
charitable, religious, fraternal, or educational institution. 27256  
For the purposes of division (C)(2) of this section, 27257  
"compensation" does not include furnishing room and board, 27258  
clothing, health care, or other necessities, or stipends or 27259  
other de minimis payments to defray the cost thereof. 27260

(D)(1) A private corporation established under federal 27261  
law, as defined in 36 U.S.C. 1101, Pub. L. No. 102-199, 105 27262  
Stat. 1629, as amended, the objects of which include encouraging 27263  
the advancement of science generally, or of a particular branch 27264  
of science, the promotion of scientific research, the 27265  
improvement of the qualifications and usefulness of scientists, 27266  
or the increase and diffusion of scientific knowledge is 27267  
conclusively presumed to be a charitable or educational 27268  
institution. A private corporation established as a nonprofit 27269  
corporation under the laws of a state that is exempt from 27270  
federal income taxation under section 501(c)(3) of the Internal 27271  
Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C.A. 1, as amended, 27272  
and that has as its principal purpose one or more of the 27273  
foregoing objects also is conclusively presumed to be a 27274  
charitable or educational institution. 27275

The fact that an organization described in this division 27276  
operates in a manner that results in an excess of revenues over 27277  
expenses shall not be used to deny the exemption granted by this 27278  
section, provided such excess is used, or is held for use, for 27279  
exempt purposes or to establish a reserve against future 27280  
contingencies; and, provided further, that such excess may not 27281  
be distributed to individual persons or to entities that would 27282  
not be entitled to the tax exemptions provided by this chapter. 27283  
Nor shall the fact that any scientific information diffused by 27284  
the organization is of particular interest or benefit to any of 27285

its individual members be used to deny the exemption granted by 27286  
this section, provided that such scientific information is 27287  
available to the public for purchase or otherwise. 27288

(2) Division (D)(2) of this section does not apply to real 27289  
property exempted from taxation under this section and division 27290  
(A)(3) of section 5709.121 of the Revised Code and belonging to 27291  
a nonprofit corporation described in division (D)(1) of this 27292  
section that has received a grant under the Thomas Alva Edison 27293  
grant program authorized by division (C) of section 122.33 of 27294  
the Revised Code during any of the tax years the property was 27295  
exempted from taxation. 27296

When a private corporation described in division (D)(1) of 27297  
this section sells all or any portion of a tract, lot, or parcel 27298  
of real estate that has been exempt from taxation under this 27299  
section and section 5709.121 of the Revised Code, the portion 27300  
sold shall be restored to the tax list for the year following 27301  
the year of the sale and, except in connection with a sale and 27302  
transfer of such a tract, lot, or parcel to a county land 27303  
reutilization corporation organized under Chapter 1724. of the 27304  
Revised Code, a charge shall be levied against the sold property 27305  
in an amount equal to the tax savings on such property during 27306  
the four tax years preceding the year the property is placed on 27307  
the tax list. The tax savings equals the amount of the 27308  
additional taxes that would have been levied if such property 27309  
had not been exempt from taxation. 27310

The charge constitutes a lien of the state upon such 27311  
property as of the first day of January of the tax year in which 27312  
the charge is levied and continues until discharged as provided 27313  
by law. The charge may also be remitted for all or any portion 27314  
of such property that the tax commissioner determines is 27315

entitled to exemption from real property taxation for the year 27316  
such property is restored to the tax list under any provision of 27317  
the Revised Code, other than sections 725.02, 1728.10, 3735.67, 27318  
5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.71, 5709.73, 27319  
5709.78, and 5709.84, upon an application for exemption covering 27320  
the year such property is restored to the tax list filed under 27321  
section 5715.27 of the Revised Code. 27322

(E) (1) Real property held by an organization organized and 27323  
operated exclusively for charitable purposes as described under 27324  
section 501(c) (3) of the Internal Revenue Code and exempt from 27325  
federal taxation under section 501(a) of the Internal Revenue 27326  
Code, 26 U.S.C.A. 501(a) and (c) (3), as amended, for the purpose 27327  
of constructing or rehabilitating residences for eventual 27328  
transfer to qualified low-income families through sale, lease, 27329  
or land installment contract, shall be exempt from taxation. 27330

The exemption shall commence on the day title to the 27331  
property is transferred to the organization and shall continue 27332  
to the end of the tax year in which the organization transfers 27333  
title to the property to a qualified low-income family. In no 27334  
case shall the exemption extend beyond the second succeeding tax 27335  
year following the year in which the title was transferred to 27336  
the organization. If the title is transferred to the 27337  
organization and from the organization to a qualified low-income 27338  
family in the same tax year, the exemption shall continue to the 27339  
end of that tax year. The proportionate amount of taxes that are 27340  
a lien but not yet determined, assessed, and levied for the tax 27341  
year in which title is transferred to the organization shall be 27342  
remitted by the county auditor for each day of the year that 27343  
title is held by the organization. 27344

Upon transferring the title to another person, the 27345

organization shall file with the county auditor an affidavit 27346  
affirming that the title was transferred to a qualified low- 27347  
income family or that the title was not transferred to a 27348  
qualified low-income family, as the case may be; if the title 27349  
was transferred to a qualified low-income family, the affidavit 27350  
shall identify the transferee by name. If the organization 27351  
transfers title to the property to anyone other than a qualified 27352  
low-income family, the exemption, if it has not previously 27353  
expired, shall terminate, and the property shall be restored to 27354  
the tax list for the year following the year of the transfer and 27355  
a charge shall be levied against the property in an amount equal 27356  
to the amount of additional taxes that would have been levied if 27357  
such property had not been exempt from taxation. The charge 27358  
constitutes a lien of the state upon such property as of the 27359  
first day of January of the tax year in which the charge is 27360  
levied and continues until discharged as provided by law. 27361

The application for exemption shall be filed as otherwise 27362  
required under section 5715.27 of the Revised Code, except that 27363  
the organization holding the property shall file with its 27364  
application documentation substantiating its status as an 27365  
organization organized and operated exclusively for charitable 27366  
purposes under section 501(c)(3) of the Internal Revenue Code 27367  
and its qualification for exemption from federal taxation under 27368  
section 501(a) of the Internal Revenue Code, and affirming its 27369  
intention to construct or rehabilitate the property for the 27370  
eventual transfer to qualified low-income families. 27371

As used in this division, "qualified low-income family" 27372  
means a family whose income does not exceed two hundred per cent 27373  
of the official federal poverty guidelines as revised annually 27374  
in accordance with section 673(2) of the "Omnibus Budget 27375  
Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C.A. 9902, as 27376

amended, for a family size equal to the size of the family whose  
income is being determined.

(2) Real property constituting a retail store, including  
the land on which the retail store is located, that is owned and  
operated by an organization described in division (E)(1) of this  
section shall be exempt from taxation if the retail store sells  
primarily donated items suitable for residential housing  
purposes and if the proceeds of such sales are used solely for  
the purposes of the organization.

(F)(1) Real property that is acquired and held by a county  
land reutilization corporation organized under Chapter 1724. of  
the Revised Code and that is not exempt from taxation under  
Chapter 5722. of the Revised Code shall be deemed real property  
used for a public purpose and shall be exempt from taxation  
until sold or transferred by the corporation. Notwithstanding  
section 5715.27 of the Revised Code, a county land reutilization  
corporation is not required to apply to any county or state  
agency in order to qualify for the exemption.

(2) Real property that is acquired and held by an electing  
subdivision other than a county land reutilization corporation  
on or after April 9, 2009, for the public purpose of  
implementing an effective land reutilization program or for a  
related public purpose, and that is not exempt from taxation  
under Chapter 5722. of the Revised Code, shall be exempt from  
taxation until sold or transferred by the electing subdivision.  
Notwithstanding section 5715.27 of the Revised Code, an electing  
subdivision is not required to apply to any county or state  
agency in order to qualify for an exemption with respect to  
property acquired or held for such purposes on or after such  
date, regardless of how the electing subdivision acquires the



property. 27407

As used in this section, "electing subdivision" and "land 27408  
reutilization program" have the same meanings as in section 27409  
5722.01 of the Revised Code, and "county land reutilization 27410  
corporation" means a county land reutilization corporation 27411  
organized under Chapter 1724. of the Revised Code and any 27412  
subsidiary wholly owned by such a county land reutilization 27413  
corporation that is identified as "a wholly owned subsidiary of 27414  
a county land reutilization corporation" in the deed of 27415  
conveyance transferring title to the subsidiary. 27416

In lieu of the application for exemption otherwise 27417  
required to be filed as required under section 5715.27 of the 27418  
Revised Code, a county land reutilization corporation holding 27419  
the property shall, upon the request of any county or state 27420  
agency, submit its articles of incorporation substantiating its 27421  
status as a county land reutilization corporation. 27422

(G) Real property that is owned by an organization 27423  
described under section 501(c)(3) of the Internal Revenue Code 27424  
and exempt from federal income taxation under section 501(a) of 27425  
the Internal Revenue Code and that is used by that organization 27426  
exclusively for receiving, processing, or distributing human 27427  
blood, tissues, eyes, or organs or for research and development 27428  
thereof shall be exempt from taxation. 27429

(H) Real property that is owned by an organization 27430  
described under section 501(c)(3) of the Internal Revenue Code 27431  
and exempt from federal income taxation under section 501(a) of 27432  
the Internal Revenue Code and that received a loan from the 27433  
federal small business administration as a participating 27434  
intermediary in the federal microloan program under 15 U.S.C. 27435  
636(m) shall be exempt from taxation if the property is used by 27436

that organization primarily for small business lending, economic 27437  
development, job training, entrepreneur education, or associated 27438  
administrative purposes as such a participating intermediary. 27439

**Sec. 5709.211.** (A) Before issuing an exempt facility 27440  
certificate pursuant to section 5709.21 of the Revised Code, the 27441  
tax commissioner shall provide a copy of a properly completed 27442  
application to, and obtain the opinion of, one of the following 27443  
persons: 27444

(1) The director of environmental protection in the case 27445  
of an exempt facility described in division (B) or (F) of 27446  
section 5709.20 of the Revised Code or, when applicable, 27447  
division (L) of that section; 27448

(2) The director of natural resources in the case of an 27449  
exempt facility described in division (L) of section 5709.20 of 27450  
the Revised Code, when applicable; 27451

(3) The director of housing and development in the case of 27452  
an application for an exempt facility described in division (D), 27453  
(I), or (K) of section 5709.20 of the Revised Code. 27454

The opinion shall provide the commissioner with a 27455  
recommendation of whether the property is primarily designed, 27456  
constructed, installed, and used as an exempt facility. The 27457  
applicant shall provide additional information upon request by 27458  
the tax commissioner, the director of environmental protection, 27459  
the director of natural resources, or the director of housing 27460  
and development, and allow them to inspect the property listed 27461  
in the application for the purposes of sections 5709.20 to 27462  
5709.27 of the Revised Code. The tax commissioner shall provide 27463  
to the applicant a copy of the opinion issued by the director of 27464  
environmental protection, director of natural resources, or 27465

director of the department of housing and development, as 27466  
applicable. 27467

(B) The opinions of the director of the environmental 27468  
protection agency, the director of natural resources, and the 27469  
director of housing and development under division (A) of this 27470  
section or division (C) (4) of section 5709.22 of the Revised 27471  
Code are not final actions or orders subject to appeal. 27472

**Sec. 5709.212.** (A) With every application for an exempt 27473  
facility certificate filed pursuant to section 5709.21 of the 27474  
Revised Code, the applicant shall pay a fee equal to one-half of 27475  
one per cent of the total exempt facility project cost, not to 27476  
exceed two thousand dollars. If the director of environmental 27477  
protection is required to provide the opinion for an 27478  
application, the fee shall be credited to the non-Title V clean 27479  
air fund created in section 3704.035 of the Revised Code for use 27480  
in administering section 5709.211 of the Revised Code, unless 27481  
the application is for an industrial water pollution control 27482  
facility. In such a case, the fee shall be credited to the 27483  
surface water protection fund created in section 6111.038 of the 27484  
Revised Code for use in administering section 5709.211 of the 27485  
Revised Code. If the director of housing and development or 27486  
director of natural resources is required to provide the opinion 27487  
for an application, the fee for each exempt facility application 27488  
shall be credited to the exempt facility inspection fund, which 27489  
is hereby created in the state treasury, for appropriation to 27490  
the department of housing and development ~~services agency or~~ 27491  
department of natural resources, as applicable, for use in 27492  
administering section 5709.211 of the Revised Code. 27493

An applicant is not entitled to any tax exemption under 27494  
section 5709.25 of the Revised Code until the fee required by 27495

this section is paid. The fee required by this section is not 27496  
refundable, and is due with the application for an exempt 27497  
facility certificate even if an exempt facility certificate 27498  
ultimately is not issued or is withdrawn. Any application 27499  
submitted without payment of the fee shall be deemed incomplete 27500  
until the fee is paid. 27501

(B) The application fee imposed under division (A) of this 27502  
section for a jointly owned facility shall be equal to one-half 27503  
of one per cent of the total exempt facility project cost, not 27504  
to exceed two thousand dollars for each facility that is the 27505  
subject of the application. 27506

**Sec. 5709.22.** (A) After receiving an opinion from the 27507  
director of environmental protection, the director of natural 27508  
resources, or the director of housing and development, the tax 27509  
commissioner shall promptly ascertain if an application filed 27510  
under section 5709.21 of the Revised Code shall be allowed or 27511  
disallowed in whole or in part. The commissioner shall give 27512  
written notice of the proposed finding to the applicant and the 27513  
county auditor of the county in which the facility described in 27514  
the application is located. Within sixty days after sending 27515  
written notice of the proposed finding, the applicant or the 27516  
county auditor may file a request for reconsideration, in 27517  
writing, to the commissioner and may request that the 27518  
commissioner conduct a hearing on the application. If no request 27519  
for reconsideration is filed, the commissioner's proposed 27520  
findings shall be final and, if applicable, the commissioner 27521  
shall issue an exempt facility certificate, which shall not be 27522  
subject to appeal pursuant to section 5717.02 of the Revised 27523  
Code. 27524

(B) If a reconsideration of the tax commissioner's 27525

proposed finding is requested by the applicant or the county auditor, the commissioner shall notify the applicant and the auditor of the time and place of the hearing, which the commissioner may continue from time to time as the commissioner finds necessary. The commissioner also shall notify the environmental protection agency, department of natural resources, or department of housing and development, as applicable, of the hearing. The environmental protection agency, department of natural resources, or department of housing and development shall participate in the hearing if requested in writing by the commissioner, the applicant, or the county auditor. After conducting the hearing, the commissioner shall issue a final determination, with a copy of it served on the applicant and applicable county auditors in the manner prescribed by section 5703.37 of the Revised Code. The final determination is subject to appeal pursuant to section 5717.02 of the Revised Code. Once all appeals are exhausted, the commissioner shall issue, if applicable, the exempt facility certificate based on the outcome of the appeal.

(C) The tax commissioner, on the commissioner's own initiative or on complaint by the county auditor of any county in which property to which the exempt facility certificate relates is located, shall revoke the certificate, or modify it by restricting its operation, if it appears to the commissioner that any of the following has occurred:

(1) The certificate was obtained by fraud or misrepresentation;

(2) The holder of the certificate has failed substantially to proceed with the construction, reconstruction, installation, or acquisition of an exempt facility;

(3) The property to which the certificate relates has 27556  
ceased to be used as an exempt facility; 27557

(4) The tax commissioner issued the certificate in error. 27558  
As used in this section, "error" means any of the following: 27559

(a) A clerical or mathematical mistake; 27560

(b) When the commissioner agrees with an opinion from the 27561  
director of environmental protection, the director of natural 27562  
resources, or the director of housing and development that a 27563  
certificate should not have been issued; 27564

(c) When the tax commissioner determines that the issuance 27565  
of the certificate may have been improper as the result of a 27566  
final adjudication by the board of tax appeals, or by a court 27567  
with jurisdiction on appeal from that board, that is adverse to 27568  
the original exempt status of the facility, regardless of 27569  
whether the holder of the certificate was a party to such 27570  
adjudication. 27571

(D) If the revocation or modification of a certificate 27572  
under division (C) (4) of this section is an action found to be 27573  
frivolous for the purposes of section 5703.54 of the Revised 27574  
Code the certificate holder may claim damages as provided under 27575  
division (B) of that section. 27576

(E) Upon service of notice to the holder of an exempt 27577  
facility certificate, in the manner provided in section 5703.37 27578  
of the Revised Code, of the tax commissioner's revocation or 27579  
modification of the certificate under division (C) of this 27580  
section, the certificate shall cease to be in force or shall 27581  
remain in force only as modified, as the case may require. The 27582  
notice is subject to appeal under section 5717.02 of the Revised 27583  
Code. Once all appeals are exhausted, the commissioner shall 27584

issue a modified certificate, if applicable, and the holder of 27585  
the certificate shall be allowed to claim a refund within one 27586  
hundred eighty days, notwithstanding any other time limitation 27587  
provided by law of the taxes paid as a result of the certificate 27588  
being revoked or modified. 27589

**Sec. 5709.40.** (A) As used in this section: 27590

(1) "Blighted area" and "impacted city" have the same 27591  
meanings as in section 1728.01 of the Revised Code. 27592

(2) "Business day" means a day of the week excluding 27593  
Saturday, Sunday, and a legal holiday as defined under section 27594  
1.14 of the Revised Code. 27595

(3) "Housing renovation" means a project carried out for 27596  
residential purposes. 27597

(4) "Improvement" means the increase in the assessed value 27598  
of any real property that would first appear on the tax list and 27599  
duplicate of real and public utility property after the 27600  
effective date of an ordinance adopted under this section were 27601  
it not for the exemption granted by that ordinance. 27602

(5) "Incentive district" means an area not more than three 27603  
hundred acres in size enclosed by a continuous boundary in which 27604  
a project is being, or will be, undertaken and having one or 27605  
more of the following distress characteristics: 27606

(a) At least fifty-one per cent of the residents of the 27607  
district have incomes of less than eighty per cent of the median 27608  
income of residents of the political subdivision in which the 27609  
district is located, as determined in the same manner specified 27610  
under section 119(b) of the "Housing and Community Development 27611  
Act of 1974," 88 Stat. 633, 42 U.S.C. 5318, as amended; 27612

(b) The average rate of unemployment in the district 27613  
during the most recent twelve-month period for which data are 27614  
available is equal to at least one hundred fifty per cent of the 27615  
average rate of unemployment for this state for the same period. 27616

(c) At least twenty per cent of the people residing in the 27617  
district live at or below the poverty level as defined in the 27618  
federal Housing and Community Development Act of 1974, 42 U.S.C. 27619  
5301, as amended, and regulations adopted pursuant to that act. 27620

(d) The district is a blighted area. 27621

(e) The district is in a situational distress area as 27622  
designated by the director of housing and development under 27623  
division (F) of section 122.23 of the Revised Code. 27624

(f) As certified by the engineer for the political 27625  
subdivision, the public infrastructure serving the district is 27626  
inadequate to meet the development needs of the district as 27627  
evidenced by a written economic development plan or urban 27628  
renewal plan for the district that has been adopted by the 27629  
legislative authority of the subdivision. 27630

(g) The district is comprised entirely of unimproved land 27631  
that is located in a distressed area as defined in section 27632  
122.23 of the Revised Code. 27633

(6) "Overlay" means an area of not more than three hundred 27634  
acres that is a square, or that is a rectangle having two longer 27635  
sides that are not more than twice the length of the two shorter 27636  
sides, that the legislative authority of a municipal corporation 27637  
delineates on a map of a proposed incentive district. 27638

(7) "Project" means development activities undertaken on 27639  
one or more parcels, including, but not limited to, 27640  
construction, expansion, and alteration of buildings or 27641



structures, demolition, remediation, and site development, and 27642  
any building or structure that results from those activities. 27643

(8) "Public infrastructure improvement" includes, but is 27644  
not limited to, public roads and highways; water and sewer 27645  
lines; the continued maintenance of those public roads and 27646  
highways and water and sewer lines; environmental remediation; 27647  
land acquisition, including acquisition in aid of industry, 27648  
commerce, distribution, or research; demolition, including 27649  
demolition on private property when determined to be necessary 27650  
for economic development purposes; stormwater and flood 27651  
remediation projects, including such projects on private 27652  
property when determined to be necessary for public health, 27653  
safety, and welfare; the provision of gas, electric, and 27654  
communications service facilities, including the provision of 27655  
gas or electric service facilities owned by nongovernmental 27656  
entities when such improvements are determined to be necessary 27657  
for economic development purposes; the enhancement of public 27658  
waterways through improvements that allow for greater public 27659  
access; and off-street parking facilities, including those in 27660  
which all or a portion of the parking spaces are reserved for 27661  
specific uses when determined to be necessary for economic 27662  
development purposes. 27663

(9) "Nonperforming parcel" means a parcel to which all of 27664  
the following apply: 27665

(a) The parcel is exempted from taxation under division 27666  
(B) of this section or has been included in a district created 27667  
under division (C) of this section. 27668

(b) The parcel's owner is required to make payments in 27669  
lieu of taxes in accordance with section 5709.42 of the Revised 27670  
Code. 27671

(c) No such payments have been remitted to the county treasurer since the inception of the exemption or district.

(B) The legislative authority of a municipal corporation, by ordinance, may declare improvements to certain parcels of real property located in the municipal corporation to be a public purpose. Improvements with respect to a parcel that is used or to be used for residential purposes may be declared a public purpose under this division only if the parcel is located in a blighted area of an impacted city. For this purpose, "parcel that is used or to be used for residential purposes" means a parcel that, as improved, is used or to be used for purposes that would cause the tax commissioner to classify the parcel as residential property in accordance with rules adopted by the commissioner under section 5713.041 of the Revised Code. Except as otherwise provided under division (D) of this section or section 5709.51 of the Revised Code, not more than seventy-five per cent of an improvement thus declared to be a public purpose may be exempted from real property taxation for a period of not more than ten years. The ordinance shall specify the percentage of the improvement to be exempted from taxation and the life of the exemption.

An ordinance adopted or amended under this division shall designate the specific public infrastructure improvements made, to be made, or in the process of being made by the municipal corporation that directly benefit, or that once made will directly benefit, the parcels for which improvements are declared to be a public purpose. The service payments provided for in section 5709.42 of the Revised Code shall be used to finance the public infrastructure improvements designated in the ordinance, for the purpose described in division (D)(1) of this section or as provided in section 5709.43 of the Revised Code.

(C) (1) The legislative authority of a municipal corporation may adopt an ordinance creating an incentive district and declaring improvements to parcels within the district to be a public purpose and, except as provided in division (C) (2) of this section, exempt from taxation as provided in this section, but no legislative authority of a municipal corporation that has a population that exceeds twenty-five thousand, as shown by the most recent federal decennial census, shall adopt an ordinance that creates an incentive district if the sum of the taxable value of real property in the proposed district for the preceding tax year and the taxable value of all real property in the municipal corporation that would have been taxable in the preceding year were it not for the fact that the property was in an existing incentive district and therefore exempt from taxation exceeds twenty-five per cent of the taxable value of real property in the municipal corporation for the preceding tax year. The ordinance shall delineate the boundary of the proposed district and specifically identify each parcel within the district. A proposed district may not include any parcel, other than a nonperforming parcel, that is or has been exempted from taxation under division (B) of this section or that is or has been within another district created under this division. On and after the effective date of the district, a nonperforming parcel within the district is no longer exempted from taxation under division (B) of this section or included within an incentive district under any previous ordinance, and the parcel's owner is no longer required to make payments in lieu of taxes under such a previous ordinance in accordance with section 5709.42 of the Revised Code. Any exemption application filed with the tax commissioner under section 5715.27 of the Revised Code under the second ordinance shall identify the nonperforming parcels included in the second

district, the original ordinance under which the nonperforming 27735  
parcels were originally exempted, and the value history of each 27736  
nonperforming parcel since the enactment of the original 27737  
ordinance. An ordinance may create more than one such district, 27738  
and more than one ordinance may be adopted under division (C) (1) 27739  
of this section. 27740

(2) (a) Not later than thirty days prior to adopting an 27741  
ordinance under division (C) (1) of this section, if the 27742  
municipal corporation intends to apply for exemptions from 27743  
taxation under section 5709.911 of the Revised Code on behalf of 27744  
owners of real property located within the proposed incentive 27745  
district, the legislative authority of the municipal corporation 27746  
shall conduct a public hearing on the proposed ordinance. Not 27747  
later than thirty days prior to the public hearing, the 27748  
legislative authority shall give notice of the public hearing 27749  
and the proposed ordinance by first class mail to every real 27750  
property owner whose property is located within the boundaries 27751  
of the proposed incentive district that is the subject of the 27752  
proposed ordinance. The notice shall include a map of the 27753  
proposed incentive district on which the legislative authority 27754  
of the municipal corporation shall have delineated an overlay. 27755  
The notice shall inform the property owner of the owner's right 27756  
to exclude the owner's property from the incentive district if 27757  
the owner's entire parcel of property will not be located within 27758  
the overlay, by submitting a written response in accordance with 27759  
division (C) (2) (b) of this section. The notice also shall 27760  
include information detailing the required contents of the 27761  
response, the address to which the response may be mailed, and 27762  
the deadline for submitting the response. 27763

(b) Any owner of real property located within the 27764  
boundaries of an incentive district proposed under division (C) 27765

(1) of this section whose entire parcel of property is not 27766  
located within the overlay may exclude the property from the 27767  
proposed incentive district by submitting a written response to 27768  
the legislative authority of the municipal corporation not later 27769  
than forty-five days after the postmark date on the notice 27770  
required under division (C) (2) (a) of this section. The response 27771  
shall be sent by first class mail or delivered in person at a 27772  
public hearing held by the legislative authority under division 27773  
(C) (2) (a) of this section. The response shall conform to any 27774  
content requirements that may be established by the municipal 27775  
corporation and included in the notice provided under division 27776  
(C) (2) (a) of this section. In the response, property owners may 27777  
identify a parcel by street address, by the manner in which it 27778  
is identified in the ordinance, or by other means allowing the 27779  
identity of the parcel to be ascertained. 27780

(c) Before adopting an ordinance under division (C) (1) of 27781  
this section, the legislative authority of a municipal 27782  
corporation shall amend the ordinance to exclude any parcel 27783  
located wholly or partly outside the overlay for which a written 27784  
response has been submitted under division (C) (2) (b) of this 27785  
section. A municipal corporation shall not apply for exemptions 27786  
from taxation under section 5709.911 of the Revised Code for any 27787  
such parcel, and service payments may not be required from the 27788  
owner of the parcel. Improvements to a parcel excluded from an 27789  
incentive district under this division may be exempted from 27790  
taxation under division (B) of this section pursuant to an 27791  
ordinance adopted under that division or under any other section 27792  
of the Revised Code under which the parcel qualifies. 27793

(3) (a) An ordinance adopted under division (C) (1) of this 27794  
section shall specify the life of the incentive district and the 27795  
percentage of the improvements to be exempted, shall designate 27796

the public infrastructure improvements made, to be made, or in 27797  
the process of being made, that benefit or serve, or, once made, 27798  
will benefit or serve parcels in the district. The ordinance 27799  
also shall identify one or more specific projects being, or to 27800  
be, undertaken in the district that place additional demand on 27801  
the public infrastructure improvements designated in the 27802  
ordinance. The project identified may, but need not be, the 27803  
project under division (C) (3) (b) of this section that places 27804  
real property in use for commercial or industrial purposes. 27805  
Except as otherwise permitted under that division, the service 27806  
payments provided for in section 5709.42 of the Revised Code 27807  
shall be used to finance the designated public infrastructure 27808  
improvements, for the purpose described in division (D) (1), (E), 27809  
or (F) of this section, or as provided in section 5709.43 of the 27810  
Revised Code. 27811

An ordinance adopted under division (C) (1) of this section 27812  
on or after March 30, 2006, shall not designate police or fire 27813  
equipment as public infrastructure improvements, and no service 27814  
payment provided for in section 5709.42 of the Revised Code and 27815  
received by the municipal corporation under the ordinance shall 27816  
be used for police or fire equipment. 27817

(b) An ordinance adopted under division (C) (1) of this 27818  
section may authorize the use of service payments provided for 27819  
in section 5709.42 of the Revised Code for the purpose of 27820  
housing renovations within the incentive district, provided that 27821  
the ordinance also designates public infrastructure improvements 27822  
that benefit or serve the district, and that a project within 27823  
the district places real property in use for commercial or 27824  
industrial purposes. Service payments may be used to finance or 27825  
support loans, deferred loans, and grants to persons for the 27826  
purpose of housing renovations within the district. The 27827

ordinance shall designate the parcels within the district that 27828  
are eligible for housing renovation. The ordinance shall state 27829  
separately the amounts or the percentages of the expected 27830  
aggregate service payments that are designated for each public 27831  
infrastructure improvement and for the general purpose of 27832  
housing renovations. 27833

(4) Except with the approval of the board of education of 27834  
each city, local, or exempted village school district within the 27835  
territory of which the incentive district is or will be located, 27836  
and subject to division (E) of this section, the life of an 27837  
incentive district shall not exceed ten years, and the 27838  
percentage of improvements to be exempted shall not exceed 27839  
seventy-five per cent. With approval of the board of education, 27840  
the life of a district may be not more than thirty years, and 27841  
the percentage of improvements to be exempted may be not more 27842  
than one hundred per cent. The approval of a board of education 27843  
shall be obtained in the manner provided in division (D) of this 27844  
section. 27845

(D) (1) If the ordinance declaring improvements to a parcel 27846  
to be a public purpose or creating an incentive district 27847  
specifies that payments in lieu of taxes provided for in section 27848  
5709.42 of the Revised Code shall be paid to the city, local, or 27849  
exempted village, and joint vocational school district in which 27850  
the parcel or incentive district is located in the amount of the 27851  
taxes that would have been payable to the school district if the 27852  
improvements had not been exempted from taxation, the percentage 27853  
of the improvement that may be exempted from taxation may exceed 27854  
seventy-five per cent, and the exemption may be granted for up 27855  
to thirty years, without the approval of the board of education 27856  
as otherwise required under division (D) (2) of this section. 27857

(2) Improvements with respect to a parcel may be exempted 27858  
from taxation under division (B) of this section, and 27859  
improvements to parcels within an incentive district may be 27860  
exempted from taxation under division (C) of this section, for 27861  
up to ten years or, with the approval under this paragraph of 27862  
the board of education of the city, local, or exempted village 27863  
school district within which the parcel or district is located, 27864  
for up to thirty years. The percentage of the improvement 27865  
exempted from taxation may, with such approval, exceed seventy- 27866  
five per cent, but shall not exceed one hundred per cent. Not 27867  
later than forty-five business days prior to adopting an 27868  
ordinance under this section declaring improvements to be a 27869  
public purpose that is subject to approval by a board of 27870  
education under this division, the legislative authority shall 27871  
deliver to the board of education a notice stating its intent to 27872  
adopt an ordinance making that declaration. The notice regarding 27873  
improvements with respect to a parcel under division (B) of this 27874  
section shall identify the parcels for which improvements are to 27875  
be exempted from taxation, provide an estimate of the true value 27876  
in money of the improvements, specify the period for which the 27877  
improvements would be exempted from taxation and the percentage 27878  
of the improvement that would be exempted, and indicate the date 27879  
on which the legislative authority intends to adopt the 27880  
ordinance. The notice regarding improvements to parcels within 27881  
an incentive district under division (C) of this section shall 27882  
delineate the boundaries of the district, specifically identify 27883  
each parcel within the district, identify each anticipated 27884  
improvement in the district, provide an estimate of the true 27885  
value in money of each such improvement, specify the life of the 27886  
district and the percentage of improvements that would be 27887  
exempted, and indicate the date on which the legislative 27888  
authority intends to adopt the ordinance. The board of 27889



education, by resolution adopted by a majority of the board, may 27890  
approve the exemption for the period or for the exemption 27891  
percentage specified in the notice; may disapprove the exemption 27892  
for the number of years in excess of ten, may disapprove the 27893  
exemption for the percentage of the improvement to be exempted 27894  
in excess of seventy-five per cent, or both; or may approve the 27895  
exemption on the condition that the legislative authority and 27896  
the board negotiate an agreement providing for compensation to 27897  
the school district equal in value to a percentage of the amount 27898  
of taxes exempted in the eleventh and subsequent years of the 27899  
exemption period or, in the case of exemption percentages in 27900  
excess of seventy-five per cent, compensation equal in value to 27901  
a percentage of the taxes that would be payable on the portion 27902  
of the improvement in excess of seventy-five per cent were that 27903  
portion to be subject to taxation, or other mutually agreeable 27904  
compensation. If an agreement is negotiated between the 27905  
legislative authority and the board to compensate the school 27906  
district for all or part of the taxes exempted, including 27907  
agreements for payments in lieu of taxes under section 5709.42 27908  
of the Revised Code, the legislative authority shall compensate 27909  
the joint vocational school district within which the parcel or 27910  
district is located at the same rate and under the same terms 27911  
received by the city, local, or exempted village school 27912  
district. 27913

(3) The board of education shall certify its resolution to 27914  
the legislative authority not later than fourteen days prior to 27915  
the date the legislative authority intends to adopt the 27916  
ordinance as indicated in the notice. If the board of education 27917  
and the legislative authority negotiate a mutually acceptable 27918  
compensation agreement, the ordinance may declare the 27919  
improvements a public purpose for the number of years specified 27920

in the ordinance or, in the case of exemption percentages in 27921  
excess of seventy-five per cent, for the exemption percentage 27922  
specified in the ordinance. In either case, if the board and the 27923  
legislative authority fail to negotiate a mutually acceptable 27924  
compensation agreement, the ordinance may declare the 27925  
improvements a public purpose for not more than ten years, and 27926  
shall not exempt more than seventy-five per cent of the 27927  
improvements from taxation. If the board fails to certify a 27928  
resolution to the legislative authority within the time 27929  
prescribed by this division, the legislative authority thereupon 27930  
may adopt the ordinance and may declare the improvements a 27931  
public purpose for up to thirty years, or, in the case of 27932  
exemption percentages proposed in excess of seventy-five per 27933  
cent, for the exemption percentage specified in the ordinance. 27934  
The legislative authority may adopt the ordinance at any time 27935  
after the board of education certifies its resolution approving 27936  
the exemption to the legislative authority, or, if the board 27937  
approves the exemption on the condition that a mutually 27938  
acceptable compensation agreement be negotiated, at any time 27939  
after the compensation agreement is agreed to by the board and 27940  
the legislative authority. 27941

(4) If a board of education has adopted a resolution 27942  
waiving its right to approve exemptions from taxation under this 27943  
section and the resolution remains in effect, approval of 27944  
exemptions by the board is not required under division (D) of 27945  
this section. If a board of education has adopted a resolution 27946  
allowing a legislative authority to deliver the notice required 27947  
under division (D) of this section fewer than forty-five 27948  
business days prior to the legislative authority's adoption of 27949  
the ordinance, the legislative authority shall deliver the 27950  
notice to the board not later than the number of days prior to 27951

such adoption as prescribed by the board in its resolution. If a 27952  
board of education adopts a resolution waiving its right to 27953  
approve agreements or shortening the notification period, the 27954  
board shall certify a copy of the resolution to the legislative 27955  
authority. If the board of education rescinds such a resolution, 27956  
it shall certify notice of the rescission to the legislative 27957  
authority. 27958

(5) If the legislative authority is not required by 27959  
division (D) of this section to notify the board of education of 27960  
the legislative authority's intent to declare improvements to be 27961  
a public purpose, the legislative authority shall comply with 27962  
the notice requirements imposed under section 5709.83 of the 27963  
Revised Code, unless the board has adopted a resolution under 27964  
that section waiving its right to receive such a notice. 27965

(6) Nothing in division (D) of this section prohibits the 27966  
legislative authority of a municipal corporation from amending 27967  
the ordinance or resolution under section 5709.51 of the Revised 27968  
Code to extend the term of the exemption. 27969

(E) (1) If a proposed ordinance under division (C) (1) of 27970  
this section exempts improvements with respect to a parcel 27971  
within an incentive district for more than ten years, or the 27972  
percentage of the improvement exempted from taxation exceeds 27973  
seventy-five per cent, not later than forty-five business days 27974  
prior to adopting the ordinance the legislative authority of the 27975  
municipal corporation shall deliver to the board of county 27976  
commissioners of the county within which the incentive district 27977  
will be located a notice that states its intent to adopt an 27978  
ordinance creating an incentive district. The notice shall 27979  
include a copy of the proposed ordinance, identify the parcels 27980  
for which improvements are to be exempted from taxation, provide 27981

an estimate of the true value in money of the improvements, 27982  
specify the period of time for which the improvements would be 27983  
exempted from taxation, specify the percentage of the 27984  
improvements that would be exempted from taxation, and indicate 27985  
the date on which the legislative authority intends to adopt the 27986  
ordinance. 27987

(2) The board of county commissioners, by resolution 27988  
adopted by a majority of the board, may object to the exemption 27989  
for the number of years in excess of ten, may object to the 27990  
exemption for the percentage of the improvement to be exempted 27991  
in excess of seventy-five per cent, or both. If the board of 27992  
county commissioners objects, the board may negotiate a mutually 27993  
acceptable compensation agreement with the legislative 27994  
authority. In no case shall the compensation provided to the 27995  
board exceed the property taxes forgone due to the exemption. If 27996  
the board of county commissioners objects, and the board and 27997  
legislative authority fail to negotiate a mutually acceptable 27998  
compensation agreement, the ordinance adopted under division (C) 27999  
(1) of this section shall provide to the board compensation in 28000  
the eleventh and subsequent years of the exemption period equal 28001  
in value to not more than fifty per cent of the taxes that would 28002  
be payable to the county or, if the board's objection includes 28003  
an objection to an exemption percentage in excess of seventy- 28004  
five per cent, compensation equal in value to not more than 28005  
fifty per cent of the taxes that would be payable to the county, 28006  
on the portion of the improvement in excess of seventy-five per 28007  
cent, were that portion to be subject to taxation. The board of 28008  
county commissioners shall certify its resolution to the 28009  
legislative authority not later than thirty days after receipt 28010  
of the notice. 28011

(3) If the board of county commissioners does not object 28012

or fails to certify its resolution objecting to an exemption 28013  
within thirty days after receipt of the notice, the legislative 28014  
authority may adopt the ordinance, and no compensation shall be 28015  
provided to the board of county commissioners. If the board 28016  
timely certifies its resolution objecting to the ordinance, the 28017  
legislative authority may adopt the ordinance at any time after 28018  
a mutually acceptable compensation agreement is agreed to by the 28019  
board and the legislative authority, or, if no compensation 28020  
agreement is negotiated, at any time after the legislative 28021  
authority agrees in the proposed ordinance to provide 28022  
compensation to the board of fifty per cent of the taxes that 28023  
would be payable to the county in the eleventh and subsequent 28024  
years of the exemption period or on the portion of the 28025  
improvement in excess of seventy-five per cent, were that 28026  
portion to be subject to taxation. 28027

(F) Service payments in lieu of taxes that are 28028  
attributable to any amount by which the effective tax rate of 28029  
either a renewal levy with an increase or a replacement levy 28030  
exceeds the effective tax rate of the levy renewed or replaced, 28031  
or that are attributable to an additional levy, for a levy 28032  
authorized by the voters for any of the following purposes on or 28033  
after January 1, 2006, and which are provided pursuant to an 28034  
ordinance creating an incentive district under division (C)(1) 28035  
of this section that is adopted on or after January 1, 2006, or 28036  
a later date as specified in this division, shall be distributed 28037  
to the appropriate taxing authority as required under division 28038  
(C) of section 5709.42 of the Revised Code in an amount equal to 28039  
the amount of taxes from that additional levy or from the 28040  
increase in the effective tax rate of such renewal or 28041  
replacement levy that would have been payable to that taxing 28042  
authority from the following levies were it not for the 28043

exemption authorized under division (C) of this section:	28044
(1) A tax levied under division (L) of section 5705.19 or	28045
section 5705.191 or 5705.222 of the Revised Code for community	28046
developmental disabilities programs and services pursuant to	28047
Chapter 5126. of the Revised Code;	28048
(2) A tax levied under division (Y) of section 5705.19 of	28049
the Revised Code for providing or maintaining senior citizens	28050
services or facilities;	28051
(3) A tax levied under section 5705.22 of the Revised Code	28052
for county hospitals;	28053
(4) A tax levied by a joint-county district or by a county	28054
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	28055
for alcohol, drug addiction, and mental health services or	28056
facilities;	28057
(5) A tax levied under section 5705.23 of the Revised Code	28058
for library purposes;	28059
(6) A tax levied under section 5705.24 of the Revised Code	28060
for the support of children services and the placement and care	28061
of children;	28062
(7) A tax levied under division (Z) of section 5705.19 of	28063
the Revised Code for the provision and maintenance of zoological	28064
park services and facilities under section 307.76 of the Revised	28065
Code;	28066
(8) A tax levied under section 511.27 or division (H) of	28067
section 5705.19 of the Revised Code for the support of township	28068
park districts;	28069
(9) A tax levied under division (A), (F), or (H) of	28070
section 5705.19 of the Revised Code for parks and recreational	28071

purposes of a joint recreation district organized pursuant to 28072  
division (B) of section 755.14 of the Revised Code; 28073

(10) A tax levied under section 1545.20 or 1545.21 of the 28074  
Revised Code for park district purposes; 28075

(11) A tax levied under section 5705.191 of the Revised 28076  
Code for the purpose of making appropriations for public 28077  
assistance; human or social services; public relief; public 28078  
welfare; public health and hospitalization; and support of 28079  
general hospitals; 28080

(12) A tax levied under section 3709.29 of the Revised 28081  
Code for a general health district program. 28082

(13) A tax levied by a township under section 505.39, 28083  
division (I) of section 5705.19, or division (JJ) of section 28084  
5705.19 of the Revised Code to the extent the proceeds are used 28085  
for the purposes described in division (I) of that section, for 28086  
the purpose of funding fire, emergency medical, and ambulance 28087  
services as described in that section and those divisions. 28088  
Division (F)(13) of this section applies only if the township 28089  
levying the tax provides fire, emergency medical, or ambulance 28090  
services in the incentive district, and only to incentive 28091  
districts created by an ordinance adopted on or after the 28092  
effective date of the amendment of this section by H.B. 69 of 28093  
the 132nd general assembly, March 23, 2018. The board of 28094  
township trustees may, by resolution, waive the application of 28095  
this division or negotiate with the municipal corporation that 28096  
created the district for a lesser amount of payments in lieu of 28097  
taxes. 28098

(G) An exemption from taxation granted under this section 28099  
commences with the tax year specified in the ordinance so long 28100

as the year specified in the ordinance commences after the 28101  
effective date of the ordinance. If the ordinance specifies a 28102  
year commencing before the effective date of the resolution or 28103  
specifies no year whatsoever, the exemption commences with the 28104  
tax year in which an exempted improvement first appears on the 28105  
tax list and duplicate of real and public utility property and 28106  
that commences after the effective date of the ordinance. In 28107  
lieu of stating a specific year, the ordinance may provide that 28108  
the exemption commences in the tax year in which the value of an 28109  
improvement exceeds a specified amount or in which the 28110  
construction of one or more improvements is completed, provided 28111  
that such tax year commences after the effective date of the 28112  
ordinance. With respect to the exemption of improvements to 28113  
parcels under division (B) of this section, the ordinance may 28114  
allow for the exemption to commence in different tax years on a 28115  
parcel-by-parcel basis, with a separate exemption term specified 28116  
for each parcel. 28117

Except as otherwise provided in this division or section 28118  
5709.51 of the Revised Code, the exemption ends on the date 28119  
specified in the ordinance as the date the improvement ceases to 28120  
be a public purpose or the incentive district expires, or ends 28121  
on the date on which the public infrastructure improvements and 28122  
housing renovations are paid in full from the municipal public 28123  
improvement tax increment equivalent fund established under 28124  
division (A) of section 5709.43 of the Revised Code, whichever 28125  
occurs first. The exemption of an improvement with respect to a 28126  
parcel or within an incentive district may end on a later date, 28127  
as specified in the ordinance, if the legislative authority and 28128  
the board of education of the city, local, or exempted village 28129  
school district within which the parcel or district is located 28130  
have entered into a compensation agreement under section 5709.82 28131



of the Revised Code with respect to the improvement, and the 28132  
board of education has approved the term of the exemption under 28133  
division (D) (2) of this section, but in no case shall the 28134  
improvement be exempted from taxation for more than thirty 28135  
years. Exemptions shall be claimed and allowed in the same 28136  
manner as in the case of other real property exemptions. If an 28137  
exemption status changes during a year, the procedure for the 28138  
apportionment of the taxes for that year is the same as in the 28139  
case of other changes in tax exemption status during the year. 28140

(H) Additional municipal financing of public 28141  
infrastructure improvements and housing renovations may be 28142  
provided by any methods that the municipal corporation may 28143  
otherwise use for financing such improvements or renovations. If 28144  
the municipal corporation issues bonds or notes to finance the 28145  
public infrastructure improvements and housing renovations and 28146  
pledges money from the municipal public improvement tax 28147  
increment equivalent fund to pay the interest on and principal 28148  
of the bonds or notes, the bonds or notes are not subject to 28149  
Chapter 133. of the Revised Code. 28150

(I) The municipal corporation, not later than fifteen days 28151  
after the adoption of an ordinance under this section, shall 28152  
submit to the director of housing and development a copy of the 28153  
ordinance. On or before the thirty-first day of March of each 28154  
year, the municipal corporation shall submit a status report to 28155  
the director. The report shall indicate, in the manner 28156  
prescribed by the director, the progress of the project during 28157  
each year that an exemption remains in effect, including a 28158  
summary of the receipts from service payments in lieu of taxes; 28159  
expenditures of money from the funds created under section 28160  
5709.43 of the Revised Code; a description of the public 28161  
infrastructure improvements and housing renovations financed 28162

with such expenditures; and a quantitative summary of changes in 28163  
employment and private investment resulting from each project. 28164

(J) Nothing in this section shall be construed to prohibit 28165  
a legislative authority from declaring to be a public purpose 28166  
improvements with respect to more than one parcel. 28167

(K) If a parcel is located in a new community district in 28168  
which the new community authority imposes a community 28169  
development charge on the basis of rentals received from leases 28170  
of real property as described in division (L) (2) of section 28171  
349.01 of the Revised Code, the parcel may not be exempted from 28172  
taxation under this section. 28173

(L) (1) Notwithstanding the limitations on the life of an 28174  
incentive district and the number of years that improvements to 28175  
a parcel or parcels within an incentive district may be exempted 28176  
from taxation prescribed by divisions (C) and (D) of this 28177  
section, the legislative authority of a municipal corporation 28178  
may amend an ordinance originally adopted under division (C) of 28179  
this section before January 1, 2006, to extend the life of an 28180  
incentive district created by that ordinance. The extension 28181  
shall be for a period not to exceed fifteen years and shall not 28182  
increase the percentage of the value of improvements exempted 28183  
from taxation. 28184

(2) Before adopting an amendment authorized by division 28185  
(L) (1) of this section, the legislative authority of the 28186  
municipal corporation shall provide notice of the amendment to 28187  
each board of education of the city, local, or exempted village 28188  
school district in which the incentive district is located, in 28189  
the same manner as provided under division (D) of this section, 28190  
and shall obtain the approval of each such board in the manner 28191  
required under that division, except both of the following 28192

apply: 28193

(a) The board of education may approve the exemption on 28194  
the condition that the legislative authority and the board 28195  
negotiate an agreement providing for mutually agreeable 28196  
compensation to the school district. 28197

(b) If the board of education fails to certify a 28198  
resolution approving the amendment to the legislative authority 28199  
within the time prescribed by division (D) of this section, the 28200  
legislative authority shall not adopt the amendment authorized 28201  
under division (L) of this section. 28202

(3) No approval otherwise required by division (L) (2) of 28203  
this section shall be required from a board of education if 28204  
either of the following apply: 28205

(a) The amendment provides for compensation to the city, 28206  
local, or exempted village school district in which the 28207  
incentive district is located equal in value to the amount of 28208  
taxes that would be payable to the school district if the 28209  
improvements exempted from taxation had not been exempted for 28210  
the additional period. 28211

(b) The board of education has adopted a resolution 28212  
waiving its right to approve exemptions from taxation pursuant 28213  
to division (D) (4) of this section. If the board has adopted 28214  
such a resolution, the municipal corporation shall comply with 28215  
the notice requirements imposed by section 5709.83 of the 28216  
Revised Code before taking formal action to adopt an amendment 28217  
authorized under division (L) (1) of this section unless the 28218  
board has adopted a resolution under that section waiving its 28219  
right to receive that notice. 28220

(4) Not later than fourteen days before adopting an 28221

amendment authorized by division (L)(1) of this section, the 28222  
legislative authority of the municipal corporation shall deliver 28223  
a notice identical to a notice required under section 5709.83 of 28224  
the Revised Code to the board of county commissioners of each 28225  
county in which the incentive district is located. 28226

**Sec. 5709.41.** (A) As used in this section: 28227

(1) "Business day" means a day of the week excluding 28228  
Saturday, Sunday, and a legal holiday as defined under section 28229  
1.14 of the Revised Code. 28230

(2) "Improvement" means the increase in assessed value of 28231  
any parcel of property subsequent to the acquisition of the 28232  
parcel by a municipal corporation engaged in urban redevelopment 28233  
or by a township engaged in redevelopment. 28234

(B) The legislative authority of a municipal corporation 28235  
or township, by ordinance or resolution, may declare to be a 28236  
public purpose any improvement to a parcel of real property if 28237  
both of the following apply: 28238

(1) The municipal corporation or township held fee title 28239  
to the parcel prior to the adoption of the ordinance or 28240  
resolution; 28241

(2) The parcel is leased, or the fee of the parcel is 28242  
conveyed, to any person either before or after adoption of the 28243  
ordinance or resolution. 28244

Improvements used or to be used for residential purposes 28245  
may be declared a public purpose under this section only if the 28246  
parcel is located in a blighted area of an impacted city, in the 28247  
case of a municipal corporation, or in a blighted area, in the 28248  
case of a township, as those terms are defined in section 28249  
1728.01 of the Revised Code. For this purpose, "parcel that is 28250

used or to be used for residential purposes" means a parcel 28251  
that, as improved, is used or to be used for purposes that would 28252  
cause the tax commissioner to classify the parcel as residential 28253  
property in accordance with rules adopted by the commissioner 28254  
under section 5713.041 of the Revised Code. 28255

(C) Except as otherwise provided in division (C) (1), (2), 28256  
or (3) of this section, not more than seventy-five per cent of 28257  
an improvement thus declared to be a public purpose may be 28258  
exempted from real property taxation. The ordinance or 28259  
resolution shall specify the percentage of the improvement to be 28260  
exempted from taxation. If a parcel is located in a new 28261  
community district in which the new community authority imposes 28262  
a community development charge on the basis of rentals received 28263  
from leases of real property as described in division (L) (2) of 28264  
section 349.01 of the Revised Code, the parcel may not be 28265  
exempted from taxation under this section. 28266

(1) If the ordinance or resolution declaring improvements 28267  
to a parcel to be a public purpose specifies that payments in 28268  
lieu of taxes provided for in section 5709.42 or 5709.74 of the 28269  
Revised Code shall be paid to the city, local, or exempted 28270  
village school district in which the parcel is located in the 28271  
amount of the taxes that would have been payable to the school 28272  
district if the improvements had not been exempted from 28273  
taxation, the percentage of the improvement that may be exempted 28274  
from taxation may exceed seventy-five per cent, and the 28275  
exemption may be granted for up to thirty years, without the 28276  
approval of the board of education as otherwise required under 28277  
division (C) (2) of this section. 28278

(2) Improvements may be exempted from taxation for up to 28279  
ten years or, with the approval of the board of education of the 28280

city, local, or exempted village school district within the 28281  
territory of which the improvements are or will be located, for 28282  
up to thirty years. The percentage of the improvement exempted 28283  
from taxation may, with such approval, exceed seventy-five per 28284  
cent, but shall not exceed one hundred per cent. Not later than 28285  
forty-five business days prior to adopting an ordinance or 28286  
resolution under this section, the legislative authority shall 28287  
deliver to the board of education a notice stating its intent to 28288  
declare improvements to be a public purpose under this section. 28289  
The notice shall describe the parcel and the improvements, 28290  
provide an estimate of the true value in money of the 28291  
improvements, specify the period for which the improvements 28292  
would be exempted from taxation and the percentage of the 28293  
improvements that would be exempted, and indicate the date on 28294  
which the legislative authority intends to adopt the ordinance 28295  
or resolution. The board of education, by resolution adopted by 28296  
a majority of the board, may approve the exemption for the 28297  
period or for the exemption percentage specified in the notice, 28298  
may disapprove the exemption for the number of years in excess 28299  
of ten, may disapprove the exemption for the percentage of the 28300  
improvements to be exempted in excess of seventy-five per cent, 28301  
or both, or may approve the exemption on the condition that the 28302  
legislative authority and the board negotiate an agreement 28303  
providing for compensation to the school district equal in value 28304  
to a percentage of the amount of taxes exempted in the eleventh 28305  
and subsequent years of the exemption period, or, in the case of 28306  
exemption percentages in excess of seventy-five per cent, 28307  
compensation equal in value to a percentage of the taxes that 28308  
would be payable on the portion of the improvement in excess of 28309  
seventy-five per cent were that portion to be subject to 28310  
taxation. The board of education shall certify its resolution to 28311  
the legislative authority not later than fourteen days prior to 28312

the date the legislative authority intends to adopt the 28313  
ordinance or resolution as indicated in the notice. If the board 28314  
of education approves the exemption on the condition that a 28315  
compensation agreement be negotiated, the board in its 28316  
resolution shall propose a compensation percentage. If the board 28317  
of education and the legislative authority negotiate a mutually 28318  
acceptable compensation agreement, the ordinance or resolution 28319  
may declare the improvements a public purpose for the number of 28320  
years specified in the ordinance or resolution or, in the case 28321  
of exemption percentages in excess of seventy-five per cent, for 28322  
the exemption percentage specified in the ordinance or 28323  
resolution. In either case, if the board and the legislative 28324  
authority fail to negotiate a mutually acceptable compensation 28325  
agreement, the ordinance or resolution may declare the 28326  
improvements a public purpose for not more than ten years, but 28327  
shall not exempt more than seventy-five per cent of the 28328  
improvements from taxation. If the board fails to certify a 28329  
resolution to the legislative authority within the time 28330  
prescribed by this division, the legislative authority thereupon 28331  
may adopt the ordinance or resolution and may declare the 28332  
improvements a public purpose for up to thirty years. The 28333  
legislative authority may adopt the ordinance or resolution at 28334  
any time after the board of education certifies its resolution 28335  
approving the exemption to the legislative authority, or, if the 28336  
board approves the exemption on the condition that a mutually 28337  
acceptable compensation agreement be negotiated, at any time 28338  
after the compensation agreement is agreed to by the board and 28339  
the legislative authority. If a mutually acceptable compensation 28340  
agreement is negotiated between the legislative authority and 28341  
the board, including agreements for payments in lieu of taxes 28342  
under section 5709.42 or 5709.74 of the Revised Code, the 28343  
legislative authority shall compensate the joint vocational 28344

school district within the territory of which the improvements 28345  
are or will be located at the same rate and under the same terms 28346  
received by the city, local, or exempted village school 28347  
district. 28348

(3) If a board of education has adopted a resolution 28349  
waiving its right to approve exemptions from taxation and the 28350  
resolution remains in effect, approval of exemptions by the 28351  
board is not required under this division. If a board of 28352  
education has adopted a resolution allowing a legislative 28353  
authority to deliver the notice required under this division 28354  
fewer than forty-five business days prior to the legislative 28355  
authority's adoption of the ordinance or resolution, the 28356  
legislative authority shall deliver the notice to the board not 28357  
later than the number of days prior to such adoption as 28358  
prescribed by the board in its resolution. If a board of 28359  
education adopts a resolution waiving its right to approve 28360  
exemptions or shortening the notification period, the board 28361  
shall certify a copy of the resolution to the legislative 28362  
authority. If the board of education rescinds such a resolution, 28363  
it shall certify notice of the rescission to the legislative 28364  
authority. 28365

(4) If the legislative authority is not required by 28366  
division (C) (1), (2), or (3) of this section to notify the board 28367  
of education of the legislative authority's intent to declare 28368  
improvements to be a public purpose, the legislative authority 28369  
shall comply with the notice requirements imposed under section 28370  
5709.83 of the Revised Code, unless the board has adopted a 28371  
resolution under that section waiving its right to receive such 28372  
a notice. 28373

(5) Nothing in division (C) of this section prohibits the 28374



legislative authority of a municipal corporation or township 28375  
from amending the ordinance or resolution under section 5709.51 28376  
of the Revised Code to extend the term of the exemption. 28377

(D) An exemption granted under this section commences with 28378  
the tax year specified in the ordinance or resolution so long as 28379  
the year specified in the ordinance or resolution commences 28380  
after the effective date of the ordinance or resolution. If the 28381  
ordinance or resolution specifies a year commencing before the 28382  
effective date of the ordinance or resolution or specifies no 28383  
year, the exemption commences with the tax year in which an 28384  
exempted improvement first appears on the tax list and that 28385  
commences after the effective date of the ordinance or 28386  
resolution. In lieu of stating a specific year, the ordinance or 28387  
resolution may provide that the exemption commences in the tax 28388  
year in which the value of an improvement exceeds a specified 28389  
amount or in which the construction of one or more improvements 28390  
is completed, provided that such tax year commences after the 28391  
effective date of the ordinance or resolution. In lieu of 28392  
stating a specific year, the ordinance or resolution may allow 28393  
for the exemption to commence in different tax years on a 28394  
parcel-by-parcel basis, with a separate exemption term specified 28395  
for each parcel. The exemption ends on the date specified in the 28396  
ordinance or resolution as the date the improvement ceases to be 28397  
a public purpose. The exemption shall be claimed and allowed in 28398  
the same or a similar manner as in the case of other real 28399  
property exemptions. If an exemption status changes during a tax 28400  
year, the procedure for the apportionment of the taxes for that 28401  
year is the same as in the case of other changes in tax 28402  
exemption status during the year. 28403

(E) A municipal corporation or township, not later than 28404  
fifteen days after the adoption of an ordinance or resolution 28405

granting a tax exemption under this section, shall submit to the 28406  
director of housing and development a copy of the ordinance or 28407  
resolution. On or before the thirty-first day of March each 28408  
year, the municipal corporation or township shall submit a 28409  
status report to the director of housing and development 28410  
outlining the progress of the project during each year that the 28411  
exemption remains in effect. 28412

**Sec. 5709.45.** (A) As used in sections 5709.45 to 5709.47 28413  
of the Revised Code: 28414

(1) "Downtown redevelopment district" or "district" means 28415  
an area not more than ten acres enclosed by a continuous 28416  
boundary in which at least one historic building is being, or 28417  
will be, rehabilitated. 28418

(2) "Historic building" and "rehabilitation" have the same 28419  
meanings as in section 149.311 of the Revised Code. 28420

(3) "Public infrastructure improvement" has the same 28421  
meaning as in section 5709.40 of the Revised Code. 28422

(4) "Improvement" means the increase in the assessed value 28423  
of real property that would first appear on the tax list after 28424  
the effective date of an ordinance adopted under this section 28425  
were it not for the exemption granted by the ordinance. 28426

(5) "Innovation district" means an area located entirely 28427  
within a downtown redevelopment district, enclosed by a 28428  
continuous boundary, and equipped with a high-speed broadband 28429  
network capable of download speeds of at least one hundred 28430  
gigabits per second. 28431

(6) "Qualified business" means a business primarily 28432  
engaged, or primarily organized to engage, in a trade or 28433  
business that involves research and development, technology 28434

transfer, bio-technology, information technology, or the 28435  
application of new technology developed through research and 28436  
development or acquired through technology transfer. 28437

(7) "Information technology" means the branch of 28438  
technology devoted to the study and application of data and the 28439  
processing thereof; the automatic acquisition, storage, 28440  
manipulation or transformation, management, movement, control, 28441  
display, switching, interchange, transmission or reception of 28442  
data, and the development or use of hardware, software, 28443  
firmware, and procedures associated with this processing. 28444  
"Information technology" includes matters concerned with the 28445  
furtherance of computer science and technology, design, 28446  
development, installation, and implementation of information 28447  
systems and applications that in turn will be licensed or sold 28448  
to a specific target market. "Information technology" does not 28449  
include the creation of a distribution method for existing 28450  
products and services. 28451

(8) "Research and development" means designing, creating, 28452  
or formulating new or enhanced products, equipment, or 28453  
processes, and conducting scientific or technological inquiry 28454  
and experimentation in the physical sciences with the goal of 28455  
increasing scientific knowledge that may reveal the bases for 28456  
new or enhanced products, equipment, or processes. 28457

(9) "Technology transfer" means the transfer of technology 28458  
from one sector of the economy to another, including the 28459  
transfer of military technology to civilian applications, 28460  
civilian technology to military applications, or technology from 28461  
public or private research laboratories to military or civilian 28462  
applications. 28463

(B) For the purposes of promoting rehabilitation of 28464

historic buildings, creating jobs, and encouraging economic 28465  
development in commercial and mixed-use commercial and 28466  
residential areas, and for the purpose of funding transportation 28467  
improvements that will benefit such areas, the legislative 28468  
authority of a municipal corporation may adopt an ordinance 28469  
creating a downtown redevelopment district and declaring 28470  
improvements to parcels within the district to be a public 28471  
purpose and exempt from taxation. Downtown redevelopment 28472  
districts shall not be created in areas used exclusively for 28473  
residential purposes and shall not be utilized for development 28474  
or redevelopment of residential areas. 28475

The ordinance shall specify all of the following: 28476

(1) The boundary of the district; 28477

(2) The county treasurer's permanent parcel number 28478  
associated with each parcel included in the district; 28479

(3) The parcel or parcels within the district that include 28480  
a historic building that is being or will be rehabilitated; 28481

(4) The proposed life of the district; 28482

(5) An economic development plan for the district that 28483  
includes all of the following: 28484

(a) A statement describing the principal purposes and 28485  
goals to be served by creating the district; 28486

(b) An explanation of how the municipal corporation will 28487  
collaborate with businesses and property owners within the 28488  
district to develop strategies for achieving such purposes and 28489  
goals; 28490

(c) A plan for using the service payments provided for in 28491  
section 5709.46 of the Revised Code to promote economic 28492

development and job creation within the district. 28493

Not more than seventy per cent of improvements to parcels 28494  
within a downtown redevelopment district may be exempted from 28495  
taxation under this section. A district may not include a parcel 28496  
that is exempted from taxation under this section or section 28497  
5709.40 or 5709.41 of the Revised Code on the effective date of 28498  
the ordinance. Except as provided in division (F) of this 28499  
section, the life of a downtown redevelopment district shall not 28500  
exceed ten years. 28501

A municipal corporation may adopt more than one ordinance 28502  
under division (B) of this section. A single such ordinance may 28503  
create more than one downtown redevelopment district. 28504

(C) For the purposes of attracting and facilitating growth 28505  
of qualified businesses and supporting the economic development 28506  
efforts of business incubators and accelerators, the legislative 28507  
authority of a municipal corporation may designate an innovation 28508  
district within a proposed or existing downtown redevelopment 28509  
district. The life of the innovation district shall be identical 28510  
to the downtown redevelopment district in which the innovation 28511  
district is located. In addition to the requirements in division 28512  
(B) of this section, an ordinance creating a downtown 28513  
redemption district that includes an innovation district 28514  
shall specify all of the following: 28515

(1) The boundary of the innovation district; 28516

(2) The permanent parcel number associated with each 28517  
parcel included in the innovation district; 28518

(3) An economic development plan for the innovation 28519  
district that meets the criteria prescribed by division (B) (5) 28520  
of this section. 28521

(D) At least thirty days before adopting an ordinance 28522  
under division (B) of this section, the legislative authority of 28523  
the municipal corporation shall conduct a public hearing on the 28524  
proposed ordinance and the accompanying economic development 28525  
plan. At least thirty days before the public hearing, the 28526  
legislative authority shall give notice of the public hearing 28527  
and the proposed ordinance by first class mail to every real 28528  
property owner whose property is located within the boundaries 28529  
of the proposed district that is the subject of the proposed 28530  
ordinance. 28531

(E) Revenue derived from downtown redevelopment district 28532  
service payments may be used by the municipal corporation for 28533  
any of the following purposes: 28534

(1) To finance or support loans, deferred loans, or grants 28535  
to owners of historic buildings within the downtown 28536  
redemption district. Such loans or grants shall be awarded 28537  
upon the condition that the loan or grant amount may be used by 28538  
the owner only to rehabilitate the historic building. A 28539  
municipal corporation that awards a loan or grant under this 28540  
division shall develop a plan for tracking the loan or grant 28541  
recipient's use of the loan or grant and monitoring the progress 28542  
of the recipient's rehabilitation project. 28543

(2) To make contributions to a special improvement 28544  
district for use under section 1710.14 of the Revised Code, to a 28545  
community improvement corporation for use under section 1724.12 28546  
of the Revised Code, or to a nonprofit corporation, as defined 28547  
in section 1702.01 of the Revised Code, the primary purpose of 28548  
which is redeveloping historic buildings and historic districts 28549  
for use by the corporation to rehabilitate a historic building 28550  
within the downtown redevelopment district or to otherwise 28551

promote or enhance the district. Amounts contributed under 28552  
division (E) (2) of this section shall not exceed the property 28553  
tax revenue that would have been generated by twenty per cent of 28554  
the assessed value of the exempted improvements within the 28555  
downtown redevelopment district. 28556

(3) To finance or support loans to owners of one or more 28557  
buildings located within the district that do not qualify as 28558  
historic buildings. Such loans shall be awarded upon the 28559  
condition that the loan amount may be used by the owner only to 28560  
make repairs and improvements to the building or buildings. A 28561  
municipal corporation that awards a loan under this division 28562  
shall develop a plan for tracking the loan recipient's use of 28563  
the loan and monitoring the progress of the recipient's repairs 28564  
or improvements. 28565

(4) To finance public infrastructure improvements within 28566  
the downtown redevelopment district. If revenue generated by the 28567  
downtown redevelopment district will be used to finance public 28568  
infrastructure improvements, the economic development plan 28569  
described by division (B) (5) of this section shall identify 28570  
specific projects that are being or will be undertaken within 28571  
the district and describe how such infrastructure improvements 28572  
will accommodate additional demands on the existing 28573  
infrastructure within the district. A municipal corporation 28574  
shall not use service payments derived from a downtown 28575  
redemption district to repair or replace police or fire 28576  
equipment. 28577

(5) To finance or support loans, deferred loans, or grants 28578  
to qualified businesses or to incubators and accelerators that 28579  
provide services and capital to qualified businesses within an 28580  
innovation district. Such loans or grants shall be awarded upon 28581

the condition that the loan or grant shall be used by the 28582  
recipient to start or develop one or more qualified businesses 28583  
within the innovation district. A municipal corporation that 28584  
awards a loan or grant under this division shall develop a plan 28585  
for tracking the loan or grant recipient's use of the loan or 28586  
grant and monitoring the establishment and growth of the 28587  
qualified business. 28588

(F) Notwithstanding division (B) of this section, 28589  
improvements to parcels located within a downtown redevelopment 28590  
district may be exempted from taxation under this section for up 28591  
to thirty years if either of the following apply: 28592

(1) The ordinance creating the redevelopment district 28593  
specifies that payments in lieu of taxes shall be paid to the 28594  
city, local, or exempted village, and joint vocational school 28595  
district or districts in which the redevelopment district is 28596  
located in the amount of the taxes that would have been payable 28597  
to the school district or districts if the improvements had not 28598  
been exempted from taxation. 28599

(2) The municipal corporation creating the district 28600  
obtains the approval under division (G) of this section of the 28601  
board of education of each city, local, and exempted village 28602  
school district within which the district will be located. 28603

(G) (1) The legislative authority of a municipal 28604  
corporation seeking the approval of a school district for the 28605  
purpose of division (G) (2) of this section shall send notice of 28606  
the proposed ordinance to the school district not later than 28607  
forty-five business days before it intends to adopt the 28608  
ordinance. The notice shall include a copy of the proposed 28609  
ordinance and shall indicate the date on which the legislative 28610  
authority intends to adopt the ordinance. The board of education 28611



of the school district, by resolution adopted by a majority of 28612  
the board, may do any of the following: 28613

(a) Approve the exemption for the number of years 28614  
specified in the proposed ordinance; 28615

(b) Disapprove the exemption for the number of years in 28616  
excess of ten; 28617

(c) Approve the exemption on the condition that the 28618  
legislative authority and the board negotiate an agreement 28619  
providing for compensation to the school district equal in value 28620  
to a percentage of the amount of taxes exempted in the eleventh 28621  
and subsequent years of the exemption period or other mutually 28622  
agreeable compensation. If an agreement is negotiated under this 28623  
division, the legislative authority shall compensate all joint 28624  
vocational school districts within which the downtown 28625  
redevelopment district is located at the same rate and under the 28626  
same terms received by the city, local, or exempted village 28627  
school district. 28628

(2) The board of education shall certify a resolution 28629  
adopted under division (G) (1) of this section to the legislative 28630  
authority of the municipal corporation not later than fourteen 28631  
days before the date the legislative authority intends to adopt 28632  
the ordinance as indicated in the notice. If the board of 28633  
education approves the ordinance or negotiates a mutually 28634  
acceptable compensation agreement with the legislative 28635  
authority, the legislative authority may enact the ordinance in 28636  
its current form. If the board disapproves of the ordinance and 28637  
fails to negotiate a mutually acceptable compensation agreement 28638  
with the legislative authority, the legislative authority may 28639  
exempt improvements to parcels within the downtown redevelopment 28640  
district for not more than ten years. If the board fails to 28641

certify a resolution to the legislative authority within the 28642  
time prescribed by this division, the legislative authority may 28643  
adopt the ordinance and may exempt improvements to parcels 28644  
within the downtown redevelopment district for the period of 28645  
time specified in the notice delivered to the board of 28646  
education. The legislative authority may adopt the ordinance at 28647  
any time after the board of education certifies its resolution 28648  
approving the exemption to the legislative authority or, if the 28649  
board approves the exemption on the condition that a mutually 28650  
acceptable compensation agreement be negotiated, at any time 28651  
after the compensation agreement is agreed to by the board and 28652  
the legislative authority. 28653

(3) If a board of education has adopted a resolution 28654  
waiving its right to approve exemptions from taxation under this 28655  
section and the resolution remains in effect, approval of 28656  
exemptions by the board is not required under division (G) of 28657  
this section. If a board of education has adopted a resolution 28658  
allowing a legislative authority to deliver the notice required 28659  
under division (G) (1) of this section fewer than forty-five 28660  
business days before the legislative authority's adoption of the 28661  
ordinance, the legislative authority shall deliver the notice to 28662  
the board not later than the number of days before such adoption 28663  
as prescribed by the board in its resolution. If a board of 28664  
education adopts a resolution waiving its right to approve 28665  
agreements or shortening the notification period, the board 28666  
shall certify a copy of the resolution to the legislative 28667  
authority. If the board of education rescinds such a resolution, 28668  
it shall certify notice of the rescission to the legislative 28669  
authority. 28670

(4) If the legislative authority is not required by 28671  
division (G) of this section to notify the board of education of 28672

the legislative authority's intent to create a downtown 28673  
redevelopment district, the legislative authority shall comply 28674  
with the notice requirements imposed under section 5709.83 of 28675  
the Revised Code, unless the board has adopted a resolution 28676  
under that section waiving its right to receive such a notice. 28677

(H) Service payments in lieu of taxes that are 28678  
attributable to any amount by which the effective tax rate of 28679  
either a renewal levy with an increase or a replacement levy 28680  
exceeds the effective tax rate of the levy renewed or replaced, 28681  
or that are attributable to an additional levy, for a levy 28682  
authorized by the voters for any of the following purposes on or 28683  
after January 1, 2006, and which are provided pursuant to an 28684  
ordinance creating a downtown redevelopment district under 28685  
division (B) of this section shall be distributed to the 28686  
appropriate taxing authority as required under division (C) of 28687  
section 5709.46 of the Revised Code in an amount equal to the 28688  
amount of taxes from that additional levy or from the increase 28689  
in the effective tax rate of such renewal or replacement levy 28690  
that would have been payable to that taxing authority from the 28691  
following levies were it not for the exemption authorized under 28692  
division (B) of this section: 28693

(1) A tax levied under division (L) of section 5705.19 or 28694  
section 5705.191 of the Revised Code for community developmental 28695  
disabilities programs and services pursuant to Chapter 5126. of 28696  
the Revised Code; 28697

(2) A tax levied under division (Y) of section 5705.19 of 28698  
the Revised Code for providing or maintaining senior citizens 28699  
services or facilities; 28700

(3) A tax levied under section 5705.22 of the Revised Code 28701  
for county hospitals; 28702

(4) A tax levied by a joint-county district or by a county	28703
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	28704
for alcohol, drug addiction, and mental health services or	28705
facilities;	28706
(5) A tax levied under section 5705.23 of the Revised Code	28707
for library purposes;	28708
(6) A tax levied under section 5705.24 of the Revised Code	28709
for the support of children services and the placement and care	28710
of children;	28711
(7) A tax levied under division (Z) of section 5705.19 of	28712
the Revised Code for the provision and maintenance of zoological	28713
park services and facilities under section 307.76 of the Revised	28714
Code;	28715
(8) A tax levied under section 511.27 or division (H) of	28716
section 5705.19 of the Revised Code for the support of township	28717
park districts;	28718
(9) A tax levied under division (A), (F), or (H) of	28719
section 5705.19 of the Revised Code for parks and recreational	28720
purposes of a joint recreation district organized pursuant to	28721
division (B) of section 755.14 of the Revised Code;	28722
(10) A tax levied under section 1545.20 or 1545.21 of the	28723
Revised Code for park district purposes;	28724
(11) A tax levied under section 5705.191 of the Revised	28725
Code for the purpose of making appropriations for public	28726
assistance; human or social services; public relief; public	28727
welfare; public health and hospitalization; and support of	28728
general hospitals;	28729
(12) A tax levied under section 3709.29 of the Revised	28730

Code for a general health district program. 28731

(I) An exemption from taxation granted under this section 28732  
commences with the tax year specified in the ordinance so long 28733  
as the year specified in the ordinance commences after the 28734  
effective date of the ordinance. If the ordinance specifies a 28735  
year commencing before the effective date of the ordinance or 28736  
specifies no year whatsoever, the exemption commences with the 28737  
tax year in which an exempted improvement first appears on the 28738  
tax list and that commences after the effective date of the 28739  
ordinance. In lieu of stating a specific year, the ordinance may 28740  
provide that the exemption commences in the tax year in which 28741  
the value of an improvement exceeds a specified amount or in 28742  
which the construction of one or more improvements is completed, 28743  
provided that such tax year commences after the effective date 28744  
of the ordinance. 28745

Except as otherwise provided in this division, the 28746  
exemption ends on the date specified in the ordinance as the 28747  
date the improvement ceases to be a public purpose or the 28748  
downtown redevelopment district expires, whichever occurs first. 28749  
The exemption of an improvement within a downtown redevelopment 28750  
district may end on a later date, as specified in the ordinance, 28751  
if the legislative authority and the board of education of the 28752  
city, local, or exempted village school district within which 28753  
the parcel or district is located have entered into a 28754  
compensation agreement under section 5709.82 of the Revised Code 28755  
with respect to the improvement, and the board of education has 28756  
approved the term of the exemption under division (G) of this 28757  
section, but in no case shall the improvement be exempted from 28758  
taxation for more than thirty years. Exemptions shall be claimed 28759  
and allowed in the same manner as in the case of other real 28760  
property exemptions. If an exemption status changes during a 28761

year, the procedure for the apportionment of the taxes for that 28762  
year is the same as in the case of other changes in tax 28763  
exemption status during the year. 28764

(J) Additional municipal financing of the projects and 28765  
services described in division (E) of this section may be 28766  
provided by any methods that the municipal corporation may 28767  
otherwise use for financing such projects and services. If the 28768  
municipal corporation issues bonds or notes to finance such 28769  
projects and services and pledges money from the municipal 28770  
downtown redevelopment district fund to pay the interest on and 28771  
principal of the bonds or notes, the bonds or notes are not 28772  
subject to Chapter 133. of the Revised Code. 28773

(K) The municipal corporation, not later than fifteen days 28774  
after the adoption of an ordinance under this section, shall 28775  
submit to the director of housing and development ~~services~~ a 28776  
copy of the ordinance. On or before the thirty-first day of 28777  
March of each year, the municipal corporation shall submit a 28778  
status report to the director of housing and development— 28779  
~~services~~. The report shall indicate, in the manner prescribed by 28780  
the director, the progress of the projects and services during 28781  
each year that an exemption remains in effect, including a 28782  
summary of the receipts from service payments in lieu of taxes; 28783  
expenditures of money from the funds created under section 28784  
5709.47 of the Revised Code; a description of the projects and 28785  
services financed with such expenditures; and a quantitative 28786  
summary of changes in employment and private investment 28787  
resulting from each project and service. 28788

(L) Nothing in this section shall be construed to prohibit 28789  
a legislative authority from declaring to be a public purpose 28790  
improvements with respect to more than one parcel. 28791

(M) (1) The owner of real property located in a downtown redevelopment district may enter into an agreement with the municipal corporation that created the district to impose a redevelopment charge on the property to cover all or part of the cost of services, facilities, and improvements provided within the district under division (E) of this section. The agreement shall include the following:

(a) The amount of the redevelopment charge. The redevelopment charge may be a fixed dollar amount or an amount determined on the basis of the assessed valuation of the property or all or part of the profits, gross receipts, or other revenues of a business operating on the property, including rentals received from leases of the property. If the property is leased to one or more tenants, the redevelopment charge may be itemized as part of the lease rate.

(b) The termination date of the redevelopment charge. The redevelopment charge shall not be charged after the expiration or termination of the downtown redevelopment district.

(c) The terms by which the municipal corporation shall collect the redevelopment charge.

(d) The purposes for which the redevelopment charge may be used by the municipal corporation. The redevelopment charge shall be used only for those purposes described by division (E) of this section. The agreement may specify any or all of such purposes.

(2) Redevelopment charges collected by a municipal corporation under division (M) of this section shall be deposited to the municipal downtown redevelopment district fund created under section 5709.47 of the Revised Code.

(3) An agreement by a property owner under division (M) of 28821  
this section is hereby deemed to be a covenant running with the 28822  
land. The covenant is fully binding on behalf of and enforceable 28823  
by the municipal corporation against any person acquiring an 28824  
interest in the land and all of that person's successors and 28825  
assigns. 28826

(4) No purchase agreement for real estate or any interest 28827  
in real estate upon which a redevelopment charge is levied shall 28828  
be enforceable by the seller or binding upon the purchaser 28829  
unless the purchase agreement specifically refers to the 28830  
redevelopment charge. If a conveyance of such real estate or 28831  
interest in such real estate is made pursuant to a purchase 28832  
agreement that does not make such reference, the redevelopment 28833  
charge shall continue to be a covenant running with the land 28834  
fully binding on behalf of and enforceable by the municipal 28835  
corporation against the person accepting the conveyance pursuant 28836  
to the purchase agreement. 28837

(5) If a redevelopment charge is not paid when due, the 28838  
overdue amount shall be collected according to the terms of the 28839  
agreement. If the agreement does not specify a procedure for 28840  
collecting overdue redevelopment charges, the municipal 28841  
corporation may certify the charge to the county auditor. The 28842  
county auditor shall enter the unpaid charge on the tax list and 28843  
duplicate of real property opposite the parcel against which it 28844  
is charged and certify the charge to the county treasurer. The 28845  
unpaid redevelopment charge is a lien on property against which 28846  
it is charged from the date the charge is entered on the tax 28847  
list, and shall be collected in the manner provided for the 28848  
collection of real property taxes. Once the charge is collected, 28849  
it shall be paid immediately to the municipal corporation. 28850



**Sec. 5709.48.** (A) As used in this section and sections 28851  
5709.481, 5709.49, and 5709.50 of the Revised Code: 28852

(1) "Regional transportation improvement project" has the 28853  
same meaning as in section 5595.01 of the Revised Code. 28854

(2) "Improvements" means the increase in the assessed 28855  
value of any real property that would first appear on the tax 28856  
list and duplicate of real and public utility property after the 28857  
effective date of the resolution adopted under this section were 28858  
it not for the exemption granted by that resolution. 28859

(B) For the purposes described in division (A) of section 28860  
5595.06 of the Revised Code, the governing board of a regional 28861  
transportation improvement project that was undertaken pursuant 28862  
to section 5595.02 of the Revised Code before March 23, 2018, 28863  
may, by resolution, create a transportation financing district 28864  
and declare improvements to parcels within the district to be a 28865  
public purpose and exempt from taxation. 28866

(C) A transportation financing district shall consist of 28867  
all territory of all counties that are participants in the 28868  
regional transportation improvement project funded by the 28869  
district, except that the district shall not include parcels 28870  
used primarily for residential purposes, parcels that are 28871  
currently exempt from taxation under this section or section 28872  
5709.40, 5709.41, 5709.45, 5709.73, or 5709.77 of the Revised 28873  
Code, or parcels excluded from the district under division (G) 28874  
of this section. 28875

(D) A resolution creating a transportation financing 28876  
district shall specify all of the following: 28877

(1) The county treasurer's permanent parcel number 28878  
associated with each parcel included in the district; 28879

(2) (a) The percentage of improvements to be exempted from 28880  
taxation and the duration of the exemption. 28881

(b) Except as provided in division (E) of this section, 28882  
the percentage of improvements to be exempted shall not exceed 28883  
seventy-five per cent, and the duration of the exemption shall 28884  
not exceed ten years. 28885

(c) In no case may the life of the exemption exceed the 28886  
remaining number of years the cooperative agreement for the 28887  
regional transportation improvement district, described under 28888  
section 5595.03 of the Revised Code, is in effect. 28889

(3) A plan for the district that describes the principal 28890  
purposes and goals to be served by the district and explains how 28891  
the use of service payments provided for by section 5709.49 of 28892  
the Revised Code will economically benefit owners of property 28893  
within the district. 28894

(E) Subject to division (D) (2) (c) of this section, 28895  
improvements to parcels located in a transportation financing 28896  
district may be exempted from taxation for up to thirty years, 28897  
and the percentage of improvements that may be exempted may 28898  
equal up to one hundred per cent, if either of the following 28899  
apply: 28900

(1) The governing board, before adopting a resolution 28901  
under division (B) of this section, obtains the approval under 28902  
division (F) of this section of the board of education of each 28903  
city, local, and exempted village school district within the 28904  
territory of the proposed transportation financing district. 28905

(2) In the resolution creating the transportation 28906  
financing district, the governing board agrees to compensate 28907  
each city, local, or exempted village, and joint vocational 28908

school district or districts in which the transportation 28909  
financing district is located for the full amount of taxes that 28910  
would have been payable to the school district or districts if 28911  
the improvements had not been exempted from taxation. 28912

(F) (1) A governing board seeking the approval of a school 28913  
district for the purpose of division (E) (1) of this section 28914  
shall send notice of the proposed resolution to the school 28915  
district not later than forty-five business days before it 28916  
intends to adopt the resolution. The notice shall include a copy 28917  
of the proposed resolution and shall indicate the date on which 28918  
the governing board intends to adopt the resolution. 28919

The board of education, by resolution adopted by a 28920  
majority of the board, may approve the exemption for the period 28921  
or for the exemption percentage specified in the notice; may 28922  
disapprove the exemption for the number of years in excess of 28923  
ten, may disapprove the exemption for the percentage of the 28924  
improvements to be exempted in excess of seventy-five per cent, 28925  
or both; or may approve the exemption on the condition that the 28926  
governing board and the board of education negotiate an 28927  
agreement providing for compensation equal in value to a 28928  
percentage of the amount of taxes exempted or some other 28929  
mutually agreeable compensation. If a mutually acceptable 28930  
compensation agreement is negotiated between the governing board 28931  
and the board of education, the governing board shall compensate 28932  
the joint vocational school district within which the district 28933  
is located at the same rate and under the same terms received by 28934  
the city, local, or exempted village school district. 28935

(2) The board of education shall certify a resolution 28936  
adopted under division (F) (1) of this section to the governing 28937  
board not later than fourteen days before the date the governing 28938

board intends to adopt the resolution as indicated in the 28939  
notice. If the board of education approves the ordinance or 28940  
negotiates a mutually acceptable compensation agreement, the 28941  
governing board may enact the resolution in its current form. If 28942  
the board of education disapproves of the ordinance and fails to 28943  
negotiate a mutually acceptable compensation agreement, the 28944  
resolution is subject to the limitations prescribed by divisions 28945  
(D) (2) (b) and (c) of this section. If the board of education 28946  
fails to certify a resolution within the time prescribed by this 28947  
division, the governing board may adopt the resolution and 28948  
declare the improvements a public purpose for the period of time 28949  
specified in the resolution, or, in the case of exemption 28950  
percentages proposed in excess of seventy-five per cent, for the 28951  
exemption percentage specified in the resolution. 28952

The governing board may adopt the resolution at any time 28953  
after the board of education certifies its resolution approving 28954  
the exemption, or, if the board of education approves the 28955  
exemption on the condition that a mutually acceptable 28956  
compensation agreement be negotiated, at any time after the 28957  
compensation agreement is agreed to by the board of education 28958  
and the governing board. 28959

(3) A board of education may adopt a resolution waiving 28960  
its right to approve or receive notice of transportation 28961  
financing districts proposed under this section. If a board of 28962  
education has adopted such a resolution, the terms of that 28963  
resolution supersede the requirements of division (F) (1) of this 28964  
section. The governing board may negotiate an agreement with a 28965  
board of education providing for some mutually agreeable 28966  
compensation in exchange for the board of education adopting 28967  
such a resolution. If a board of education has adopted such an 28968  
ordinance or resolution, it shall certify a copy to the 28969

governing board. If the board of education rescinds such a 28970  
resolution, it shall certify notice of the rescission to the 28971  
governing board. 28972

(4) If the governing board is not required by division (F) 28973  
of this section to notify the board of education of the 28974  
governing board's intent to create a transportation financing 28975  
district, the governing board shall comply with the notice 28976  
requirements imposed under section 5709.83 of the Revised Code, 28977  
unless the board of education has adopted a resolution under 28978  
that section waiving its right to receive such a notice. 28979

(G) The governing board shall notify and obtain the 28980  
approval of every real property owner whose property is included 28981  
in the proposed transportation financing district. The approval 28982  
shall include a signed agreement between the property owner and 28983  
the governing board that specifies the projects and purposes for 28984  
which the service payments made by the owner under section 28985  
5709.49 of the Revised Code will be used. Such an agreement does 28986  
not supersede any compensation agreement between the governing 28987  
board and a school district under division (F) of this section. 28988  
If the property owner and the governing board do not reach an 28989  
agreement under this division, the parcel shall be excluded from 28990  
the district. 28991

(H) (1) Upon adopting a resolution creating a 28992  
transportation financing district, the governing board shall 28993  
send a copy of the resolution and documentation sufficient to 28994  
prove that the requirements of divisions (F) and (G) of this 28995  
section have been met to the director of housing and 28996  
development. The director shall evaluate the resolution and 28997  
documentation to determine if the governing board has fully 28998  
complied with the requirements of this section. If the director 28999

approves the resolution, the director shall send notice of 29000  
approval to the governing board. If the director does not 29001  
approve the resolution, the director shall send a notice of 29002  
denial to the governing board that includes the reason or 29003  
reasons for the denial. If the director does not make a 29004  
determination within ninety days after receiving a resolution 29005  
under this section, the director is deemed to have approved the 29006  
resolution. No resolution creating a transportation financing 29007  
district is effective without actual or constructive approval by 29008  
the director under this section. 29009

(2) An exemption from taxation granted under this section 29010  
commences with the tax year specified in the resolution so long 29011  
as the year specified in the resolution commences after the 29012  
effective date of the resolution. If the resolution specifies a 29013  
year commencing before the effective date of the resolution or 29014  
specifies no year whatsoever, the exemption commences with the 29015  
tax year in which an exempted improvement first appears on the 29016  
tax list and that commences after the effective date of the 29017  
resolution. 29018

(3) Except as otherwise provided in this division, the 29019  
exemption ends on the date specified in the resolution as the 29020  
date the improvement ceases to be a public purpose or the 29021  
regional transportation improvement project funded by the 29022  
service payments dissolves under section 5595.13 of the Revised 29023  
Code, whichever occurs first. Exemptions shall be claimed and 29024  
allowed in the same manner as in the case of other real property 29025  
exemptions. If an exemption status changes during a year, the 29026  
procedure for the apportionment of the taxes for that year is 29027  
the same as in the case of other changes in tax exemption status 29028  
during the year. 29029

(I) The resolution creating a transportation financing district may be amended at any time by majority vote of the governing board and with the approval of the director of housing and development obtained in the same manner as approval of the original resolution. Such an amendment may include adding a parcel to the district that was previously excluded under division (G) of this section, so long as the governing board and the owner of the parcel reach an agreement on the use of service payments as provided under that division.

**Sec. 5709.51.** (A) The legislative authority of a municipal corporation, a board of township trustees, or a board of county commissioners may amend or provide in an ordinance or resolution adopted in accordance with division (B) of section 5709.40, section 5709.41, division (B) of section 5709.73, or division (A) of section 5709.78 of the Revised Code, as applicable, to extend the exemption from taxation of improvements to the parcel or parcels designated in the ordinance or resolution for an additional period of not more than thirty years if all of the following conditions are met:

(1) Either (a) the service payments made pursuant to section 5709.42, 5709.74, or 5709.79 of the Revised Code by the owner or owners of the parcel or parcels designated in the ordinance or resolution exceeded one million five hundred thousand dollars in the calendar year preceding the adoption of the amendment or (b) the legislative authority of the municipal corporation, a board of township trustees, or a board of county commissioners determines that the service payments to be made pursuant to section 5709.42, 5709.74, or 5709.79 of the Revised Code by the owner or owners of the parcel or parcels designated in the ordinance or resolution will exceed one million five hundred thousand dollars in any future year.

(2) The service payments described in division (A) (1) of 29061  
this section did not exceed one million five hundred thousand 29062  
dollars in any calendar year before the calendar year 29063  
immediately preceding the adoption of the amendment. This 29064  
condition applies only to amendments adopted under this section 29065  
on or after January 1, 2024. 29066

(3) The amendment extending or the ordinance or resolution 29067  
approving the exemption provides for compensation to the city, 29068  
local, or exempted village school district in which the parcel 29069  
or parcels are located equal in value to the amount of taxes 29070  
that would be payable to the school district if the improvements 29071  
had not been exempted from taxation for the additional period. 29072

(B) Not later than fifteen days after adopting or amending 29073  
an ordinance or resolution under this section, the legislative 29074  
authority of the municipal corporation, board of township 29075  
trustees, or board of county commissioners shall send a copy of 29076  
the amendment to the director of housing and development. 29077

(C) The amendment to this section by H.B. 33 of the 135th 29078  
general assembly applies to any proceedings commenced after ~~the~~ 29079  
~~effective date of that amendment~~ October 3, 2023, and, insofar 29080  
as the amendment supports the actions taken, also applies to 29081  
proceedings that, on that date, are pending, in progress, or 29082  
completed, notwithstanding the applicable law previously in 29083  
effect or any provision to the contrary in a prior resolution, 29084  
ordinance, order, advertisement, notice, or other proceeding. 29085  
Any proceedings pending or in progress on ~~the effective date of~~ 29086  
~~that amendment~~ October 3, 2023, shall be deemed to have been 29087  
taken in conformity with that amendment. 29088

**Sec. 5709.61.** As used in sections 5709.61 to 5709.69 of 29089  
the Revised Code: 29090



(A) "Enterprise zone" or "zone" means any of the 29091  
following: 29092

(1) An area with a single continuous boundary designated 29093  
in the manner set forth in section 5709.62 or 5709.63 of the 29094  
Revised Code and certified by the director of housing and 29095  
development as having a population of at least four thousand 29096  
according to the best and most recent data available to the 29097  
director and having at least two of the following 29098  
characteristics: 29099

(a) It is located in a municipal corporation defined by 29100  
the United States office of management and budget as a principal 29101  
city of a metropolitan statistical area; 29102

(b) It is located in a county designated as being in the 29103  
"Appalachian region" under the "Appalachian Regional Development 29104  
Act of 1965," 79 Stat. 5, 40 App. U.S.C.A. 403, as amended; 29105

(c) Its average rate of unemployment, during the most 29106  
recent twelve-month period for which data are available, is 29107  
equal to at least one hundred twenty-five per cent of the 29108  
average rate of unemployment for the state of Ohio for the same 29109  
period; 29110

(d) There is a prevalence of commercial or industrial 29111  
structures in the area that are vacant or demolished, or are 29112  
vacant and the taxes charged thereon are delinquent, and 29113  
certification of the area as an enterprise zone would likely 29114  
result in the reduction of the rate of vacant or demolished 29115  
structures or the rate of tax delinquency in the area; 29116

(e) The population of all census tracts in the area, 29117  
according to the federal census of 2000, decreased by at least 29118  
ten per cent between the years 1980 and 2000; 29119

(f) At least fifty-one per cent of the residents of the  
area have incomes of less than eighty per cent of the median  
income of residents of the municipal corporation or municipal  
corporations in which the area is located, as determined in the  
same manner specified under section 119(b) of the "Housing and  
Community Development Act of 1974," 88 Stat. 633, 42 U.S.C.  
5318, as amended;

(g) The area contains structures previously used for  
industrial purposes, but currently not so used due to age,  
obsolescence, deterioration, relocation of the former occupant's  
operations, or cessation of operations resulting from  
unfavorable economic conditions either generally or in a  
specific economic sector;

(h) It is located within one or more adjacent city, local,  
or exempted village school districts, the income-weighted tax  
capacity of each of which is less than seventy per cent of the  
average of the income-weighted tax capacity of all city, local,  
or exempted village school districts in the state according to  
the most recent data available to the director from the  
department of taxation.

The director of housing and development shall adopt rules  
in accordance with Chapter 119. of the Revised Code establishing  
conditions constituting the characteristics described in  
divisions (A) (1) (d), (g), and (h) of this section.

If an area could not be certified as an enterprise zone  
unless it satisfied division (A) (1) (g) of this section, the  
legislative authority may enter into agreements in that zone  
under section 5709.62, 5709.63, or 5709.632 of the Revised Code  
only if such agreements result in the development of the  
facilities described in that division, the parcel of land on

which such facilities are situated, or adjacent parcels. The 29150  
director of housing and development annually shall review all 29151  
agreements in such zones to determine whether the agreements 29152  
have resulted in such development; if the director determines 29153  
that the agreements have not resulted in such development, the 29154  
director immediately shall revoke certification of the zone and 29155  
notify the legislative authority of such revocation. Any 29156  
agreements entered into prior to revocation under this paragraph 29157  
shall continue in effect for the period provided in the 29158  
agreement. 29159

(2) An area with a single continuous boundary designated 29160  
in the manner set forth in section 5709.63 of the Revised Code 29161  
and certified by the director of housing and development as 29162  
having all of the following characteristics: 29163

(a) Being located within a county that contains a 29164  
population of three hundred thousand or less; 29165

(b) Having a population of at least one thousand according 29166  
to the best and most recent data available to the director; 29167

(c) Having at least two of the characteristics described 29168  
in divisions (A)(1)(b) to (h) of this section. 29169

(3) An area with a single continuous boundary designated 29170  
in the manner set forth under division (A)(1) of section 29171  
5709.632 of the Revised Code and certified by the director of 29172  
housing and development as having a population of at least four 29173  
thousand, or under division (A)(2) of that section and certified 29174  
as having a population of at least one thousand, according to 29175  
the best and most recent data available to the director. 29176

(B) "Enterprise" means any form of business organization 29177  
including, but not limited to, any partnership, sole 29178

proprietorship, or corporation, including an S corporation as 29179  
defined in section 1361 of the Internal Revenue Code and any 29180  
corporation that is majority worker-owned either directly 29181  
through the ownership of stock or indirectly through 29182  
participation in an employee stock ownership plan. 29183

(C) "Facility" means an enterprise's place of business in 29184  
a zone, including land, buildings, machinery, equipment, and 29185  
other materials, except inventory, used in business. "Facility" 29186  
includes land, buildings, machinery, production and station 29187  
equipment, other equipment, and other materials, except 29188  
inventory, used in business to generate electricity, provided 29189  
that, for purposes of sections 5709.61 to 5709.69 of the Revised 29190  
Code, the value of the property at such a facility shall be 29191  
reduced by the value, if any, that is not apportioned under 29192  
section 5727.15 of the Revised Code to the taxing district in 29193  
which the facility is physically located. In the case of such a 29194  
facility that is physically located in two adjacent taxing 29195  
districts, the property located in each taxing district 29196  
constitutes a separate facility. 29197

"Facility" does not include any portion of an enterprise's 29198  
place of business used primarily for making retail sales unless 29199  
the place of business is located in an impacted city as defined 29200  
in section 1728.01 of the Revised Code or the board of education 29201  
of the city, local, or exempted village school district within 29202  
the territory of which the place of business is located adopts a 29203  
resolution waiving the exclusion of retail facilities under 29204  
section 5709.634 of the Revised Code. 29205

(D) "Vacant facility" means a facility that has been 29206  
vacant for at least ninety days immediately preceding the date 29207  
on which an agreement is entered into under section 5709.62 or 29208

5709.63 of the Revised Code. 29209

(E) "Expand" means to make expenditures to add land, 29210  
buildings, machinery, equipment, or other materials, except 29211  
inventory, to a facility that equal at least ten per cent of the 29212  
market value of the facility prior to such expenditures, as 29213  
determined for the purposes of local property taxation. 29214

(F) "Renovate" means to make expenditures to alter or 29215  
repair a facility that equal at least fifty per cent of the 29216  
market value of the facility prior to such expenditures, as 29217  
determined for the purposes of local property taxation. 29218

(G) "Occupy" means to make expenditures to alter or repair 29219  
a vacant facility equal to at least twenty per cent of the 29220  
market value of the facility prior to such expenditures, as 29221  
determined for the purposes of local property taxation. 29222

(H) "Project site" means all or any part of a facility 29223  
that is newly constructed, expanded, renovated, or occupied by 29224  
an enterprise. 29225

(I) "Project" means any undertaking by an enterprise to 29226  
establish a facility or to improve a project site by expansion, 29227  
renovation, or occupancy. 29228

(J) "Position" means the position of one full-time 29229  
employee performing a particular set of tasks and duties. 29230

(K) "Full-time employee" means an individual who is 29231  
employed for consideration by an enterprise for at least thirty- 29232  
five hours a week, or who renders any other standard of service 29233  
generally accepted by custom or specified by contract as full- 29234  
time employment. 29235

(L) "New employee" means a full-time employee first 29236

employed by an enterprise at a facility that is a project site 29237  
after the enterprise enters an agreement under section 5709.62 29238  
or 5709.63 of the Revised Code. "New employee" does not include 29239  
an employee if, immediately prior to being employed by the 29240  
enterprise, the employee was employed by an enterprise that is a 29241  
related member or predecessor enterprise of that enterprise. 29242

(M) "Unemployed person" means any person who is totally 29243  
unemployed in this state, as that term is defined in division 29244  
(M) of section 4141.01 of the Revised Code, for at least ten 29245  
consecutive weeks immediately preceding that person's employment 29246  
at a facility that is a project site, or who is so unemployed 29247  
for at least twenty-six of the fifty-two weeks immediately 29248  
preceding that person's employment at such a facility. 29249

(N) "JTPA eligible employee" means any individual who is 29250  
eligible for employment or training under the "Job Training 29251  
Partnership Act," 96 Stat. 1324 (1982), 29 U.S.C. 1501, as 29252  
amended. 29253

(O) "First used in business" means that the property 29254  
referred to has not been used in business in this state by the 29255  
enterprise that owns it, or by an enterprise that is a related 29256  
member or predecessor enterprise of such an enterprise, other 29257  
than as inventory, prior to being used in business at a facility 29258  
as the result of a project. 29259

(P) "Training program" means any noncredit training 29260  
program or course of study that is offered by any state college 29261  
or university; university branch district; community college; 29262  
technical college; nonprofit college or university certified 29263  
under section 1713.02 of the Revised Code; school district; 29264  
joint vocational school district; school registered and 29265  
authorized to offer programs under section 3332.05 of the 29266

Revised Code; an entity administering any federal, state, or 29267  
local adult education and training program; or any enterprise; 29268  
and that meets all of the following requirements: 29269

(1) It is approved by the director of housing and 29270  
development; 29271

(2) It is established or operated to satisfy the need of a 29272  
particular industry or enterprise for skilled or semi-skilled 29273  
employees; 29274

(3) An individual is required to complete the course or 29275  
program before filling a position at a project site. 29276

(Q) "Development" means to engage in the process of 29277  
clearing and grading land, making, installing, or constructing 29278  
water distribution systems, sewers, sewage collection systems, 29279  
steam, gas, and electric lines, roads, curbs, gutters, 29280  
sidewalks, storm drainage facilities, and construction of other 29281  
facilities or buildings equal to at least fifty per cent of the 29282  
market value of the facility prior to the expenditures, as 29283  
determined for the purposes of local property taxation. 29284

(R) "Large manufacturing facility" means a single Ohio 29285  
facility that employed an average of at least one thousand 29286  
individuals during the five calendar years preceding an 29287  
agreement authorized under division (C)(3) of section 5709.62 or 29288  
division (B)(2) of section 5709.63 of the Revised Code. For 29289  
purposes of this division, both of the following apply: 29290

(1) A single Ohio manufacturing facility employed an 29291  
average of at least one thousand individuals during the five 29292  
calendar years preceding entering into such an agreement if one- 29293  
fifth of the sum of the number of employees employed on the 29294  
highest employment day during each of the five calendar years 29295

equals or exceeds one thousand. 29296

(2) The highest employment day is the day or days during a 29297  
calendar year on which the number of employees employed at a 29298  
single Ohio manufacturing facility was greater than on any other 29299  
day during the calendar year. 29300

(S) "Business cycle" means the cycle of business activity 29301  
usually regarded as passing through alternating stages of 29302  
prosperity and depression. 29303

(T) "Making retail sales" means the effecting of point-of- 29304  
final-purchase transactions at a facility open to the consuming 29305  
public, wherein one party is obligated to pay the price and the 29306  
other party is obligated to provide a service or to transfer 29307  
title to or possession of the item sold. 29308

(U) "Environmentally contaminated" means that hazardous 29309  
substances exist at a facility under conditions that have caused 29310  
or would cause the facility to be identified as contaminated by 29311  
the state or federal environmental protection agency. These may 29312  
include facilities located at sites identified in the master 29313  
sites list or similar database maintained by the state 29314  
environmental protection agency if the sites have been 29315  
investigated by the agency and found to be contaminated. 29316

(V) "Remediate" means to make expenditures to clean up an 29317  
environmentally contaminated facility so that it is no longer 29318  
environmentally contaminated that equal at least ten per cent of 29319  
the real property market value of the facility prior to such 29320  
expenditures as determined for the purposes of property 29321  
taxation. 29322

(W) "Related member" has the same meaning as defined in 29323  
section 5733.042 of the Revised Code without regard to division 29324



(B) of that section, except that it is used with respect to an 29325  
enterprise rather than a taxpayer. 29326

(X) "Predecessor enterprise" means an enterprise from 29327  
which the assets or equity of another enterprise has been 29328  
transferred, which transfer resulted in the full or partial 29329  
nonrecognition of gain or loss, or resulted in a carryover 29330  
basis, both as determined by rule adopted by the tax 29331  
commissioner. 29332

(Y) "Successor enterprise" means an enterprise to which 29333  
the assets or equity of another enterprise has been transferred, 29334  
which transfer resulted in the full or partial nonrecognition of 29335  
gain or loss, or resulted in a carryover basis, both as 29336  
determined by rule adopted by the tax commissioner. 29337

(Z) "Megaproject," "megaproject operator," and 29338  
"megaproject supplier" have the same meanings as in section 29339  
122.17 of the Revised Code. 29340

**Sec. 5709.62.** (A) In any municipal corporation that is 29341  
defined by the United States office of management and budget as 29342  
a principal city of a metropolitan statistical area, the 29343  
legislative authority of the municipal corporation may designate 29344  
one or more areas within its municipal corporation as proposed 29345  
enterprise zones. Upon designating an area, the legislative 29346  
authority shall petition the director of housing and development 29347  
~~services~~ for certification of the area as having the 29348  
characteristics set forth in division (A)(1) of section 5709.61 29349  
of the Revised Code as amended by Substitute Senate Bill No. 19 29350  
of the 120th general assembly. Except as otherwise provided in 29351  
division (E) of this section, on and after July 1, 1994, 29352  
legislative authorities shall not enter into agreements under 29353  
this section unless the legislative authority has petitioned the 29354

director and the director has certified the zone under this 29355  
section as amended by that act; however, all agreements entered 29356  
into under this section as it existed prior to July 1, 1994, and 29357  
the incentives granted under those agreements shall remain in 29358  
effect for the period agreed to under those agreements. Within 29359  
sixty days after receiving such a petition, the director shall 29360  
determine whether the area has the characteristics set forth in 29361  
division (A)(1) of section 5709.61 of the Revised Code, and 29362  
shall forward the findings to the legislative authority of the 29363  
municipal corporation. If the director certifies the area as 29364  
having those characteristics, and thereby certifies it as a 29365  
zone, the legislative authority may enter into an agreement with 29366  
an enterprise under division (C) of this section. 29367

(B) Any enterprise that wishes to enter into an agreement 29368  
with a municipal corporation under division (C) of this section 29369  
shall submit a proposal to the legislative authority of the 29370  
municipal corporation on a form prescribed by the director of 29371  
housing and development services, together with the application 29372  
fee established under section 5709.68 of the Revised Code. The 29373  
form shall require the following information: 29374

(1) An estimate of the number of new employees whom the 29375  
enterprise intends to hire, or of the number of employees whom 29376  
the enterprise intends to retain, within the zone at a facility 29377  
that is a project site, and an estimate of the amount of payroll 29378  
of the enterprise attributable to these employees; 29379

(2) An estimate of the amount to be invested by the 29380  
enterprise to establish, expand, renovate, or occupy a facility, 29381  
including investment in new buildings, additions or improvements 29382  
to existing buildings, machinery, equipment, furniture, 29383  
fixtures, and inventory; 29384

(3) A listing of the enterprise's current investment, if 29385  
any, in a facility as of the date of the proposal's submission. 29386

The enterprise shall review and update the listings 29387  
required under this division to reflect material changes, and 29388  
any agreement entered into under division (C) of this section 29389  
shall set forth final estimates and listings as of the time the 29390  
agreement is entered into. The legislative authority may, on a 29391  
separate form and at any time, require any additional 29392  
information necessary to determine whether an enterprise is in 29393  
compliance with an agreement and to collect the information 29394  
required to be reported under section 5709.68 of the Revised 29395  
Code. 29396

(C) Upon receipt and investigation of a proposal under 29397  
division (B) of this section, if the legislative authority finds 29398  
that the enterprise submitting the proposal is qualified by 29399  
financial responsibility and business experience to create and 29400  
preserve employment opportunities in the zone and improve the 29401  
economic climate of the municipal corporation, the legislative 29402  
authority may do one of the following: 29403

(1) Enter into an agreement with the enterprise under 29404  
which the enterprise agrees to establish, expand, renovate, or 29405  
occupy a facility and hire new employees, or preserve employment 29406  
opportunities for existing employees, in return for one or more 29407  
of the following incentives: 29408

(a) Exemption for a specified number of years, not to 29409  
exceed fifteen, of a specified portion, up to seventy-five per 29410  
cent, of the assessed value of tangible personal property first 29411  
used in business at the project site as a result of the 29412  
agreement. If an exemption for inventory is specifically granted 29413  
in the agreement pursuant to this division, the exemption 29414

applies to inventory required to be listed pursuant to sections 29415  
5711.15 and 5711.16 of the Revised Code, except that, in the 29416  
instance of an expansion or other situations in which an 29417  
enterprise was in business at the facility prior to the 29418  
establishment of the zone, the inventory that is exempt is that 29419  
amount or value of inventory in excess of the amount or value of 29420  
inventory required to be listed in the personal property tax 29421  
return of the enterprise in the return for the tax year in which 29422  
the agreement is entered into. 29423

(b) Exemption for a specified number of years, not to 29424  
exceed fifteen, of a specified portion, up to seventy-five per 29425  
cent, of the increase in the assessed valuation of real property 29426  
constituting the project site subsequent to formal approval of 29427  
the agreement by the legislative authority; 29428

(c) Provision for a specified number of years, not to 29429  
exceed fifteen, of any optional services or assistance that the 29430  
municipal corporation is authorized to provide with regard to 29431  
the project site. 29432

(2) Enter into an agreement under which the enterprise 29433  
agrees to remediate an environmentally contaminated facility, to 29434  
spend an amount equal to at least two hundred fifty per cent of 29435  
the true value in money of the real property of the facility 29436  
prior to remediation as determined for the purposes of property 29437  
taxation to establish, expand, renovate, or occupy the 29438  
remediated facility, and to hire new employees or preserve 29439  
employment opportunities for existing employees at the 29440  
remediated facility, in return for one or more of the following 29441  
incentives: 29442

(a) Exemption for a specified number of years, not to 29443  
exceed fifteen, of a specified portion, not to exceed fifty per 29444

cent, of the assessed valuation of the real property of the 29445  
facility prior to remediation; 29446

(b) Exemption for a specified number of years, not to 29447  
exceed fifteen, of a specified portion, not to exceed one 29448  
hundred per cent, of the increase in the assessed valuation of 29449  
the real property of the facility during or after remediation; 29450

(c) The incentive under division (C) (1) (a) of this 29451  
section, except that the percentage of the assessed value of 29452  
such property exempted from taxation shall not exceed one 29453  
hundred per cent; 29454

(d) The incentive under division (C) (1) (c) of this 29455  
section. 29456

(3) Enter into an agreement with an enterprise that plans 29457  
to purchase and operate a large manufacturing facility that has 29458  
ceased operation or announced its intention to cease operation, 29459  
in return for exemption for a specified number of years, not to 29460  
exceed fifteen, of a specified portion, up to one hundred per 29461  
cent, of the assessed value of tangible personal property used 29462  
in business at the project site as a result of the agreement, or 29463  
of the assessed valuation of real property constituting the 29464  
project site, or both; 29465

(4) Enter into an agreement with an enterprise that either 29466  
is the owner of real property constituting the site of a 29467  
megaproject or is a megaproject supplier in return for an 29468  
exemption for a specified number of years, not to exceed thirty, 29469  
of a specified portion, up to one hundred per cent, of the 29470  
increase in the assessed value of real property constituting the 29471  
site of a megaproject or real property owned and occupied by the 29472  
megaproject supplier, respectively, beginning after the tax year 29473

in which the agreement is formally approved by the legislative 29474  
authority. 29475

(D) (1) Notwithstanding divisions (C) (1) (a) and (b) of this 29476  
section, the portion of the assessed value of tangible personal 29477  
property or of the increase in the assessed valuation of real 29478  
property exempted from taxation under those divisions may exceed 29479  
seventy-five per cent in any year for which that portion is 29480  
exempted if the average percentage exempted for all years in 29481  
which the agreement is in effect does not exceed sixty per cent, 29482  
or if the board of education of the city, local, or exempted 29483  
village school district within the territory of which the 29484  
property is or will be located approves a percentage in excess 29485  
of seventy-five per cent. 29486

(2) Notwithstanding any provision of the Revised Code to 29487  
the contrary, the exemptions described in divisions (C) (1) (a), 29488  
(b), and (c), (C) (2) (a), (b), and (c), and (C) (3) of this 29489  
section may be for up to fifteen years and the exemption 29490  
described in division (C) (4) of this section may be for up to 29491  
thirty years if the board of education of the city, local, or 29492  
exempted village school district within the territory of which 29493  
the property is or will be located approves a number of years in 29494  
excess of ten. 29495

(3) For the purpose of obtaining the approval of a city, 29496  
local, or exempted village school district under division (D) (1) 29497  
or (2) of this section, the legislative authority shall deliver 29498  
to the board of education a notice not later than forty-five 29499  
days prior to approving the agreement, excluding Saturdays, 29500  
Sundays, and legal holidays as defined in section 1.14 of the 29501  
Revised Code. The notice shall state the percentage to be 29502  
exempted, an estimate of the true value of the property to be 29503

exempted, and the number of years the property is to be 29504  
exempted. The board of education, by resolution adopted by a 29505  
majority of the board, shall approve or disapprove the agreement 29506  
and certify a copy of the resolution to the legislative 29507  
authority not later than fourteen days prior to the date 29508  
stipulated by the legislative authority as the date upon which 29509  
approval of the agreement is to be formally considered by the 29510  
legislative authority. The board of education may include in the 29511  
resolution conditions under which the board would approve the 29512  
agreement, including the execution of an agreement to compensate 29513  
the school district under division (B) of section 5709.82 of the 29514  
Revised Code. The legislative authority may approve the 29515  
agreement at any time after the board of education certifies its 29516  
resolution approving the agreement to the legislative authority, 29517  
or, if the board approves the agreement conditionally, at any 29518  
time after the conditions are agreed to by the board and the 29519  
legislative authority. If an agreement is negotiated between the 29520  
legislative authority and the board to compensate the school 29521  
district for all or part of the taxes exempted, the legislative 29522  
authority shall compensate the joint vocational school district 29523  
within which the property is located at the same rate and under 29524  
the same terms received by the city, local, or exempted village 29525  
school district. 29526

If a board of education has adopted a resolution waiving 29527  
its right to approve agreements and the resolution remains in 29528  
effect, approval of an agreement by the board is not required 29529  
under this division. If a board of education has adopted a 29530  
resolution allowing a legislative authority to deliver the 29531  
notice required under this division fewer than forty-five 29532  
business days prior to the legislative authority's approval of 29533  
the agreement, the legislative authority shall deliver the 29534

notice to the board not later than the number of days prior to 29535  
such approval as prescribed by the board in its resolution. If a 29536  
board of education adopts a resolution waiving its right to 29537  
approve agreements or shortening the notification period, the 29538  
board shall certify a copy of the resolution to the legislative 29539  
authority. If the board of education rescinds such a resolution, 29540  
it shall certify notice of the rescission to the legislative 29541  
authority. 29542

(4) The legislative authority shall comply with section 29543  
5709.83 of the Revised Code unless the board of education has 29544  
adopted a resolution under that section waiving its right to 29545  
receive such notice. 29546

(E) This division applies to zones certified by the 29547  
director of housing and development services—under this section 29548  
prior to July 22, 1994. 29549

The legislative authority that designated a zone to which 29550  
this division applies may enter into an agreement with an 29551  
enterprise if the legislative authority finds that the 29552  
enterprise satisfies one of the criteria described in divisions 29553  
(E) (1) to (5) of this section: 29554

(1) The enterprise currently has no operations in this 29555  
state and, subject to approval of the agreement, intends to 29556  
establish operations in the zone; 29557

(2) The enterprise currently has operations in this state 29558  
and, subject to approval of the agreement, intends to establish 29559  
operations at a new location in the zone that would not result 29560  
in a reduction in the number of employee positions at any of the 29561  
enterprise's other locations in this state; 29562

(3) The enterprise, subject to approval of the agreement, 29563



intends to relocate operations, currently located in another 29564  
state, to the zone; 29565

(4) The enterprise, subject to approval of the agreement, 29566  
intends to expand operations at an existing site in the zone 29567  
that the enterprise currently operates; 29568

(5) The enterprise, subject to approval of the agreement, 29569  
intends to relocate operations, currently located in this state, 29570  
to the zone, and the director of housing and development 29571  
~~services~~ has issued a waiver for the enterprise under division 29572  
(B) of section 5709.633 of the Revised Code. 29573

The agreement shall require the enterprise to agree to 29574  
establish, expand, renovate, or occupy a facility in the zone 29575  
and hire new employees, or preserve employment opportunities for 29576  
existing employees, in return for one or more of the incentives 29577  
described in division (C) of this section. 29578

(F) All agreements entered into under this section shall 29579  
be in the form prescribed under section 5709.631 of the Revised 29580  
Code. After an agreement is entered into under this section, if 29581  
the legislative authority revokes its designation of a zone, or 29582  
if the director of housing and development ~~services~~ revokes a 29583  
zone's certification, any entitlements granted under the 29584  
agreement shall continue for the number of years specified in 29585  
the agreement. 29586

(G) Except as otherwise provided in this division, an 29587  
agreement entered into under this section shall require that the 29588  
enterprise pay an annual fee equal to the greater of one per 29589  
cent of the dollar value of incentives offered under the 29590  
agreement or five hundred dollars; provided, however, that if 29591  
the value of the incentives exceeds two hundred fifty thousand 29592

dollars, the fee shall not exceed two thousand five hundred 29593  
dollars. The fee shall be payable to the legislative authority 29594  
once per year for each year the agreement is effective on the 29595  
days and in the form specified in the agreement. Fees paid shall 29596  
be deposited in a special fund created for such purpose by the 29597  
legislative authority and shall be used by the legislative 29598  
authority exclusively for the purpose of complying with section 29599  
5709.68 of the Revised Code and by the tax incentive review 29600  
council created under section 5709.85 of the Revised Code 29601  
exclusively for the purposes of performing the duties prescribed 29602  
under that section. The legislative authority may waive or 29603  
reduce the amount of the fee charged against an enterprise, but 29604  
such a waiver or reduction does not affect the obligations of 29605  
the legislative authority or the tax incentive review council to 29606  
comply with section 5709.68 or 5709.85 of the Revised Code. 29607

(H) When an agreement is entered into pursuant to this 29608  
section, the legislative authority authorizing the agreement 29609  
shall forward a copy of the agreement to the director of housing 29610  
and development services and to the tax commissioner within 29611  
fifteen days after the agreement is entered into. If any 29612  
agreement includes terms not provided for in section 5709.631 of 29613  
the Revised Code affecting the revenue of a city, local, 29614  
exempted village, or joint vocational school district or causing 29615  
revenue to be forgone by the district, including any 29616  
compensation to be paid to the school district pursuant to 29617  
section 5709.82 of the Revised Code, those terms also shall be 29618  
forwarded in writing to the director of housing and development 29619  
~~services~~ along with the copy of the agreement forwarded under 29620  
this division. 29621

(I) After an agreement is entered into, the enterprise 29622  
shall file with each personal property tax return required to be 29623

filed, or annual report required to be filed under section 29624  
5727.08 of the Revised Code, while the agreement is in effect, 29625  
an informational return, on a form prescribed by the tax 29626  
commissioner for that purpose, setting forth separately the 29627  
property, and related costs and values, exempted from taxation 29628  
under the agreement. 29629

(J) Enterprises may agree to give preference to residents 29630  
of the zone within which the agreement applies relative to 29631  
residents of this state who do not reside in the zone when 29632  
hiring new employees under the agreement. 29633

(K) An agreement entered into under this section may 29634  
include a provision requiring the enterprise to create one or 29635  
more temporary internship positions for students enrolled in a 29636  
course of study at a school or other educational institution in 29637  
the vicinity, and to create a scholarship or provide another 29638  
form of educational financial assistance for students holding 29639  
such a position in exchange for the student's commitment to work 29640  
for the enterprise at the completion of the internship. 29641

(L) The tax commissioner's authority in determining the 29642  
accuracy of any exemption granted by an agreement entered into 29643  
under this section is limited to divisions (C) (1) (a) and (b), 29644  
(C) (2) (a), (b), and (c), (C) (3) and (4), (D), and (I) of this 29645  
section and divisions (B) (1) to (10) of section 5709.631 of the 29646  
Revised Code and, as authorized by law, to enforcing any 29647  
modification to, or revocation of, that agreement by the 29648  
legislative authority of a municipal corporation or the director 29649  
of housing and development~~services~~. 29650

**Sec. 5709.63.** (A) With the consent of the legislative 29651  
authority of each affected municipal corporation or of a board 29652  
of township trustees, a board of county commissioners may, in 29653

the manner set forth in section 5709.62 of the Revised Code, 29654  
designate one or more areas in one or more municipal 29655  
corporations or in unincorporated areas of the county as 29656  
proposed enterprise zones. A board of county commissioners may 29657  
designate no more than one area within a township, or within 29658  
adjacent townships, as a proposed enterprise zone. The board 29659  
shall petition the director of housing and development ~~services~~ 29660  
for certification of the area as having the characteristics set 29661  
forth in division (A)(1) or (2) of section 5709.61 of the 29662  
Revised Code as amended by Substitute Senate Bill No. 19 of the 29663  
120th general assembly. Except as otherwise provided in division 29664  
(D) of this section, on and after July 1, 1994, boards of county 29665  
commissioners shall not enter into agreements under this section 29666  
unless the board has petitioned the director and the director 29667  
has certified the zone under this section as amended by that 29668  
act; however, all agreements entered into under this section as 29669  
it existed prior to July 1, 1994, and the incentives granted 29670  
under those agreements shall remain in effect for the period 29671  
agreed to under those agreements. The director shall make the 29672  
determination in the manner provided under section 5709.62 of 29673  
the Revised Code. 29674

Any enterprise wishing to enter into an agreement with the 29675  
board under division (B) or (D) of this section shall submit a 29676  
proposal to the board on the form and accompanied by the 29677  
application fee prescribed under division (B) of section 5709.62 29678  
of the Revised Code. The enterprise shall review and update the 29679  
estimates and listings required by the form in the manner 29680  
required under that division. The board may, on a separate form 29681  
and at any time, require any additional information necessary to 29682  
determine whether an enterprise is in compliance with an 29683  
agreement and to collect the information required to be reported 29684

under section 5709.68 of the Revised Code. 29685

(B) If the board of county commissioners finds that an 29686  
enterprise submitting a proposal is qualified by financial 29687  
responsibility and business experience to create and preserve 29688  
employment opportunities in the zone and to improve the economic 29689  
climate of the municipal corporation or municipal corporations 29690  
or the unincorporated areas in which the zone is located and to 29691  
which the proposal applies, the board, with the consent of the 29692  
legislative authority of each affected municipal corporation or 29693  
of the board of township trustees, may do one of the following: 29694

(1) Enter into an agreement with the enterprise under 29695  
which the enterprise agrees to establish, expand, renovate, or 29696  
occupy a facility in the zone and hire new employees, or 29697  
preserve employment opportunities for existing employees, in 29698  
return for the following incentives: 29699

(a) When the facility is located in a municipal 29700  
corporation, the board may enter into an agreement for one or 29701  
more of the incentives provided in division (C) of section 29702  
5709.62 of the Revised Code, subject to division (D) of that 29703  
section; 29704

(b) When the facility is located in an unincorporated 29705  
area, the board may enter into an agreement for one or more of 29706  
the following incentives: 29707

(i) Exemption for a specified number of years, not to 29708  
exceed fifteen, of a specified portion, up to sixty per cent, of 29709  
the assessed value of tangible personal property first used in 29710  
business at a project site as a result of the agreement. If an 29711  
exemption for inventory is specifically granted in the agreement 29712  
pursuant to this division, the exemption applies to inventory 29713

required to be listed pursuant to sections 5711.15 and 5711.16 29714  
of the Revised Code, except, in the instance of an expansion or 29715  
other situations in which an enterprise was in business at the 29716  
facility prior to the establishment of the zone, the inventory 29717  
that is exempt is that amount or value of inventory in excess of 29718  
the amount or value of inventory required to be listed in the 29719  
personal property tax return of the enterprise in the return for 29720  
the tax year in which the agreement is entered into. 29721

(ii) Exemption for a specified number of years, not to 29722  
exceed fifteen, of a specified portion, up to sixty per cent, of 29723  
the increase in the assessed valuation of real property 29724  
constituting the project site subsequent to formal approval of 29725  
the agreement by the board; 29726

(iii) Provision for a specified number of years, not to 29727  
exceed fifteen, of any optional services or assistance the board 29728  
is authorized to provide with regard to the project site; 29729

(iv) The incentive described in division (C) (2) of section 29730  
5709.62 of the Revised Code. 29731

(2) Enter into an agreement with an enterprise that plans 29732  
to purchase and operate a large manufacturing facility that has 29733  
ceased operation or has announced its intention to cease 29734  
operation, in return for exemption for a specified number of 29735  
years, not to exceed fifteen, of a specified portion, up to one 29736  
hundred per cent, of tangible personal property used in business 29737  
at the project site as a result of the agreement, or of real 29738  
property constituting the project site, or both; 29739

(3) Enter into an agreement with an enterprise that either 29740  
is the owner of real property constituting the site of a 29741  
megaproject or is a megaproject supplier in return for an 29742

exemption for a specified number of years, not to exceed thirty, 29743  
of a specified portion, up to one hundred per cent, of the 29744  
increase in the assessed value of real property constituting the 29745  
site of a megaproject or real property owned and occupied by the 29746  
megaproject supplier, respectively, beginning after the tax year 29747  
in which the agreement is formally approved by the legislative 29748  
authority. 29749

(C) (1) (a) Notwithstanding divisions (B) (1) (b) (i) and (ii) 29750  
of this section, the portion of the assessed value of tangible 29751  
personal property or of the increase in the assessed valuation 29752  
of real property exempted from taxation under those divisions 29753  
may exceed sixty per cent in any year for which that portion is 29754  
exempted if the average percentage exempted for all years in 29755  
which the agreement is in effect does not exceed fifty per cent, 29756  
or if the board of education of the city, local, or exempted 29757  
village school district within the territory of which the 29758  
property is or will be located approves a percentage in excess 29759  
of sixty per cent. 29760

(b) Notwithstanding any provision of the Revised Code to 29761  
the contrary, the exemptions described in divisions (B) (1) (b) 29762  
(i), (ii), (iii), and (iv) and (B) (2) of this section may be for 29763  
up to fifteen years and the exemption described in division (B) 29764  
(3) of this section may be for up to thirty years if the board 29765  
of education of the city, local, or exempted village school 29766  
district within the territory of which the property is or will 29767  
be located approves a number of years in excess of ten. 29768

(c) For the purpose of obtaining the approval of a city, 29769  
local, or exempted village school district under division (C) (1) 29770  
(a) or (b) of this section, the board of county commissioners 29771  
shall deliver to the board of education a notice not later than 29772

forty-five days prior to approving the agreement, excluding 29773  
Saturdays, Sundays, and legal holidays as defined in section 29774  
1.14 of the Revised Code. The notice shall state the percentage 29775  
to be exempted, an estimate of the true value of the property to 29776  
be exempted, and the number of years the property is to be 29777  
exempted. The board of education, by resolution adopted by a 29778  
majority of the board, shall approve or disapprove the agreement 29779  
and certify a copy of the resolution to the board of county 29780  
commissioners not later than fourteen days prior to the date 29781  
stipulated by the board of county commissioners as the date upon 29782  
which approval of the agreement is to be formally considered by 29783  
the board of county commissioners. The board of education may 29784  
include in the resolution conditions under which the board would 29785  
approve the agreement, including the execution of an agreement 29786  
to compensate the school district under division (B) of section 29787  
5709.82 of the Revised Code. The board of county commissioners 29788  
may approve the agreement at any time after the board of 29789  
education certifies its resolution approving the agreement to 29790  
the board of county commissioners, or, if the board of education 29791  
approves the agreement conditionally, at any time after the 29792  
conditions are agreed to by the board of education and the board 29793  
of county commissioners. If an agreement is negotiated between 29794  
the legislative authority and the board to compensate the school 29795  
district for all or part of the taxes exempted, the legislative 29796  
authority shall compensate the joint vocational school district 29797  
within which the property is located at the same rate and under 29798  
the same terms received by the city, local, or exempted village 29799  
school district. 29800

If a board of education has adopted a resolution waiving 29801  
its right to approve agreements and the resolution remains in 29802  
effect, approval of an agreement by the board of education is 29803



not required under division (C) of this section. If a board of  
education has adopted a resolution allowing a board of county  
commissioners to deliver the notice required under this division  
fewer than forty-five business days prior to approval of the  
agreement by the board of county commissioners, the board of  
county commissioners shall deliver the notice to the board of  
education not later than the number of days prior to such  
approval as prescribed by the board of education in its  
resolution. If a board of education adopts a resolution waiving  
its right to approve agreements or shortening the notification  
period, the board of education shall certify a copy of the  
resolution to the board of county commissioners. If the board of  
education rescinds such a resolution, it shall certify notice of  
the rescission to the board of county commissioners.

(2) The board of county commissioners shall comply with  
section 5709.83 of the Revised Code unless the board of  
education has adopted a resolution under that section waiving  
its right to receive such notice.

(D) This division applies to zones certified by the  
director of housing and development services—under this section  
prior to July 22, 1994.

With the consent of the legislative authority of each  
affected municipal corporation or board of township trustees of  
each affected township, the board of county commissioners that  
designated a zone to which this division applies may enter into  
an agreement with an enterprise if the board finds that the  
enterprise satisfies one of the criteria described in divisions  
(D) (1) to (5) of this section:

(1) The enterprise currently has no operations in this  
state and, subject to approval of the agreement, intends to

establish operations in the zone; 29834

(2) The enterprise currently has operations in this state 29835  
and, subject to approval of the agreement, intends to establish 29836  
operations at a new location in the zone that would not result 29837  
in a reduction in the number of employee positions at any of the 29838  
enterprise's other locations in this state; 29839

(3) The enterprise, subject to approval of the agreement, 29840  
intends to relocate operations, currently located in another 29841  
state, to the zone; 29842

(4) The enterprise, subject to approval of the agreement, 29843  
intends to expand operations at an existing site in the zone 29844  
that the enterprise currently operates; 29845

(5) The enterprise, subject to approval of the agreement, 29846  
intends to relocate operations, currently located in this state, 29847  
to the zone, and the director of housing and development 29848  
~~services~~ has issued a waiver for the enterprise under division 29849  
(B) of section 5709.633 of the Revised Code. 29850

The agreement shall require the enterprise to agree to 29851  
establish, expand, renovate, or occupy a facility in the zone 29852  
and hire new employees, or preserve employment opportunities for 29853  
existing employees, in return for one or more of the incentives 29854  
described in division (B) of this section. 29855

(E) All agreements entered into under this section shall 29856  
be in the form prescribed under section 5709.631 of the Revised 29857  
Code. After an agreement under this section is entered into, if 29858  
the board of county commissioners revokes its designation of a 29859  
zone, or if the director of housing and development ~~services~~ 29860  
revokes a zone's certification, any entitlements granted under 29861  
the agreement shall continue for the number of years specified 29862

in the agreement. 29863

(F) Except as otherwise provided in this division, an 29864  
agreement entered into under this section shall require that the 29865  
enterprise pay an annual fee equal to the greater of one per 29866  
cent of the dollar value of incentives offered under the 29867  
agreement or five hundred dollars; provided, however, that if 29868  
the value of the incentives exceeds two hundred fifty thousand 29869  
dollars, the fee shall not exceed two thousand five hundred 29870  
dollars. The fee shall be payable to the board of county 29871  
commissioners once per year for each year the agreement is 29872  
effective on the days and in the form specified in the 29873  
agreement. Fees paid shall be deposited in a special fund 29874  
created for such purpose by the board and shall be used by the 29875  
board exclusively for the purpose of complying with section 29876  
5709.68 of the Revised Code and by the tax incentive review 29877  
council created under section 5709.85 of the Revised Code 29878  
exclusively for the purposes of performing the duties prescribed 29879  
under that section. The board may waive or reduce the amount of 29880  
the fee charged against an enterprise, but such waiver or 29881  
reduction does not affect the obligations of the board or the 29882  
tax incentive review council to comply with section 5709.68 or 29883  
5709.85 of the Revised Code, respectively. 29884

(G) With the approval of the legislative authority of a 29885  
municipal corporation or the board of township trustees of a 29886  
township in which a zone is designated under division (A) of 29887  
this section, the board of county commissioners may delegate to 29888  
that legislative authority or board any powers and duties of the 29889  
board of county commissioners to negotiate and administer 29890  
agreements with regard to that zone under this section. 29891

(H) When an agreement is entered into pursuant to this 29892

section, the board of county commissioners authorizing the 29893  
agreement or the legislative authority or board of township 29894  
trustees that negotiates and administers the agreement shall 29895  
forward a copy of the agreement to the director of housing and 29896  
development services and to the tax commissioner within fifteen 29897  
days after the agreement is entered into. If any agreement 29898  
includes terms not provided for in section 5709.631 of the 29899  
Revised Code affecting the revenue of a city, local, exempted 29900  
village, or joint vocational school district or causing revenue 29901  
to be foregone by the district, including any compensation to be 29902  
paid to the school district pursuant to section 5709.82 of the 29903  
Revised Code, those terms also shall be forwarded in writing to 29904  
the director of housing and development services along with the 29905  
copy of the agreement forwarded under this division. 29906

(I) After an agreement is entered into, the enterprise 29907  
shall file with each personal property tax return required to be 29908  
filed, or annual report that is required to be filed under 29909  
section 5727.08 of the Revised Code, while the agreement is in 29910  
effect, an informational return, on a form prescribed by the tax 29911  
commissioner for that purpose, setting forth separately the 29912  
property, and related costs and values, exempted from taxation 29913  
under the agreement. 29914

(J) Enterprises may agree to give preference to residents 29915  
of the zone within which the agreement applies relative to 29916  
residents of this state who do not reside in the zone when 29917  
hiring new employees under the agreement. 29918

(K) An agreement entered into under this section may 29919  
include a provision requiring the enterprise to create one or 29920  
more temporary internship positions for students enrolled in a 29921  
course of study at a school or other educational institution in 29922

the vicinity, and to create a scholarship or provide another 29923  
form of educational financial assistance for students holding 29924  
such a position in exchange for the student's commitment to work 29925  
for the enterprise at the completion of the internship. 29926

(L) The tax commissioner's authority in determining the 29927  
accuracy of any exemption granted by an agreement entered into 29928  
under this section is limited to divisions (B) (1) (b) (i) and 29929  
(ii), (B) (2) and (3), (C), and (I) of this section, division (B) 29930  
(1) (b) (iv) of this section as it pertains to divisions (C) (2) 29931  
(a), (b), and (c) of section 5709.62 of the Revised Code, and 29932  
divisions (B) (1) to (10) of section 5709.631 of the Revised Code 29933  
and, as authorized by law, to enforcing any modification to, or 29934  
revocation of, that agreement by the board of county 29935  
commissioners or the director of housing and development 29936  
~~services~~ or, if the board's powers and duties are delegated 29937  
under division (G) of this section, by the legislative authority 29938  
of a municipal corporation or board of township trustees. 29939

**Sec. 5709.631.** Each agreement entered into under sections 29940  
5709.62, 5709.63, and 5709.632 of the Revised Code on or after 29941  
April 1, 1994, shall be in writing and shall include all of the 29942  
information and statements prescribed by this section. 29943  
Agreements may include terms not prescribed by this section, but 29944  
such terms shall in no way derogate from the information and 29945  
statements prescribed by this section. 29946

(A) Each agreement shall include the following 29947  
information: 29948

(1) The names of all parties to the agreement; 29949

(2) A description of the investments to be made by the 29950  
applicant enterprise or by another party at the facility whether 29951

or not the investments are exempted from taxation, including 29952  
existing or new building size and cost thereof; the value of 29953  
machinery, equipment, furniture, and fixtures, including an 29954  
itemization of the value of machinery, equipment, furniture, and 29955  
fixtures used at another location in this state prior to the 29956  
agreement and relocated or to be relocated from that location to 29957  
the facility and the value of machinery, equipment, furniture, 29958  
and fixtures at the facility prior to the execution of the 29959  
agreement that will not be exempted from taxation; the value of 29960  
inventory at the facility, including an itemization of the value 29961  
of inventory held at another location in this state prior to the 29962  
agreement and relocated or to be relocated from that location to 29963  
the facility, and the value of inventory held at the facility 29964  
prior to the execution of the agreement that will not be 29965  
exempted from taxation; 29966

(3) The scheduled starting and completion dates of 29967  
investments made in building, machinery, equipment, furniture, 29968  
fixtures, and inventory; 29969

(4) Estimates of the number of employee positions to be 29970  
created each year of the agreement and of the number of employee 29971  
positions retained by the applicant enterprise due to the 29972  
project, itemized as to the number of full-time, part-time, 29973  
permanent, and temporary positions; 29974

(5) Estimates of the dollar amount of payroll attributable 29975  
to the positions set forth in division (A) (4) of this section, 29976  
similarly itemized; 29977

(6) The number of employee positions, if any, at the 29978  
project site and at any other location in the state at the time 29979  
the agreement is executed, itemized as to the number of full- 29980  
time, part-time, permanent, and temporary positions. 29981

(B) Each agreement shall set forth the following 29982  
information and incorporate the following statements: 29983

(1) A description of real property to be exempted from 29984  
taxation under the agreement, the percentage of the assessed 29985  
valuation of the real property exempted from taxation, and the 29986  
period for which the exemption is granted, accompanied by the 29987  
statement: "The exemption commences the first year for which the 29988  
real property would first be taxable were that property not 29989  
exempted from taxation. No exemption shall commence after 29990  
..... (insert date) nor extend beyond ..... (insert 29991  
date)." The tax commissioner shall adopt rules prescribing the 29992  
form the description of such property shall assume to ensure 29993  
that the property to be exempted from taxation under the 29994  
agreement is distinguishable from property that is not to be 29995  
exempted under that agreement. 29996

(2) A description of tangible personal property to be 29997  
exempted from taxation under the agreement, the percentage of 29998  
the assessed value of the tangible personal property exempted 29999  
from taxation, and the period for which the exemption is 30000  
granted, accompanied by the statement: "The minimum investment 30001  
for tangible personal property to qualify for the exemption is 30002  
\$..... (insert dollar amount) to purchase machinery and 30003  
equipment first used in business at the facility as a result of 30004  
the project, \$..... (insert dollar amount) for furniture 30005  
and fixtures and other noninventory personal property first used 30006  
in business at the facility as a result of the project, and 30007  
\$..... (insert dollar amount) for new inventory. The 30008  
maximum investment for tangible personal property to qualify for 30009  
the exemption is \$..... (insert dollar amount) to purchase 30010  
machinery and equipment first used in business at the facility 30011  
as a result of the project, \$..... (insert dollar amount) 30012

for furniture and fixtures and other noninventory personal 30013  
property first used in business at the facility as a result of 30014  
the project, and \$..... (insert dollar amount) for new 30015  
inventory. The exemption commences the first year for which the 30016  
tangible personal property would first be taxable were that 30017  
property not exempted from taxation. No exemption shall commence 30018  
after tax return year ..... (insert year) nor extend beyond 30019  
tax return year ..... (insert year). In no instance shall 30020  
any tangible personal property be exempted from taxation for 30021  
more than ten return years unless, under division (D) (2) of 30022  
section 5709.62 or under division (C) (1) (b) of section 5709.63 30023  
of the Revised Code, the board of education approves exemption 30024  
for a number of years in excess of ten, in which case the 30025  
tangible personal property may be exempted from taxation for 30026  
that number of years, not to exceed fifteen return years." No 30027  
exemption shall be allowed for any type of tangible personal 30028  
property if the total investment is less than the minimum dollar 30029  
amount specified for that type of property. If, for a type of 30030  
tangible personal property, there are no minimum or maximum 30031  
investment dollar amounts specified in the statement or the 30032  
dollar amounts are designated in the statement as not 30033  
applicable, the exemption shall apply to the total cost of that 30034  
type of tangible personal property first used in business at the 30035  
facility as a result of the project. The tax commissioner shall 30036  
adopt rules prescribing the form the description of such 30037  
property shall assume to ensure that the property to be exempted 30038  
from taxation under the agreement is distinguishable from 30039  
property that is not to be exempted under that agreement. 30040

(3) "..... (insert name of enterprise) shall pay such 30041  
real and tangible personal property taxes as are not exempted 30042  
under this agreement and are charged against such property and 30043



shall file all tax reports and returns as required by law. If 30044  
..... (insert name of enterprise) fails to pay such taxes 30045  
or file such returns and reports, all incentives granted under 30046  
this agreement are rescinded beginning with the year for which 30047  
such taxes are charged or such reports or returns are required 30048  
to be filed and thereafter." 30049

(4) "..... (insert name of enterprise) hereby 30050  
certifies that at the time this agreement is executed, 30051  
..... (insert name of enterprise) does not owe any 30052  
delinquent real or tangible personal property taxes to any 30053  
taxing authority of the State of Ohio, and does not owe 30054  
delinquent taxes for which ..... (insert name of 30055  
enterprise) is liable under Chapter 5727., 5733., 5735., 5739., 30056  
5741., 5743., 5747., or 5753. of the Revised Code, or, if such 30057  
delinquent taxes are owed, ..... (insert name of 30058  
enterprise) currently is paying the delinquent taxes pursuant to 30059  
a delinquent tax contract enforceable by the State of Ohio or an 30060  
agent or instrumentality thereof, has filed a petition in 30061  
bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition 30062  
has been filed against ..... (insert name of enterprise). 30063  
For the purposes of the certification, delinquent taxes are 30064  
taxes that remain unpaid on the latest day prescribed for 30065  
payment without penalty under the chapter of the Revised Code 30066  
governing payment of those taxes." 30067

(5) "..... (insert name of municipal corporation or 30068  
county) shall perform such acts as are reasonably necessary or 30069  
appropriate to effect, claim, reserve, and maintain exemptions 30070  
from taxation granted under this agreement including, without 30071  
limitation, joining in the execution of all documentation and 30072  
providing any necessary certificates required in connection with 30073  
such exemptions." 30074

(6) "If for any reason the enterprise zone designation 30075  
expires, the Director of the Ohio Department of Housing and 30076  
Development revokes certification of the zone, or ..... 30077  
(insert name of municipal corporation or county) revokes the 30078  
designation of the zone, entitlements granted under this 30079  
agreement shall continue for the number of years specified under 30080  
this agreement, unless ..... (insert name of enterprise) 30081  
materially fails to fulfill its obligations under this agreement 30082  
and ..... (insert name of municipal corporation or county) 30083  
terminates or modifies the exemptions from taxation granted 30084  
under this agreement." 30085

(7) "If ..... (insert name of enterprise) materially 30086  
fails to fulfill its obligations under this agreement, other 30087  
than with respect to the number of employee positions estimated 30088  
to be created or retained under this agreement, or if ..... 30089  
(insert name of municipal corporation or county) determines that 30090  
the certification as to delinquent taxes required by this 30091  
agreement is fraudulent, ..... (insert name of municipal 30092  
corporation or county) may terminate or modify the exemptions 30093  
from taxation granted under this agreement." 30094

(8) "..... (insert name of enterprise) shall provide 30095  
to the proper tax incentive review council any information 30096  
reasonably required by the council to evaluate the enterprise's 30097  
compliance with the agreement, including returns or annual 30098  
reports filed pursuant to section 5711.02 or 5727.08 of the Ohio 30099  
Revised Code if requested by the council." 30100

(9) "..... (insert name of enterprise) and ..... 30101  
(insert name of municipal corporation or county) acknowledge 30102  
that this agreement must be approved by formal action of the 30103  
legislative authority of ..... (insert name of municipal 30104

corporation or county) as a condition for the agreement to take 30105  
effect. This agreement takes effect upon such approval." 30106

(10) "This agreement is not transferable or assignable 30107  
without the express, written approval of ..... (insert name 30108  
of municipal corporation or county)." 30109

(11) "Exemptions from taxation granted under this 30110  
agreement shall be revoked if it is determined that 30111  
..... (insert name of enterprise), any successor 30112  
enterprise, or any related member (as those terms are defined in 30113  
section 5709.61 of the Ohio Revised Code) has violated the 30114  
prohibition against entering into this agreement under division 30115  
(C) of section 3735.671 or section 5709.62, 5709.63, or 5709.632 30116  
of the Ohio Revised Code prior to the time prescribed by that 30117  
division or either of those sections." 30118

(12) "In any three-year period during which this agreement 30119  
is in effect, if the actual number of employee positions created 30120  
or retained by..... (insert name of enterprise) is not equal 30121  
to or greater than seventy-five per cent of the number of 30122  
employee positions estimated to be created or retained under 30123  
this agreement during that three-year period,..... (insert 30124  
name of enterprise) shall repay the amount of taxes on property 30125  
that would have been payable had the property not been exempted 30126  
from taxation under this agreement during that three-year 30127  
period. In addition, the..... (insert name of municipal 30128  
corporation or county) may terminate or modify the exemptions 30129  
from taxation granted under this agreement." 30130

(13) If the enterprise is the owner of real property 30131  
constituting the site of a megaproject or is a megaproject 30132  
supplier, both of the following: 30133

(a) A requirement that the enterprise annually certify to the legislative authority whether the megaproject operator or megaproject supplier, as applicable, holds a certificate issued under division (D) (7) of section 122.17 of the Revised Code on the first day of the current tax year;

(b) A provision authorizing the legislative authority to terminate the exemption for current and subsequent tax years if the megaproject operator or megaproject supplier, as applicable, does not hold a certificate issued under division (D) (7) of section 122.17 of the Revised Code on the first day of the current tax year.

The statement described in division (B) (7) of this section may include the following statement, appended at the end of the statement: "and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement." If the agreement includes a statement requiring repayment of exempted taxes, it also may authorize the legislative authority to secure repayment of such taxes by a lien on the exempted property in the amount required to be repaid. Such a lien on exempted real property shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property. Notwithstanding section 5719.01 of the Revised Code, such a lien on exempted tangible personal property shall attach, and may be perfected, collected, and enforced, in the same manner as a security interest in goods under Chapter 1309. of the Revised Code, and shall otherwise have the same force and effect as such a security interest.

(C) If the director of housing and development had to

issue a waiver under section 5709.633 of the Revised Code as a 30164  
condition for the agreement to be executed, the agreement shall 30165  
include the following statement: 30166

"Continuation of this agreement is subject to the validity 30167  
of the circumstance upon which ..... (insert name of 30168  
enterprise) applied for, and the Director of the Ohio Department 30169  
of Housing and Development issued, the waiver pursuant to 30170  
section 5709.633 of the Ohio Revised Code. If, after formal 30171  
approval of this agreement by ..... (insert name of 30172  
municipal corporation or county), the Director or ..... 30173  
(insert name of municipal corporation or county) discovers that 30174  
such a circumstance did not exist, ..... (insert name of 30175  
enterprise) shall be deemed to have materially failed to comply 30176  
with this agreement." 30177

If the director issued a waiver on the basis of the 30178  
circumstance described in division (B) (3) of section 5709.633 of 30179  
the Ohio Revised Code, the conditions enumerated in divisions 30180  
(B) (3) (a) (i) and (ii) or divisions (B) (3) (b) (i) and (ii) of that 30181  
section shall be incorporated in the information described in 30182  
divisions (A) (2), (3), and (4) of this section. 30183

**Sec. 5709.632.** (A) (1) The legislative authority of a 30184  
municipal corporation defined by the United States office of 30185  
management and budget as a principal city of a metropolitan 30186  
statistical area may, in the manner set forth in section 5709.62 30187  
of the Revised Code, designate one or more areas in the 30188  
municipal corporation as a proposed enterprise zone. 30189

(2) With the consent of the legislative authority of each 30190  
affected municipal corporation or of a board of township 30191  
trustees, a board of county commissioners may, in the manner set 30192  
forth in section 5709.62 of the Revised Code, designate one or 30193

more areas in one or more municipal corporations or in 30194  
unincorporated areas of the county as proposed urban jobs and 30195  
enterprise zones, except that a board of county commissioners 30196  
may designate no more than one area within a township, or within 30197  
adjacent townships, as a proposed urban jobs and enterprise 30198  
zone. 30199

(3) The legislative authority or board of county 30200  
commissioners may petition the director of housing and 30201  
development ~~services~~ for certification of the area as having the 30202  
characteristics set forth in division (A) (3) of section 5709.61 30203  
of the Revised Code. Within sixty days after receiving such a 30204  
petition, the director shall determine whether the area has the 30205  
characteristics set forth in that division and forward the 30206  
findings to the legislative authority or board of county 30207  
commissioners. If the director certifies the area as having 30208  
those characteristics and thereby certifies it as a zone, the 30209  
legislative authority or board may enter into agreements with 30210  
enterprises under division (B) of this section. Any enterprise 30211  
wishing to enter into an agreement with a legislative authority 30212  
or board of county commissioners under this section and 30213  
satisfying one of the criteria described in divisions (B) (1) to 30214  
(5) of this section shall submit a proposal to the legislative 30215  
authority or board on the form prescribed under division (B) of 30216  
section 5709.62 of the Revised Code and shall review and update 30217  
the estimates and listings required by the form in the manner 30218  
required under that division. The legislative authority or board 30219  
may, on a separate form and at any time, require any additional 30220  
information necessary to determine whether an enterprise is in 30221  
compliance with an agreement and to collect the information 30222  
required to be reported under section 5709.68 of the Revised 30223  
Code. 30224

(B) Prior to entering into an agreement with an enterprise, the legislative authority or board of county commissioners shall determine whether the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and to improve the economic climate of the municipal corporation or municipal corporations or the unincorporated areas in which the zone is located and to which the proposal applies, and whether the enterprise satisfies one of the following criteria:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of housing and development services has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

(C) If the legislative authority or board determines that the enterprise is so qualified and satisfies one of the criteria described in divisions (B) (1) to (5) of this section, the legislative authority or board may, after complying with section 5709.83 of the Revised Code and, in the case of a board of commissioners, with the consent of the legislative authority of each affected municipal corporation or of the board of township trustees, enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for the following incentives:

(1) When the facility is located in a municipal corporation, a legislative authority or board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (C) (1), (2), and (3) of section 5709.62 of the Revised Code, subject to division (D) of that section, or for the incentive provided in division (C) (4) of that section if the enterprise is the owner of real property constituting the site of a megaproject or is a megaproject supplier.

(2) When the facility is located in an unincorporated area, a board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (B) (1) (b) and (B) (2) of section 5709.63 of the Revised Code, subject to division (C) of that section, or for the incentive provided in division (B) (3) of that section if the enterprise is the owner of real property constituting the site of a megaproject or is a megaproject supplier.

(D) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised



Code. After an agreement under this section is entered into, if 30284  
the legislative authority or board of county commissioners 30285  
revokes its designation of the zone, or if the director of 30286  
housing and development services ~~services~~ revokes the zone's 30287  
certification, any entitlements granted under the agreement 30288  
shall continue for the number of years specified in the 30289  
agreement. 30290

(E) Except as otherwise provided in this division, an 30291  
agreement entered into under this section shall require that the 30292  
enterprise pay an annual fee equal to the greater of one per 30293  
cent of the dollar value of incentives offered under the 30294  
agreement or five hundred dollars; provided, however, that if 30295  
the value of the incentives exceeds two hundred fifty thousand 30296  
dollars, the fee shall not exceed two thousand five hundred 30297  
dollars. The fee shall be payable to the legislative authority 30298  
or board of commissioners once per year for each year the 30299  
agreement is effective on the days and in the form specified in 30300  
the agreement. Fees paid shall be deposited in a special fund 30301  
created for such purpose by the legislative authority or board 30302  
and shall be used by the legislative authority or board 30303  
exclusively for the purpose of complying with section 5709.68 of 30304  
the Revised Code and by the tax incentive review council created 30305  
under section 5709.85 of the Revised Code exclusively for the 30306  
purposes of performing the duties prescribed under that section. 30307  
The legislative authority or board may waive or reduce the 30308  
amount of the fee charged against an enterprise, but such waiver 30309  
or reduction does not affect the obligations of the legislative 30310  
authority or board or the tax incentive review council to comply 30311  
with section 5709.68 or 5709.85 of the Revised Code, 30312  
respectively. 30313

(F) With the approval of the legislative authority of a 30314

municipal corporation or the board of township trustees of a 30315  
township in which a zone is designated under division (A) (2) of 30316  
this section, the board of county commissioners may delegate to 30317  
that legislative authority or board any powers and duties of the 30318  
board to negotiate and administer agreements with regard to that 30319  
zone under this section. 30320

(G) When an agreement is entered into pursuant to this 30321  
section, the legislative authority or board of commissioners 30322  
authorizing the agreement shall forward a copy of the agreement 30323  
to the director of housing and development ~~services~~ and to the 30324  
tax commissioner within fifteen days after the agreement is 30325  
entered into. If any agreement includes terms not provided for 30326  
in section 5709.631 of the Revised Code affecting the revenue of 30327  
a city, local, exempted village, or joint vocational school 30328  
district or causing revenue to be forgone by the district, 30329  
including any compensation to be paid to the school district 30330  
pursuant to section 5709.82 of the Revised Code, those terms 30331  
also shall be forwarded in writing to the director of housing 30332  
and development ~~services~~ along with the copy of the agreement 30333  
forwarded under this division. 30334

(H) After an agreement is entered into, the enterprise 30335  
shall file with each personal property tax return required to be 30336  
filed while the agreement is in effect, an informational return, 30337  
on a form prescribed by the tax commissioner for that purpose, 30338  
setting forth separately the property, and related costs and 30339  
values, exempted from taxation under the agreement. 30340

(I) An agreement entered into under this section may 30341  
include a provision requiring the enterprise to create one or 30342  
more temporary internship positions for students enrolled in a 30343  
course of study at a school or other educational institution in 30344

the vicinity, and to create a scholarship or provide another 30345  
form of educational financial assistance for students holding 30346  
such a position in exchange for the student's commitment to work 30347  
for the enterprise at the completion of the internship. 30348

**Sec. 5709.633.** (A) (1) Except as otherwise provided in 30349  
division (B) of this section, no legislative authority or board 30350  
of county commissioners shall enter into an agreement with an 30351  
enterprise under division (E) of section 5709.62, division (D) 30352  
of section 5709.63, or section 5709.632 of the Revised Code if 30353  
that enterprise or a successor enterprise currently has 30354  
operations at another location in this state and those 30355  
operations will be relocated to an enterprise zone upon or as a 30356  
result of that agreement. 30357

(2) Except as otherwise provided in division (B) of this 30358  
section, if an enterprise subject to an agreement granting an 30359  
exemption from taxation under section 5709.62, 5709.63, or 30360  
5709.632 of the Revised Code expands its operations or relocates 30361  
its operations to another location in this state that results in 30362  
a reduction of its operations at any Ohio location, or 30363  
discontinues operations at the project site to which that 30364  
exemption applies prior to the expiration of the term of the 30365  
agreement, no legislative authority shall enter into an 30366  
agreement with such an enterprise, a related member, or a 30367  
successor enterprise under section 5709.62, 5709.63, or 5709.632 30368  
of the Revised Code prior to five years after such expansion, 30369  
relocation, or discontinuation of operations. The director of 30370  
housing and development shall review all agreements entered into 30371  
under those sections to determine whether there has been a 30372  
violation of this paragraph and whether the requirements to be a 30373  
facility have been met. If the director discovers there has been 30374  
a violation of this paragraph or the requirements to be a 30375

facility have not been met, the agreement is void, and all 30376  
incentives granted under the agreement shall cease immediately. 30377  
The director shall certify to the legislative authority and to 30378  
the board of education of the city, local, or exempted village 30379  
school district to which operations were relocated that the 30380  
agreement is void. 30381

(B) Divisions (A) (1) and (2) of this section do not apply 30382  
if the director of housing and development waives application of 30383  
those divisions. The director may waive application of division 30384  
(A) (1) of this section if the enterprise or successor enterprise 30385  
demonstrates, by documentation satisfactory to the director, 30386  
that the relocation was necessitated by or results from one of 30387  
the circumstances described in divisions (B) (1) to (3) of this 30388  
section, and the director determines that under the circumstance 30389  
claimed and in light of the possible relocation issuance of a 30390  
waiver is absolutely necessary to attract or retain employment 30391  
opportunities in this state. The director may waive application 30392  
of division (A) (2) of this section, except for the provision 30393  
that the requirements to be a facility must be met, if the 30394  
enterprise, related member, or successor enterprise 30395  
demonstrates, by documentation satisfactory to the director, 30396  
that the discontinuation of operations was necessitated by or 30397  
resulted from one of the circumstances described in divisions 30398  
(B) (1) to (3) of this section, and the director determines that 30399  
under the circumstance claimed and in light of the possible 30400  
relocation issuance of a waiver is absolutely necessary to 30401  
attract or retain employment opportunities in this state. 30402

The circumstance that may be claimed shall be one of the 30403  
following: 30404

(1) The project site at which operations are or will be 30405

discontinued cannot accommodate expansion plans of the 30406  
enterprise due to inadequate land suitable for such expansion. 30407

(2) Conditions in the markets in which the enterprise 30408  
participates require that the enterprise relocate operations in 30409  
order for the enterprise to become or remain competitive in that 30410  
market. These conditions include, but are not limited to, any of 30411  
the following: 30412

(a) New or modified contracts with customers or suppliers, 30413  
such as "just-in-time" supply or similar arrangements; 30414

(b) Changes in the enterprise's production methods; 30415

(c) Loss or impending loss of an existing contract 30416  
requires expansion into another market in order to maintain 30417  
production levels; 30418

(d) Changes in ownership or other changes in control of 30419  
the enterprise, or of a controlled group of corporations of 30420  
which the enterprise is a subsidiary, that result from a 30421  
decision on the part of owners or officers located outside this 30422  
state. 30423

(3) The enterprise currently is subject to a consolidation 30424  
of its operations, or such a consolidation is imminent. For 30425  
purposes of division (B) (3) of this section, "consolidation" 30426  
means an enterprise combines the operations of two or more 30427  
existing facilities and one of the following conditions is 30428  
satisfied: 30429

(a) At least one of the facilities currently is not 30430  
located in this state, and the relocation of the operations of 30431  
that facility would result in both of the following during the 30432  
term of the agreement: 30433

(i) The number of employees employed by the enterprise at 30434  
its existing facilities in this state to which operations are 30435  
relocated increases by not less than twenty-five per cent after 30436  
the date the agreement is formally approved by the legislative 30437  
authority; 30438

(ii) The assessed value of tangible personal property 30439  
first used in business at the project site, or the assessed 30440  
value of real property constituting the project site, increases 30441  
by not less than twenty-five per cent after the date the 30442  
agreement is formally approved by the legislative authority. 30443

(b) All of the facilities currently are in this state, and 30444  
the relocation of the operations of any of those facilities 30445  
would result in both of the following during the term of the 30446  
agreement: 30447

(i) The number of employees employed by the enterprise at 30448  
its existing facilities in this state to which operations are 30449  
relocated increases by not less than twenty-five per cent after 30450  
the date the agreement is formally approved by the legislative 30451  
authority; 30452

(ii) The assessed value of tangible personal property 30453  
first used in business at the project site, or the assessed 30454  
value of real property constituting the project site, increases 30455  
by not less than fifty per cent over the assessed value, 30456  
determined at the time of relocation, of tangible personal 30457  
property located at, and of real property constituting, the 30458  
facilities in this state from which operations would be 30459  
relocated. 30460

For purposes of divisions (B) (3) (a) and (b) of this 30461  
section, "assessed value of tangible personal property" and 30462

"assessed value of real property" mean the value of such 30463  
property as assessed for purposes of property taxation and 30464  
entered on the tax lists and duplicates of the county. 30465

(C) To apply for a waiver under division (B) of this 30466  
section, the enterprise and the legislative authority intending 30467  
to enter into an agreement under section 5709.62, 5709.63, or 30468  
5709.632 of the Revised Code shall petition the director of 30469  
housing and development in a form acceptable to the director. 30470  
The petition shall be accompanied by documentation demonstrating 30471  
one or more of the circumstances described in divisions (B) (1), 30472  
(2), or (3) of this section. Not later than thirty days after 30473  
receiving such a petition, the director shall investigate the 30474  
petition and accompanying documentation to determine the 30475  
validity of the circumstance claimed therein, and shall issue to 30476  
the enterprise and to the legislative authority the 30477  
determination, in writing, waiving, or refusing to waive 30478  
application of division (A) of this section. 30479

**Sec. 5709.64.** (A) If an enterprise has been granted an 30480  
incentive for the current calendar year under an agreement 30481  
entered pursuant to section 5709.62, 5709.63, or 5709.632 of the 30482  
Revised Code, it may apply, on or before the thirtieth day of 30483  
April of that year, to the director of housing and development, 30484  
on a form prescribed by the director, for a tax incentive 30485  
qualification certificate. The enterprise qualifies for an 30486  
initial certificate if, on or before the last day of the 30487  
calendar year immediately preceding that in which application is 30488  
made, it satisfies all of the following requirements: 30489

(1) The enterprise has established, expanded, renovated, 30490  
or occupied a facility pursuant to the agreement under section 30491  
5709.62, 5709.63, or 5709.632 of the Revised Code. 30492

(2) The enterprise has hired new employees to fill 30493  
nonretail positions at the facility, at least twenty-five per 30494  
cent of whom at the time they were employed were at least one of 30495  
the following: 30496

(a) Unemployed persons who had resided at least six months 30497  
in the county in which the enterprise's project site is located; 30498

(b) JPTA eligible employees who had resided at least six 30499  
months in the county in which the enterprise's project site is 30500  
located; 30501

(c) Participants of the Ohio works first program under 30502  
Chapter 5107. of the Revised Code or the prevention, retention, 30503  
and contingency program under Chapter 5108. of the Revised Code 30504  
or recipients of general assistance under former Chapter 5113. 30505  
of the Revised Code, financial assistance under former Chapter 30506  
5115. of the Revised Code, or unemployment compensation benefits 30507  
who had resided at least six months in the county in which the 30508  
enterprise's project site is located; 30509

(d) Eligible individuals with disabilities, as defined 30510  
under division (A) of section 3304.11 of the Revised Code, who 30511  
had resided at least six months in the county in which the 30512  
enterprise's project site is located; 30513

(e) Residents for at least one year of a zone located in 30514  
the county in which the enterprise's project site is located. 30515

The director of housing and development shall, by rule, 30516  
establish criteria for determining what constitutes a nonretail 30517  
position at a facility. 30518

(3) The average number of positions attributable to the 30519  
enterprise in the municipal corporation during the calendar year 30520  
immediately preceding the calendar year in which application is 30521



made exceeds the maximum number of positions attributable to the 30522  
enterprise in the municipal corporation during the calendar year 30523  
immediately preceding the first year the enterprise satisfies 30524  
the requirements set forth in divisions (A) (1) and (2) of this 30525  
section. If the enterprise is engaged in a business which, 30526  
because of its seasonal nature, customarily enables the 30527  
enterprise to operate at full capacity only during regularly 30528  
recurring periods of the year, the average number of positions 30529  
attributable to the enterprise in the municipal corporation 30530  
during each period of the calendar year immediately preceding 30531  
the calendar year in which application is made must exceed only 30532  
the maximum number of positions attributable to the enterprise 30533  
in each corresponding period of the calendar year immediately 30534  
preceding the first year the enterprise satisfies the 30535  
requirements of divisions (A) (1) and (2) of this section. The 30536  
director of housing and development shall, by rule, prescribe 30537  
methods for determining whether an enterprise is engaged in a 30538  
seasonal business and for determining the length of the 30539  
corresponding periods to be compared. 30540

(4) The enterprise has not closed or reduced employment at 30541  
any place of business in the state for the primary purpose of 30542  
establishing, expanding, renovating, or occupying a facility. 30543  
The legislative authority of any municipal corporation or the 30544  
board of county commissioners of any county that concludes that 30545  
an enterprise has closed or reduced employment at a place of 30546  
business in that municipal corporation or county for the primary 30547  
purpose of establishing, expanding, renovating, or occupying a 30548  
facility in a zone may appeal to the director to determine 30549  
whether the enterprise has done so. Upon receiving such an 30550  
appeal, the director shall investigate the allegations and make 30551  
such a determination before issuing an initial or renewal tax 30552

incentive qualification certificate under this section. 30553

Within sixty days after receiving an application under 30554  
this division, the director shall review, investigate, and 30555  
verify the application and determine whether the enterprise 30556  
qualifies for a certificate. The application shall include an 30557  
affidavit executed by the applicant verifying that the 30558  
enterprise satisfies the requirements of division (A) (2) of this 30559  
section, and shall contain such information and documents as the 30560  
director requires, by rule, to ascertain whether the enterprise 30561  
qualifies for a certificate. If the director finds the 30562  
enterprise qualified, the director shall issue a tax incentive 30563  
qualification certificate, which shall bear as its date of 30564  
issuance the thirtieth day of June of the year of application, 30565  
and shall state that the applicant is entitled to receive, for 30566  
the taxable year that includes the certificate's date of 30567  
issuance, the tax incentives provided under section 5709.65 of 30568  
the Revised Code with regard to the facility to which the 30569  
certificate applies. If an enterprise is issued an initial 30570  
certificate, it may apply, on or before the thirtieth day of 30571  
April of each succeeding calendar year for which it has been 30572  
granted an incentive under an agreement entered pursuant to 30573  
section 5709.62, 5709.63, or 5709.632 of the Revised Code, for a 30574  
renewal certificate. Subsequent to its initial certification, 30575  
the enterprise qualifies for up to three successive renewal 30576  
certificates if, on or before the last day of the calendar year 30577  
immediately preceding that in which the application is made, it 30578  
satisfies all the requirements of divisions (A) (1) to (4) of 30579  
this section, and neither the zone's designation nor the zone's 30580  
certification has been revoked prior to the fifteenth day of 30581  
June of the year in which the application is made. The 30582  
application shall include an affidavit executed by the applicant 30583

verifying that the enterprise satisfies the requirements of 30584  
division (A) (2) of this section. An enterprise with ten or more 30585  
supervisory personnel at the facility to which a certificate 30586  
applies qualifies for any subsequent renewal certificates only 30587  
if it meets all of the foregoing requirements and, in addition, 30588  
at least ten per cent of those supervisory personnel are 30589  
employees who, when first hired by the enterprise, satisfied at 30590  
least one of the criteria specified in divisions (A) (2) (a) to 30591  
(e) of this section. If the enterprise qualifies, a renewal 30592  
certificate shall be issued bearing as its date of issuance the 30593  
thirtieth day of June of the year of application. The director 30594  
shall send copies of the initial certificate, and each renewal 30595  
certificate, by certified mail, to the enterprise, the tax 30596  
commissioner, the board of county commissioners, and the chief 30597  
executive of the municipal corporation in which the facility to 30598  
which the certificate applies is located. 30599

(B) If the director determines that an enterprise is not 30600  
qualified for an initial or renewal tax incentive qualification 30601  
certificate, the director shall send notice of this 30602  
determination, specifying the reasons for it, by certified mail, 30603  
to the applicant, the tax commissioner, the board of county 30604  
commissioners, and the chief executive of the municipal 30605  
corporation in which the facility to which the certificate would 30606  
have applied is located. Within thirty days after receiving such 30607  
a notice, an enterprise may request, in writing, a hearing 30608  
before the director for the purpose of reviewing the application 30609  
and the reasons for the determination. Within sixty days after 30610  
receiving a request for a hearing, the director shall afford one 30611  
and, within thirty days after the hearing, shall issue a 30612  
redetermination of the enterprise's qualification for a 30613  
certificate. If the enterprise is found to be qualified, the 30614

director shall proceed in the manner provided under division (A) 30615  
of this section. If the enterprise is found to be unqualified, 30616  
the director shall send notice of this finding, by certified 30617  
mail, to the applicant, the tax commissioner, the board of 30618  
county commissioners, and the chief executive of the municipal 30619  
corporation in which the facility to which the certificate would 30620  
have applied is located. The director's redetermination that an 30621  
enterprise is unqualified may be appealed to the board of tax 30622  
appeals in the manner provided under section 5717.02 of the 30623  
Revised Code. 30624

**Sec. 5709.66.** (A) If an enterprise has been granted an 30625  
incentive for the current calendar year under an agreement 30626  
entered into pursuant to section 5709.62 or 5709.63 of the 30627  
Revised Code and satisfies both of the requirements described in 30628  
divisions (A)(1) and (2) of this section at the time of 30629  
application, it may apply to the director of housing and 30630  
development, on a form prescribed by the director, for the 30631  
employee tax credit certificate under division (B) of this 30632  
section. 30633

(1) The enterprise has established, expanded, renovated, 30634  
or occupied a facility pursuant to an agreement under section 30635  
5709.62 or 5709.63 of the Revised Code in a zone that is 30636  
certified by the director of housing and development as having 30637  
one of the characteristics described in divisions (A)(1)(a) or 30638  
(b) and at least one of the characteristics described in 30639  
divisions (A)(1)(c) to (h) of section 5709.61 of the Revised 30640  
Code. 30641

(2) The enterprise or any predecessor enterprise has not 30642  
closed or reduced employment at any place of business in this 30643  
state within the twelve months preceding application unless the 30644

enterprise, since the date the agreement was formally approved 30645  
by the legislative authority, has hired new employees equal in 30646  
number to not less than fifty per cent of the total number of 30647  
employees employed by the enterprise at other locations in this 30648  
state on that date. The legislative authority of any municipal 30649  
corporation or county that concludes that an enterprise or any 30650  
predecessor enterprise has closed or reduced employment at a 30651  
place of business in that municipal corporation or county may 30652  
appeal to the director to determine whether the enterprise or 30653  
any predecessor enterprise has done so. Upon receiving such an 30654  
appeal, the director shall investigate the allegations and 30655  
determine whether the enterprise satisfies the requirement of 30656  
division (A) (2) of this section before proceeding under division 30657  
(B) of this section. 30658

Within sixty days after receiving an application under 30659  
this section, the director shall review, investigate, and verify 30660  
the application and determine whether the enterprise is eligible 30661  
for the employee tax credit certificate under division (B) of 30662  
this section. The application shall contain such information and 30663  
documents as the director requires, by rule, to ascertain 30664  
whether the enterprise is eligible for the certificate. On 30665  
finding that the enterprise is eligible, the director shall 30666  
proceed under division (B) of this section. 30667

On determining that an enterprise is not eligible for the 30668  
certificate under division (B) of this section, the director 30669  
shall send notice of this determination, specifying the reasons 30670  
for it, by certified mail, to the applicant, the board of county 30671  
commissioners, and the chief executive of the municipal 30672  
corporation in which the facility to which the certificate would 30673  
have been given is located. Within thirty days after receiving 30674  
such a notice, an enterprise may request, in writing, a hearing 30675

before the director for the purpose of reviewing the application 30676  
and the reasons for the determination. Within sixty days after 30677  
receiving a request for a hearing, the director shall afford one 30678  
and, within thirty days after the hearing, shall issue a 30679  
redetermination of the enterprise's eligibility for the 30680  
incentives. If the enterprise is found to be eligible, the 30681  
director shall proceed under division (B) of this section. If 30682  
the enterprise is found to be ineligible, the director shall 30683  
send notice of this finding, by certified mail, to the 30684  
applicant, the board of commissioners of the county or the chief 30685  
executive of the municipal corporation in which the facility to 30686  
which the certificate would have been given is located. The 30687  
director's redetermination that an enterprise is ineligible may 30688  
be appealed to the board of tax appeals under section 5717.02 of 30689  
the Revised Code. 30690

(B) (1) If the director determines an enterprise to be 30691  
eligible under division (A) of this section, the director shall 30692  
determine if the enterprise is entitled to an employee tax 30693  
credit certificate. An enterprise is entitled to an employee tax 30694  
credit certificate for each eligible employee the enterprise 30695  
hires. A taxpayer who is issued an employee tax credit 30696  
certificate under this section may claim a nonrefundable credit 30697  
of one thousand dollars against the taxpayer's aggregate tax 30698  
liability under either section 5733.06 or 5747.02 of the Revised 30699  
Code for each taxable year of the agreement entered into under 30700  
section 5709.62 or 5709.63 of the Revised Code in which an 30701  
eligible employee is employed for the taxpayer's full taxable 30702  
year. If the eligible employee is employed for less than the 30703  
taxpayer's full taxable year, the taxpayer may claim a reduced 30704  
credit against the aggregate amount of tax due under either 30705  
section 5733.06 or 5747.02 of the Revised Code. The reduced 30706

credit shall be computed by dividing the total number of days in 30707  
the taxable year into one thousand dollars and multiplying the 30708  
quotient by the number of days the eligible employee was 30709  
employed in the taxable year. For purposes of the computation, 30710  
the eligible employee shall be deemed to have been employed for 30711  
each day of the taxable year commencing on the date of 30712  
employment or ending on the date of termination of employment. 30713

The credit provided under this division to a noncorporate 30714  
enterprise or an enterprise that is an S corporation as defined 30715  
in section 1361 of the Internal Revenue Code shall be divided 30716  
pro rata among the owners or shareholders of the enterprise 30717  
subject to the tax imposed by section 5747.02 of the Revised 30718  
Code, based on their proportionate ownership interests in the 30719  
enterprise. The enterprise shall file with the tax commissioner, 30720  
on a form prescribed by the tax commissioner, a statement 30721  
showing the total available credit and the portion of that 30722  
credit attributed to each owner or shareholder. The statement 30723  
shall identify each owner or shareholder by name and social 30724  
security number and shall be filed with the tax commissioner by 30725  
the date prescribed by the tax commissioner, which shall be no 30726  
earlier than the fifteenth day of the month following the close 30727  
of the enterprise's taxable year for which the credit is 30728  
claimed. 30729

The taxpayer shall claim the credit in the order required 30730  
under section 5733.98 or 5747.98 of the Revised Code. If the 30731  
credit provided under this division exceeds the taxpayer's tax 30732  
liability for the taxable year after allowance for any other 30733  
credits that precede the credit under this section in that 30734  
order, the credit may be carried forward for the next three 30735  
succeeding taxable years, but the amount of any excess credit 30736  
allowed in any such year shall be deducted from the balance 30737

carried forward to the succeeding taxable year. 30738

(2) As used in this division: 30739

(a) "Eligible employee" means a new employee at a facility 30740  
who, at the time the employee was hired to work at the facility, 30741  
was a participant of the Ohio works first program under Chapter 30742  
5107. of the Revised Code or the prevention, retention, and 30743  
contingency program under Chapter 5108. of the Revised Code or a 30744  
recipient of general assistance under former Chapter 5113. of 30745  
the Revised Code and resided for at least one year in the county 30746  
in which the facility is located. "Eligible employee" does not 30747  
include any employee of the enterprise who is a new employee, as 30748  
defined under section 122.17 of the Revised Code, on the basis 30749  
of whom the enterprise has claimed a credit under that section. 30750

(b) "Taxable year" has the same meaning as in section 30751  
5733.04 or 5747.01 of the Revised Code, as applicable to the 30752  
enterprise claiming the credit. 30753

**Sec. 5709.67.** (A) Except as otherwise provided in sections 30754  
5709.61 to 5709.69 of the Revised Code, the director of housing 30755  
and development shall administer those sections and shall adopt 30756  
rules necessary to implement and administer the enterprise zone 30757  
program. The director shall assign to each zone currently 30758  
certified a unique designation by which the zone shall be 30759  
identified for purposes of administering sections 5709.61 to 30760  
5709.69 of the Revised Code. The tax commissioner shall 30761  
administer all other tax incentives provided under sections 30762  
5709.61 to 5709.69 of the Revised Code and shall adopt rules 30763  
necessary to carry out that duty. No tax incentive qualification 30764  
certificate or employee tax credit certificate shall be issued 30765  
or remain in effect unless the enterprise applying for or 30766  
holding the certificate complies with all such rules. The 30767



director of job and family services shall administer the 30768  
incentive provided under division (B)(1) of section 5709.66 of 30769  
the Revised Code and shall adopt rules necessary to carry out 30770  
that duty. No extension of benefits certificate shall be issued 30771  
or remain in effect unless the enterprise applying for or 30772  
holding the certificate complies with all such rules. 30773

(B) Not later than the first day of August each year, the 30774  
director of housing and development shall report to the general 30775  
assembly on all of the following for the preceding calendar 30776  
year: 30777

(1) The cost to the state of the tax and other incentives 30778  
provided under sections 5709.61 to 5709.69 of the Revised Code; 30779

(2) The number of tax incentive qualification 30780  
certificates, employee tax credit certificates, and extension of 30781  
benefits certificates issued; 30782

(3) The names of the municipal corporations and counties 30783  
that have entered agreements under sections 5709.62, 5709.63, 30784  
and 5709.632 of the Revised Code; 30785

(4) The number of new employees hired as a result of the 30786  
tax and other incentives provided under sections 5709.61 to 30787  
5709.69 of the Revised Code; 30788

(5) Information on agreement terms concerning school 30789  
district revenue that are not provided for in section 5709.631 30790  
of the Revised Code and that are forwarded to the director under 30791  
division (H) of section 5709.62, division (H) of section 30792  
5709.63, or division (G) of section 5709.632 of the Revised 30793  
Code. 30794

The report shall include a finding by the director as to 30795  
whether the incentives provided under sections 5709.61 to 30796

5709.69 of the Revised Code have resulted in the creation of 30797  
more positions in the state than would have been created without 30798  
the incentives. The director shall send a copy of the report to 30799  
each member of the general assembly and to the director of the 30800  
legislative service commission. 30801

**Sec. 5709.671.** By amendment or enactment of this act 30802  
Chapters 725. and 1728. and sections 3735.67 to 3735.70, 5709.40 30803  
to 5709.43, 5709.61 to 5709.69, 5709.73 to 5709.75, and 5709.77 30804  
to 5709.81 of the Revised Code by Amended Substitute Senate Bill 30805  
No. 19 of the 120th general assembly, the General Assembly 30806  
general assembly expresses its policy of encouraging political 30807  
subdivisions of this state to exercise the authority granted 30808  
under ~~Chapters 725. and 1728. and under sections 3735.67 to~~ 30809  
~~3735.70, 5709.40 to 5709.43, 5709.61 to 5709.69, 5709.73 to~~ 30810  
~~5709.75, and 5709.77 to 5709.81 of the Revised Code~~ those 30811  
chapters and sections for the purposes stated therein, and for 30812  
the purposes of retaining existing or creating new employment 30813  
opportunities within the political subdivision to the extent the 30814  
exercise of such authority is necessary to result in a net 30815  
increase in employment in this state above that which would 30816  
prevail in the absence of the use of such authority. Such 30817  
authority is not intended by the ~~General Assembly~~ general 30818  
assembly to be exercised if not necessary to achieve such a 30819  
result, nor is it intended to be exercised for the purpose of 30820  
transferring employment from one political subdivision in this 30821  
state to another if such exercise does not result in a net 30822  
increase in or retention of employment in this state. 30823

~~The Director~~ director of ~~Development~~ housing and 30824  
development may adopt such rules as the ~~Director~~ director 30825  
determines will best effect the policy stated under this 30826  
section. Such rules shall be adopted in accordance with Chapter 30827

119. of the Revised Code, and shall apply only to agreements or 30828  
actions executed on or after the effective date of such rules. 30829

**Sec. 5709.68.** (A) On or before the thirty-first day of 30830  
March each year, a municipal corporation or county that has 30831  
entered into an agreement with an enterprise under section 30832  
5709.62, 5709.63, or 5709.632 of the Revised Code shall submit 30833  
to the director of housing and development ~~services~~ and the 30834  
board of education of each school district of which a municipal 30835  
corporation or township to which such an agreement applies is a 30836  
part a report on all of those agreements in effect during the 30837  
preceding calendar year. The report shall include all of the 30838  
following information: 30839

(1) The designation, assigned by the director of housing 30840  
and development ~~services~~, of each urban jobs and enterprise zone 30841  
within the municipal corporation or county, the date each zone 30842  
was certified, the name of each municipal corporation or 30843  
township within each zone, and the total population of each zone 30844  
according to the most recent data available; 30845

(2) The number of enterprises that are subject to those 30846  
agreements and the number of full-time employees subject to 30847  
those agreements within each zone, each according to the most 30848  
recent data available and identified and categorized by the 30849  
appropriate standard industrial code, and the rate of 30850  
unemployment in the municipal corporation or county in which the 30851  
zone is located for each year since each zone was certified; 30852

(3) The number of agreements approved and executed during 30853  
the calendar year for which the report is submitted, the total 30854  
number of agreements in effect on the thirty-first day of 30855  
December of the preceding calendar year, the number of 30856  
agreements that expired during the calendar year for which the 30857

report is submitted, and the number of agreements scheduled to 30858  
expire during the calendar year in which the report is 30859  
submitted. For each agreement that expired during the calendar 30860  
year for which the report is submitted, the municipal 30861  
corporation or county shall include the amount of taxes exempted 30862  
and the estimated dollar value of any other incentives provided 30863  
under the agreement. 30864

(4) The number of agreements receiving compliance reviews 30865  
by the tax incentive review council in the municipal corporation 30866  
or county during the calendar year for which the report is 30867  
submitted, including all of the following information: 30868

(a) The number of agreements the terms of which an 30869  
enterprise has complied with, indicating separately for each 30870  
agreement the value of the real and personal property exempted 30871  
pursuant to the agreement and a comparison of the stipulated and 30872  
actual schedules for hiring new employees, for retaining 30873  
existing employees, for the amount of payroll of the enterprise 30874  
attributable to these employees, and for investing in 30875  
establishing, expanding, renovating, or occupying a facility; 30876

(b) The number of agreements the terms of which an 30877  
enterprise has failed to comply with, indicating separately for 30878  
each agreement the value of the real and personal property 30879  
exempted pursuant to the agreement and a comparison of the 30880  
stipulated and actual schedules for hiring new employees, for 30881  
retaining existing employees, for the amount of payroll of the 30882  
enterprise attributable to these employees, and for investing in 30883  
establishing, expanding, renovating, or occupying a facility; 30884

(c) The number of agreements about which the tax incentive 30885  
review council made recommendations to the legislative authority 30886  
of the municipal corporation or county, and the number of those 30887

recommendations that have not been followed; 30888

(d) The number of agreements rescinded during the calendar 30889  
year for which the report is submitted. 30890

(5) The number of enterprises that are subject to 30891  
agreements that expanded within each zone, including the number 30892  
of new employees hired and existing employees retained by each 30893  
enterprise, and the number of new enterprises that are subject 30894  
to agreements and that established within each zone, including 30895  
the number of new employees hired by each enterprise; 30896

(6) (a) The number of enterprises that are subject to 30897  
agreements and that closed or reduced employment at any place of 30898  
business within the state for the primary purpose of 30899  
establishing, expanding, renovating, or occupying a facility, 30900  
indicating separately for each enterprise the political 30901  
subdivision in which the enterprise closed or reduced employment 30902  
at a place of business and the number of full-time employees 30903  
transferred and retained by each such place of business; 30904

(b) The number of enterprises that are subject to 30905  
agreements and that closed or reduced employment at any place of 30906  
business outside the state for the primary purpose of 30907  
establishing, expanding, renovating, or occupying a facility. 30908

(7) For each agreement in effect during any part of the 30909  
preceding year, the number of employees employed by the 30910  
enterprise at the project site immediately prior to formal 30911  
approval of the agreement, the number of employees employed by 30912  
the enterprise at the project site on the thirty-first day of 30913  
December of the preceding year, the payroll of the enterprise 30914  
for the preceding year, the amount of taxes paid on tangible 30915  
personal property situated at the project site and the amount of 30916

those taxes that were not paid because of the exemption granted 30917  
under the agreement, and the amount of taxes paid on real 30918  
property constituting the project site and the amount of those 30919  
taxes that were not paid because of the exemption granted under 30920  
the agreement. If an agreement was entered into under section 30921  
5709.632 of the Revised Code with an enterprise described in 30922  
division (B) (2) of that section, the report shall include the 30923  
number of employee positions at all of the enterprise's 30924  
locations in this state. If an agreement is conditioned on a 30925  
waiver issued under division (B) of section 5709.633 of the 30926  
Revised Code on the basis of the circumstance described in 30927  
division (B) (3) (a) or (b) of that section, the report shall 30928  
include the number of employees at the facilities referred to in 30929  
division (B) (3) (a) (i) or (b) (i) of that section, respectively. 30930

(B) Upon the failure of a municipal corporation or county 30931  
to comply with division (A) of this section: 30932

(1) Beginning on the first day of April of the calendar 30933  
year in which the municipal corporation or county fails to 30934  
comply with that division, the municipal corporation or county 30935  
shall not enter into any agreements with an enterprise under 30936  
section 5709.62, 5709.63, or 5709.632 of the Revised Code until 30937  
the municipal corporation or county has complied with division 30938  
(A) of this section. 30939

(2) On the first day of each ensuing calendar month until 30940  
the municipal corporation or county complies with division (A) 30941  
of this section, the director of housing and development 30942  
~~services~~ shall either order the proper county auditor to deduct 30943  
from the next succeeding payment of taxes to the municipal 30944  
corporation or county under section 321.31, 321.32, 321.33, or 30945  
321.34 of the Revised Code an amount equal to one thousand 30946

dollars for each calendar month the municipal corporation or 30947  
county fails to comply with that division, or order the county 30948  
auditor to deduct that amount from the next succeeding payment 30949  
to the municipal corporation or county from the undivided local 30950  
government fund under section 5747.51 of the Revised Code. At 30951  
the time such a payment is made, the county auditor shall comply 30952  
with the director's order by issuing a warrant, drawn on the 30953  
fund from which the money would have been paid, to the director 30954  
of housing and development~~services~~, who shall deposit the 30955  
warrant into the state enterprise zone program administration 30956  
fund created in division (C) of this section. 30957

(C) The director, by rule, shall establish the state's 30958  
application fee for applications submitted to a municipal 30959  
corporation or county to enter into an agreement under section 30960  
5709.62, 5709.63, or 5709.632 of the Revised Code. In 30961  
establishing the amount of the fee, the director shall consider 30962  
the state's cost of administering the enterprise zone program, 30963  
including the cost of reviewing the reports required under 30964  
division (A) of this section. The director may change the amount 30965  
of the fee at the times and in the increments the director 30966  
considers necessary. Any municipal corporation or county that 30967  
receives an application shall collect the application fee and 30968  
remit the fee for deposit in the state treasury to the credit of 30969  
the tax incentives operating fund created in section 122.174 of 30970  
the Revised Code. 30971

(D) On or before the thirtieth day of June each year, the 30972  
director of housing and development ~~services~~ shall certify to 30973  
the tax commissioner the information described under division 30974  
(A) (7) of this section, derived from the reports submitted to 30975  
the director under this section. 30976

On the basis of the information certified under this 30977  
division, the tax commissioner annually shall submit a report to 30978  
the governor, the speaker of the house of representatives, the 30979  
president of the senate, and the chairpersons of the ways and 30980  
means committees of the respective houses of the general 30981  
assembly, indicating for each enterprise zone the amount of 30982  
state and local taxes that were not required to be paid because 30983  
of exemptions granted under agreements entered into under 30984  
section 5709.62, 5709.63, or 5709.632 of the Revised Code and 30985  
the amount of additional taxes paid from the payroll of new 30986  
employees. 30987

**Sec. 5709.69.** If an enterprise operating in a county or 30988  
municipal corporation in this state intends to relocate or 30989  
relocates part or all of its operations to another county or 30990  
municipal corporation in this state and has entered into or 30991  
intends to enter into an agreement under section 5709.62, 30992  
5709.63, or 5709.632 of the Revised Code with that county or 30993  
municipal corporation, the legislative authority or an officer 30994  
of the county or municipal corporation to which the enterprise 30995  
intends to relocate or relocates shall serve the legislative 30996  
authority of the county or municipal corporation from which the 30997  
enterprise intends to relocate or relocates with notice of the 30998  
enterprise's intention to relocate, accompanied by a copy of the 30999  
agreement to be entered into or entered into pursuant to section 31000  
5709.62, 5709.63, or 5709.632 of the Revised Code and a 31001  
statement of the enterprise's reasons for relocation. The 31002  
legislative authority or officer also shall serve such notice 31003  
upon the director of housing and development. In both cases, 31004  
service shall be by personal service or certified mail, return 31005  
receipt requested, not later than thirty days prior to the day 31006  
of the first public meeting at which the agreement is 31007



deliberated by the legislative authority of the county or 31008  
municipal corporation to which the enterprise intends to 31009  
relocate or relocates. With the approval of the director of 31010  
housing and development, service shall be not later than fifteen 31011  
days prior to the day of the first public meeting of the 31012  
legislative authority at which the agreement is deliberated. The 31013  
legislative authority or officer required to serve notice shall 31014  
seek such approval by applying to the director at the earliest 31015  
possible time prior to that meeting. The director may approve 31016  
the later service if the director determines that earlier notice 31017  
is not possible or would be likely to jeopardize realization of 31018  
the project. If approval for a later notice is applied for, the 31019  
legislative authority or officer need not serve notice to the 31020  
director as otherwise required by this section. 31021

If the legislative authority or officer required to serve 31022  
such notices fails to do so as prescribed by this section, the 31023  
legislative authority shall not enter into an agreement under 31024  
those sections with that enterprise. 31025

This section applies only to relocations of operations 31026  
that result or would result in the reduction of employment or 31027  
the cessation of operations at a place of business in this 31028  
state. 31029

**Sec. 5709.73.** (A) As used in this section and section 31030  
5709.74 of the Revised Code: 31031

(1) "Business day" means a day of the week excluding 31032  
Saturday, Sunday, and a legal holiday as defined in section 1.14 31033  
of the Revised Code. 31034

(2) "Further improvements" or "improvements" means the 31035  
increase in the assessed value of real property that would first 31036

appear on the tax list and duplicate of real and public utility 31037  
property after the effective date of a resolution adopted under 31038  
this section were it not for the exemption granted by that 31039  
resolution. For purposes of division (B) of this section, 31040  
"improvements" do not include any property used or to be used 31041  
for residential purposes. For this purpose, "property that is 31042  
used or to be used for residential purposes" means property 31043  
that, as improved, is used or to be used for purposes that would 31044  
cause the tax commissioner to classify the property as 31045  
residential property in accordance with rules adopted by the 31046  
commissioner under section 5713.041 of the Revised Code. 31047

(3) "Housing renovation" means a project carried out for 31048  
residential purposes. 31049

(4) "Incentive district" has the same meaning as in 31050  
section 5709.40 of the Revised Code, except that a blighted area 31051  
is in the unincorporated area of a township. 31052

(5) "Overlay" has the same meaning as in section 5709.40 31053  
of the Revised Code, except that the overlay is delineated by 31054  
the board of township trustees. 31055

(6) "Project" and "public infrastructure improvement" have 31056  
the same meanings as in section 5709.40 of the Revised Code. 31057

(7) "Urban township" has the same meaning as in section 31058  
504.01 of the Revised Code. 31059

(8) "Nonperforming parcel" means a parcel to which all of 31060  
the following apply: 31061

(a) The parcel is exempted from taxation under division 31062  
(B) of this section or has been included in a district created 31063  
under division (C) of this section. 31064

(b) The parcel's owner is required to make payments in 31065  
lieu of taxes in accordance with section 5709.74 of the Revised 31066  
Code. 31067

(c) No such payments have been remitted to the county 31068  
treasurer since the inception of the exemption or district. 31069

(B) A board of township trustees may adopt a resolution 31070  
that declares to be a public purpose any public infrastructure 31071  
improvements made that are necessary for the development of 31072  
certain parcels of land located in the unincorporated area of 31073  
the township. Except for a resolution adopted by the board of an 31074  
urban township, the resolution shall be adopted by a unanimous 31075  
vote of the board. Except as otherwise provided under division 31076  
(D) of this section or section 5709.51 of the Revised Code, the 31077  
resolution may exempt from real property taxation not more than 31078  
seventy-five per cent of further improvements to a parcel of 31079  
land that directly benefits from the public infrastructure 31080  
improvements, for a period of not more than ten years. The 31081  
resolution shall specify the percentage of the further 31082  
improvements to be exempted and the life of the exemption. 31083

(C) (1) A board of township trustees may adopt a resolution 31084  
creating an incentive district and declaring improvements to 31085  
parcels within the district to be a public purpose and, except 31086  
as provided in division (C) (2) of this section, exempt from 31087  
taxation as provided in this section. Except for a resolution 31088  
adopted by the board of an urban township, the resolution shall 31089  
be adopted by a unanimous vote of the board. A board of township 31090  
trustees of a township that has a population that exceeds 31091  
twenty-five thousand, as shown by the most recent federal 31092  
decennial census, may not adopt a resolution that creates an 31093  
incentive district if the sum of the taxable value of real 31094

property in the proposed district for the preceding tax year and 31095  
the taxable value of all real property in the township that 31096  
would have been taxable in the preceding year were it not for 31097  
the fact that the property was in an existing incentive district 31098  
and therefore exempt from taxation exceeds twenty-five per cent 31099  
of the taxable value of real property in the township for the 31100  
preceding tax year. The district shall be located within the 31101  
unincorporated area of the township and shall not include any 31102  
territory that is included within a district created under 31103  
division (B) of section 5709.78 of the Revised Code. The 31104  
resolution shall delineate the boundary of the proposed district 31105  
and specifically identify each parcel within the district. A 31106  
proposed district may not include any parcel, other than a 31107  
nonperforming parcel, that is or has been exempted from taxation 31108  
under division (B) of this section or that is or has been within 31109  
another district created under this division. On and after the 31110  
effective date of the district, a nonperforming parcel within 31111  
the district is no longer exempted from taxation under division 31112  
(B) of this section or included within an incentive district 31113  
under any previous resolution, and the parcel's owner is no 31114  
longer required to make payments in lieu of taxes under such a 31115  
previous resolution in accordance with section 5709.74 of the 31116  
Revised Code. Any exemption application filed with the tax 31117  
commissioner under section 5715.27 of the Revised Code under the 31118  
second resolution shall identify the nonperforming parcels 31119  
included in the second district, the original resolution under 31120  
which the nonperforming parcels were originally exempted, and 31121  
the value history of each nonperforming parcel since the 31122  
enactment of the original resolution. A resolution may create 31123  
more than one such district, and more than one resolution may be 31124  
adopted under division (C) (1) of this section. 31125

(2) (a) Not later than thirty days prior to adopting a 31126  
resolution under division (C) (1) of this section, if the 31127  
township intends to apply for exemptions from taxation under 31128  
section 5709.911 of the Revised Code on behalf of owners of real 31129  
property located within the proposed incentive district, the 31130  
board shall conduct a public hearing on the proposed resolution. 31131  
Not later than thirty days prior to the public hearing, the 31132  
board shall give notice of the public hearing and the proposed 31133  
resolution by first class mail to every real property owner 31134  
whose property is located within the boundaries of the proposed 31135  
incentive district that is the subject of the proposed 31136  
resolution. The notice shall include a map of the proposed 31137  
incentive district on which the board of township trustees shall 31138  
have delineated an overlay. The notice shall inform the property 31139  
owner of the owner's right to exclude the owner's property from 31140  
the incentive district if both of the following conditions are 31141  
met: 31142

(i) The owner's entire parcel of property will not be 31143  
located within the overlay. 31144

(ii) The owner has submitted a statement to the board of 31145  
county commissioners of the county in which the parcel is 31146  
located indicating the owner's intent to seek a tax exemption 31147  
for improvements to the owner's parcel under division (A) or (B) 31148  
of section 5709.78 of the Revised Code within the next five 31149  
years. 31150

When both of the preceding conditions are met, the owner 31151  
may exclude the owner's property from the incentive district by 31152  
submitting a written response in accordance with division (C) (2) 31153  
(b) of this section. The notice also shall include information 31154  
detailing the required contents of the response, the address to 31155

which the response may be mailed, and the deadline for 31156  
submitting the response. 31157

(b) Any owner of real property located within the 31158  
boundaries of an incentive district proposed under division (C) 31159  
(1) of this section who meets the conditions specified in 31160  
divisions (C) (2) (a) (i) and (ii) of this section may exclude the 31161  
property from the proposed incentive district by submitting a 31162  
written response to the board not later than forty-five days 31163  
after the postmark date on the notice required under division 31164  
(C) (2) (a) of this section. The response shall include a copy of 31165  
the statement submitted under division (C) (2) (a) (ii) of this 31166  
section. The response shall be sent by first class mail or 31167  
delivered in person at a public hearing held by the board under 31168  
division (C) (2) (a) of this section. The response shall conform 31169  
to any content requirements that may be established by the board 31170  
and included in the notice provided under division (C) (2) (a) of 31171  
this section. In the response, property owners may identify a 31172  
parcel by street address, by the manner in which it is 31173  
identified in the resolution, or by other means allowing the 31174  
identity of the parcel to be ascertained. 31175

(c) Before adopting a resolution under division (C) (1) of 31176  
this section, the board shall amend the resolution to exclude 31177  
any parcel for which a written response has been submitted under 31178  
division (C) (2) (b) of this section. A township shall not apply 31179  
for exemptions from taxation under section 5709.911 of the 31180  
Revised Code for any such parcel, and service payments may not 31181  
be required from the owner of the parcel. Improvements to a 31182  
parcel excluded from an incentive district under this division 31183  
may be exempted from taxation under division (B) of this section 31184  
pursuant to a resolution adopted under that division or under 31185  
any other section of the Revised Code under which the parcel 31186

qualifies. 31187

(3) (a) A resolution adopted under division (C) (1) of this 31188  
section shall specify the life of the incentive district and the 31189  
percentage of the improvements to be exempted, shall designate 31190  
the public infrastructure improvements made, to be made, or in 31191  
the process of being made, that benefit or serve, or, once made, 31192  
will benefit or serve parcels in the district. The resolution 31193  
also shall identify one or more specific projects being, or to 31194  
be, undertaken in the district that place additional demand on 31195  
the public infrastructure improvements designated in the 31196  
resolution. The project identified may, but need not be, the 31197  
project under division (C) (3) (b) of this section that places 31198  
real property in use for commercial or industrial purposes. 31199

A resolution adopted under division (C) (1) of this section 31200  
on or after March 30, 2006, shall not designate police or fire 31201  
equipment as public infrastructure improvements, and, except as 31202  
provided in division (F) of this section, no service payment 31203  
provided for in section 5709.74 of the Revised Code and received 31204  
by the township under the resolution shall be used for police or 31205  
fire equipment. 31206

(b) A resolution adopted under division (C) (1) of this 31207  
section may authorize the use of service payments provided for 31208  
in section 5709.74 of the Revised Code for the purpose of 31209  
housing renovations within the incentive district, provided that 31210  
the resolution also designates public infrastructure 31211  
improvements that benefit or serve the district, and that a 31212  
project within the district places real property in use for 31213  
commercial or industrial purposes. Service payments may be used 31214  
to finance or support loans, deferred loans, and grants to 31215  
persons for the purpose of housing renovations within the 31216

district. The resolution shall designate the parcels within the 31217  
district that are eligible for housing renovations. The 31218  
resolution shall state separately the amount or the percentages 31219  
of the expected aggregate service payments that are designated 31220  
for each public infrastructure improvement and for the purpose 31221  
of housing renovations. 31222

(4) Except with the approval of the board of education of 31223  
each city, local, or exempted village school district within the 31224  
territory of which the incentive district is or will be located, 31225  
and subject to division (E) of this section, the life of an 31226  
incentive district shall not exceed ten years, and the 31227  
percentage of improvements to be exempted shall not exceed 31228  
seventy-five per cent. With approval of the board of education, 31229  
the life of a district may be not more than thirty years, and 31230  
the percentage of improvements to be exempted may be not more 31231  
than one hundred per cent. The approval of a board of education 31232  
shall be obtained in the manner provided in division (D) of this 31233  
section. 31234

(D) Improvements with respect to a parcel may be exempted 31235  
from taxation under division (B) of this section, and 31236  
improvements to parcels within an incentive district may be 31237  
exempted from taxation under division (C) of this section, for 31238  
up to ten years or, with the approval of the board of education 31239  
of the city, local, or exempted village school district within 31240  
which the parcel or district is located, for up to thirty years. 31241  
The percentage of the improvements exempted from taxation may, 31242  
with such approval, exceed seventy-five per cent, but shall not 31243  
exceed one hundred per cent. Not later than forty-five business 31244  
days prior to adopting a resolution under this section declaring 31245  
improvements to be a public purpose that is subject to approval 31246  
by a board of education under this division, the board of 31247



township trustees shall deliver to the board of education a 31248  
notice stating its intent to adopt a resolution making that 31249  
declaration. The notice regarding improvements with respect to a 31250  
parcel under division (B) of this section shall identify the 31251  
parcels for which improvements are to be exempted from taxation, 31252  
provide an estimate of the true value in money of the 31253  
improvements, specify the period for which the improvements 31254  
would be exempted from taxation and the percentage of the 31255  
improvements that would be exempted, and indicate the date on 31256  
which the board of township trustees intends to adopt the 31257  
resolution. The notice regarding improvements made under 31258  
division (C) of this section to parcels within an incentive 31259  
district shall delineate the boundaries of the district, 31260  
specifically identify each parcel within the district, identify 31261  
each anticipated improvement in the district, provide an 31262  
estimate of the true value in money of each such improvement, 31263  
specify the life of the district and the percentage of 31264  
improvements that would be exempted, and indicate the date on 31265  
which the board of township trustees intends to adopt the 31266  
resolution. The board of education, by resolution adopted by a 31267  
majority of the board, may approve the exemption for the period 31268  
or for the exemption percentage specified in the notice; may 31269  
disapprove the exemption for the number of years in excess of 31270  
ten, may disapprove the exemption for the percentage of the 31271  
improvements to be exempted in excess of seventy-five per cent, 31272  
or both; or may approve the exemption on the condition that the 31273  
board of township trustees and the board of education negotiate 31274  
an agreement providing for compensation to the school district 31275  
equal in value to a percentage of the amount of taxes exempted 31276  
in the eleventh and subsequent years of the exemption period or, 31277  
in the case of exemption percentages in excess of seventy-five 31278  
per cent, compensation equal in value to a percentage of the 31279

taxes that would be payable on the portion of the improvements 31280  
in excess of seventy-five per cent were that portion to be 31281  
subject to taxation, or other mutually agreeable compensation. 31282

The board of education shall certify its resolution to the 31283  
board of township trustees not later than fourteen days prior to 31284  
the date the board of township trustees intends to adopt the 31285  
resolution as indicated in the notice. If the board of education 31286  
and the board of township trustees negotiate a mutually 31287  
acceptable compensation agreement, the resolution may declare 31288  
the improvements a public purpose for the number of years 31289  
specified in the resolution or, in the case of exemption 31290  
percentages in excess of seventy-five per cent, for the 31291  
exemption percentage specified in the resolution. In either 31292  
case, if the board of education and the board of township 31293  
trustees fail to negotiate a mutually acceptable compensation 31294  
agreement, the resolution may declare the improvements a public 31295  
purpose for not more than ten years, and shall not exempt more 31296  
than seventy-five per cent of the improvements from taxation. If 31297  
the board of education fails to certify a resolution to the 31298  
board of township trustees within the time prescribed by this 31299  
section, the board of township trustees thereupon may adopt the 31300  
resolution and may declare the improvements a public purpose for 31301  
up to thirty years or, in the case of exemption percentages 31302  
proposed in excess of seventy-five per cent, for the exemption 31303  
percentage specified in the resolution. The board of township 31304  
trustees may adopt the resolution at any time after the board of 31305  
education certifies its resolution approving the exemption to 31306  
the board of township trustees, or, if the board of education 31307  
approves the exemption on the condition that a mutually 31308  
acceptable compensation agreement be negotiated, at any time 31309  
after the compensation agreement is agreed to by the board of 31310

education and the board of township trustees. If a mutually 31311  
acceptable compensation agreement is negotiated between the 31312  
board of township trustees and the board of education, including 31313  
agreements for payments in lieu of taxes under section 5709.74 31314  
of the Revised Code, the board of township trustees shall 31315  
compensate the joint vocational school district within which the 31316  
parcel or district is located at the same rate and under the 31317  
same terms received by the city, local, or exempted village 31318  
school district. 31319

If a board of education has adopted a resolution waiving 31320  
its right to approve exemptions from taxation under this section 31321  
and the resolution remains in effect, approval of such 31322  
exemptions by the board of education is not required under 31323  
division (D) of this section. If a board of education has 31324  
adopted a resolution allowing a board of township trustees to 31325  
deliver the notice required under division (D) of this section 31326  
fewer than forty-five business days prior to adoption of the 31327  
resolution by the board of township trustees, the board of 31328  
township trustees shall deliver the notice to the board of 31329  
education not later than the number of days prior to the 31330  
adoption as prescribed by the board of education in its 31331  
resolution. If a board of education adopts a resolution waiving 31332  
its right to approve exemptions or shortening the notification 31333  
period, the board of education shall certify a copy of the 31334  
resolution to the board of township trustees. If the board of 31335  
education rescinds the resolution, it shall certify notice of 31336  
the rescission to the board of township trustees. 31337

If the board of township trustees is not required by 31338  
division (D) of this section to notify the board of education of 31339  
the board of township trustees' intent to declare improvements 31340  
to be a public purpose, the board of township trustees shall 31341

comply with the notice requirements imposed under section 31342  
5709.83 of the Revised Code before taking formal action to adopt 31343  
the resolution making that declaration, unless the board of 31344  
education has adopted a resolution under that section waiving 31345  
its right to receive the notice. 31346

Nothing in this division prohibits the board of township 31347  
trustees from amending the resolution under section 5709.51 of 31348  
the Revised Code to extend the term of the exemption. 31349

(E) (1) If a proposed resolution under division (C) (1) of 31350  
this section exempts improvements with respect to a parcel 31351  
within an incentive district for more than ten years, or the 31352  
percentage of the improvement exempted from taxation exceeds 31353  
seventy-five per cent, not later than forty-five business days 31354  
prior to adopting the resolution the board of township trustees 31355  
shall deliver to the board of county commissioners of the county 31356  
within which the incentive district is or will be located a 31357  
notice that states its intent to adopt a resolution creating an 31358  
incentive district. The notice shall include a copy of the 31359  
proposed resolution, identify the parcels for which improvements 31360  
are to be exempted from taxation, provide an estimate of the 31361  
true value in money of the improvements, specify the period of 31362  
time for which the improvements would be exempted from taxation, 31363  
specify the percentage of the improvements that would be 31364  
exempted from taxation, and indicate the date on which the board 31365  
of township trustees intends to adopt the resolution. 31366

(2) The board of county commissioners, by resolution 31367  
adopted by a majority of the board, may object to the exemption 31368  
for the number of years in excess of ten, may object to the 31369  
exemption for the percentage of the improvement to be exempted 31370  
in excess of seventy-five per cent, or both. If the board of 31371

county commissioners objects, the board may negotiate a mutually 31372  
acceptable compensation agreement with the board of township 31373  
trustees. In no case shall the compensation provided to the 31374  
board of county commissioners exceed the property taxes foregone 31375  
due to the exemption. If the board of county commissioners 31376  
objects, and the board of county commissioners and board of 31377  
township trustees fail to negotiate a mutually acceptable 31378  
compensation agreement, the resolution adopted under division 31379  
(C) (1) of this section shall provide to the board of county 31380  
commissioners compensation in the eleventh and subsequent years 31381  
of the exemption period equal in value to not more than fifty 31382  
per cent of the taxes that would be payable to the county or, if 31383  
the board of county commissioner's objection includes an 31384  
objection to an exemption percentage in excess of seventy-five 31385  
per cent, compensation equal in value to not more than fifty per 31386  
cent of the taxes that would be payable to the county, on the 31387  
portion of the improvement in excess of seventy-five per cent, 31388  
were that portion to be subject to taxation. The board of county 31389  
commissioners shall certify its resolution to the board of 31390  
township trustees not later than thirty days after receipt of 31391  
the notice. 31392

(3) If the board of county commissioners does not object 31393  
or fails to certify its resolution objecting to an exemption 31394  
within thirty days after receipt of the notice, the board of 31395  
township trustees may adopt its resolution, and no compensation 31396  
shall be provided to the board of county commissioners. If the 31397  
board of county commissioners timely certifies its resolution 31398  
objecting to the trustees' resolution, the board of township 31399  
trustees may adopt its resolution at any time after a mutually 31400  
acceptable compensation agreement is agreed to by the board of 31401  
county commissioners and the board of township trustees, or, if 31402

no compensation agreement is negotiated, at any time after the 31403  
board of township trustees agrees in the proposed resolution to 31404  
provide compensation to the board of county commissioners of 31405  
fifty per cent of the taxes that would be payable to the county 31406  
in the eleventh and subsequent years of the exemption period or 31407  
on the portion of the improvement in excess of seventy-five per 31408  
cent, were that portion to be subject to taxation. 31409

(F) Service payments in lieu of taxes that are 31410  
attributable to any amount by which the effective tax rate of 31411  
either a renewal levy with an increase or a replacement levy 31412  
exceeds the effective tax rate of the levy renewed or replaced, 31413  
or that are attributable to an additional levy, for a levy 31414  
authorized by the voters for any of the following purposes on or 31415  
after January 1, 2006, and which are provided pursuant to a 31416  
resolution creating an incentive district under division (C) (1) 31417  
of this section that is adopted on or after January 1, 2006, or 31418  
a later date as specified in this division, shall be distributed 31419  
to the appropriate taxing authority as required under division 31420  
(C) of section 5709.74 of the Revised Code in an amount equal to 31421  
the amount of taxes from that additional levy or from the 31422  
increase in the effective tax rate of such renewal or 31423  
replacement levy that would have been payable to that taxing 31424  
authority from the following levies were it not for the 31425  
exemption authorized under division (C) of this section: 31426

(1) A tax levied under division (L) of section 5705.19 or 31427  
section 5705.191 or 5705.222 of the Revised Code for community 31428  
developmental disabilities programs and services pursuant to 31429  
Chapter 5126. of the Revised Code; 31430

(2) A tax levied under division (Y) of section 5705.19 of 31431  
the Revised Code for providing or maintaining senior citizens 31432

services or facilities;	31433
(3) A tax levied under section 5705.22 of the Revised Code	31434
for county hospitals;	31435
(4) A tax levied by a joint-county district or by a county	31436
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	31437
for alcohol, drug addiction, and mental health services or	31438
families;	31439
(5) A tax levied under section 5705.23 of the Revised Code	31440
for library purposes;	31441
(6) A tax levied under section 5705.24 of the Revised Code	31442
for the support of children services and the placement and care	31443
of children;	31444
(7) A tax levied under division (Z) of section 5705.19 of	31445
the Revised Code for the provision and maintenance of zoological	31446
park services and facilities under section 307.76 of the Revised	31447
Code;	31448
(8) A tax levied under section 511.27 or division (H) of	31449
section 5705.19 of the Revised Code for the support of township	31450
park districts;	31451
(9) A tax levied under division (A), (F), or (H) of	31452
section 5705.19 of the Revised Code for parks and recreational	31453
purposes of a joint recreation district organized pursuant to	31454
division (B) of section 755.14 of the Revised Code;	31455
(10) A tax levied under section 1545.20 or 1545.21 of the	31456
Revised Code for park district purposes;	31457
(11) A tax levied under section 5705.191 of the Revised	31458
Code for the purpose of making appropriations for public	31459
assistance; human or social services; public relief; public	31460

welfare; public health and hospitalization; and support of 31461  
general hospitals; 31462

(12) A tax levied under section 3709.29 of the Revised 31463  
Code for a general health district program; 31464

(13) A tax levied by a township under section 505.39, 31465  
505.51, or division (I), (J), (U), or (JJ) of section 5705.19 of 31466  
the Revised Code for the purpose of funding fire, police, 31467  
emergency medical, or ambulance services as described in those 31468  
sections. Division (F)(13) of this section applies only to 31469  
incentive districts created by a resolution adopted on or after 31470  
March 22, 2019, the effective date of the amendment of this 31471  
section by H.B. 500 of the 132nd general assembly, and only if 31472  
that resolution specifies that division (F) of this section 31473  
shall apply to such a tax. 31474

(G) An exemption from taxation granted under this section 31475  
commences with the tax year specified in the resolution so long 31476  
as the year specified in the resolution commences after the 31477  
effective date of the resolution. If the resolution specifies a 31478  
year commencing before the effective date of the resolution or 31479  
specifies no year whatsoever, the exemption commences with the 31480  
tax year in which an exempted improvement first appears on the 31481  
tax list and duplicate of real and public utility property and 31482  
that commences after the effective date of the resolution. In 31483  
lieu of stating a specific year, the resolution may provide that 31484  
the exemption commences in the tax year in which the value of an 31485  
improvement exceeds a specified amount or in which the 31486  
construction of one or more improvements is completed, provided 31487  
that such tax year commences after the effective date of the 31488  
resolution. With respect to the exemption of improvements to 31489  
parcels under division (B) of this section, the resolution may 31490



allow for the exemption to commence in different tax years on a 31491  
parcel-by-parcel basis, with a separate exemption term specified 31492  
for each parcel. 31493

Except as otherwise provided in this division and section 31494  
5709.51 of the Revised Code, the exemption ends on the date 31495  
specified in the resolution as the date the improvement ceases 31496  
to be a public purpose or the incentive district expires, or 31497  
ends on the date on which the public infrastructure improvements 31498  
and housing renovations are paid in full from the township 31499  
public improvement tax increment equivalent fund established 31500  
under section 5709.75 of the Revised Code, whichever occurs 31501  
first. The exemption of an improvement with respect to a parcel 31502  
or within an incentive district may end on a later date, as 31503  
specified in the resolution, if the board of township trustees 31504  
and the board of education of the city, local, or exempted 31505  
village school district within which the parcel or district is 31506  
located have entered into a compensation agreement under section 31507  
5709.82 of the Revised Code with respect to the improvement and 31508  
the board of education has approved the term of the exemption 31509  
under division (D) of this section, but in no case shall the 31510  
improvement be exempted from taxation for more than thirty 31511  
years. The board of township trustees may, by majority vote, 31512  
adopt a resolution permitting the township to enter into such 31513  
agreements as the board finds necessary or appropriate to 31514  
provide for the construction or undertaking of public 31515  
infrastructure improvements and housing renovations. Any 31516  
exemption shall be claimed and allowed in the same or a similar 31517  
manner as in the case of other real property exemptions. If an 31518  
exemption status changes during a tax year, the procedure for 31519  
the apportionment of the taxes for that year is the same as in 31520  
the case of other changes in tax exemption status during the 31521

year. 31522

(H) The board of township trustees may issue the notes of 31523  
the township to finance all costs pertaining to the construction 31524  
or undertaking of public infrastructure improvements and housing 31525  
renovations made pursuant to this section. The notes shall be 31526  
signed by the board and attested by the signature of the 31527  
township fiscal officer, shall bear interest not to exceed the 31528  
rate provided in section 9.95 of the Revised Code, and are not 31529  
subject to Chapter 133. of the Revised Code. The resolution 31530  
authorizing the issuance of the notes shall pledge the funds of 31531  
the township public improvement tax increment equivalent fund 31532  
established pursuant to section 5709.75 of the Revised Code to 31533  
pay the interest on and principal of the notes. The notes, which 31534  
may contain a clause permitting prepayment at the option of the 31535  
board, shall be offered for sale on the open market or given to 31536  
the vendor or contractor if no sale is made. 31537

(I) The township, not later than fifteen days after the 31538  
adoption of a resolution under this section, shall submit to the 31539  
director of housing and development a copy of the resolution. On 31540  
or before the thirty-first day of March of each year, the 31541  
township shall submit a status report to the director. The 31542  
report shall indicate, in the manner prescribed by the director, 31543  
the progress of the project during each year that the exemption 31544  
remains in effect, including a summary of the receipts from 31545  
service payments in lieu of taxes; expenditures of money from 31546  
the fund created under section 5709.75 of the Revised Code; a 31547  
description of the public infrastructure improvements and 31548  
housing renovations financed with the expenditures; and a 31549  
quantitative summary of changes in private investment resulting 31550  
from each project. 31551

(J) Nothing in this section shall be construed to prohibit 31552  
a board of township trustees from declaring to be a public 31553  
purpose improvements with respect to more than one parcel. 31554

If a parcel is located in a new community district in 31555  
which the new community authority imposes a community 31556  
development charge on the basis of rentals received from leases 31557  
of real property as described in division (L) (2) of section 31558  
349.01 of the Revised Code, the parcel may not be exempted from 31559  
taxation under this section. 31560

(K) A board of township trustees that adopted a resolution 31561  
under this section prior to July 21, 1994, may amend that 31562  
resolution to include any additional public infrastructure 31563  
improvement. A board of township trustees that seeks by the 31564  
amendment to utilize money from its township public improvement 31565  
tax increment equivalent fund for land acquisition in aid of 31566  
industry, commerce, distribution, or research, demolition on 31567  
private property, or stormwater and flood remediation projects 31568  
may do so provided that the board currently is a party to a 31569  
hold-harmless agreement with the board of education of the city, 31570  
local, or exempted village school district within the territory 31571  
of which are located the parcels that are subject to an 31572  
exemption. For the purposes of this division, a "hold-harmless 31573  
agreement" means an agreement under which the board of township 31574  
trustees agrees to compensate the school district for one 31575  
hundred per cent of the tax revenue that the school district 31576  
would have received from further improvements to parcels 31577  
designated in the resolution were it not for the exemption 31578  
granted by the resolution. 31579

(L) (1) Notwithstanding the limitation prescribed by 31580  
division (D) of this section on the number of years that 31581

improvements to a parcel or parcels may be exempted from 31582  
taxation, and subject to division (L)(3) of this section, a 31583  
board of trustees of a township with a population of fifteen 31584  
thousand or more may amend a resolution originally adopted under 31585  
this section before December 31, 1994, to extend the exemption 31586  
of improvements to the parcel or parcels included in such 31587  
resolution for an additional period not to exceed fifteen years. 31588  
The amendment shall not increase the percentage of improvements 31589  
to the parcel or parcels exempted from taxation. 31590

(2) Notwithstanding the limitations prescribed by 31591  
divisions (C) and (D) of this section on the life of an 31592  
incentive district and the number of years that improvements to 31593  
a parcel or parcels within an incentive district may be exempted 31594  
from taxation, and subject to division (L)(3) of this section, a 31595  
board of township trustees may amend a resolution originally 31596  
adopted under division (C) of this section before January 1, 31597  
2006, to extend the life of an incentive district created by 31598  
that resolution. The extension shall be for a period not to 31599  
exceed fifteen years and shall not increase the percentage of 31600  
the value of improvements exempted from taxation. 31601

(3) Before adopting an amendment authorized under division 31602  
(L)(1) or (2) of this section, the board of township trustees 31603  
shall provide notice of the amendment to each board of education 31604  
of the city, local, or exempted village school district in which 31605  
the exempted parcels or incentive district are located, in the 31606  
same manner as provided under division (D) of this section, and 31607  
shall obtain the approval of each such board of education in the 31608  
manner required under that division, except that (a) the board 31609  
of education may approve the exemption on the condition that the 31610  
board of township trustees and the board of education negotiate 31611  
an agreement providing for compensation to the school district 31612

equal in value to the amount of taxes the district forgoes in 31613  
each year the exemption is extended or any other mutually 31614  
agreeable compensation and (b) if the board of education fails 31615  
to certify a resolution approving the amendment to the board of 31616  
township trustees within the time prescribed by division (D) of 31617  
this section, the board of township trustees shall not adopt the 31618  
amendment. 31619

No approval under division (L) (3) of this section shall be 31620  
required for an amendment authorized under division (L) (2) of 31621  
this section if the amendment provides for compensation to the 31622  
city, local, or exempted village school district in which the 31623  
incentive district is located equal in value to the amount of 31624  
taxes that would be payable to the school district if the 31625  
improvements exempted from taxation had not been exempted for 31626  
the additional period. Approval is also not required for an 31627  
amendment authorized under either division (L) (1) or (2) of this 31628  
section from a board of education that has adopted a resolution 31629  
waiving its right to approve exemptions from taxation pursuant 31630  
to division (D) of this section. If the board of education has 31631  
adopted such a resolution, the board of township trustees shall 31632  
comply with the notice requirements imposed under section 31633  
5709.83 of the Revised Code before taking formal action to adopt 31634  
the amendment unless the board of education has adopted a 31635  
resolution under that section waiving its right to receive the 31636  
notice. Not later than fourteen days before adopting an 31637  
amendment authorized under division (L) (1) or (2) of this 31638  
section, the board of township trustees shall deliver a notice 31639  
identical to a notice required under section 5709.83 of the 31640  
Revised Code to the board of county commissioners of each county 31641  
in which the exempted parcels or incentive district are located. 31642

**Sec. 5709.78.** (A) A board of county commissioners may, by 31643

resolution, declare improvements to certain parcels of real 31644  
property located in the unincorporated territory of the county 31645  
to be a public purpose. Except as otherwise provided under 31646  
division (C) of this section or section 5709.51 of the Revised 31647  
Code, not more than seventy-five per cent of an improvement thus 31648  
declared to be a public purpose may be exempted from real 31649  
property taxation, for a period of not more than ten years. The 31650  
resolution shall specify the percentage of the improvement to be 31651  
exempted and the life of the exemption. 31652

A resolution adopted under this division shall designate 31653  
the specific public infrastructure improvements made, to be 31654  
made, or in the process of being made by the county that 31655  
directly benefit, or that once made will directly benefit, the 31656  
parcels for which improvements are declared to be a public 31657  
purpose. The service payments provided for in section 5709.79 of 31658  
the Revised Code shall be used to finance the public 31659  
infrastructure improvements designated in the resolution, or as 31660  
provided in section 5709.80 of the Revised Code. 31661

(B) (1) A board of county commissioners may adopt a 31662  
resolution creating an incentive district and declaring 31663  
improvements to parcels within the district to be a public 31664  
purpose and, except as provided in division (B) (2) of this 31665  
section, exempt from taxation as provided in this section, but 31666  
no board of county commissioners of a county that has a 31667  
population that exceeds twenty-five thousand, as shown by the 31668  
most recent federal decennial census, shall adopt a resolution 31669  
that creates an incentive district if the sum of the taxable 31670  
value of real property in the proposed district for the 31671  
preceding tax year and the taxable value of all real property in 31672  
the county that would have been taxable in the preceding year 31673  
were it not for the fact that the property was in an existing 31674

incentive district and therefore exempt from taxation exceeds 31675  
twenty-five per cent of the taxable value of real property in 31676  
the county for the preceding tax year. The district shall be 31677  
located within the unincorporated territory of the county and 31678  
shall not include any territory that is included within a 31679  
district created under division (C) of section 5709.73 of the 31680  
Revised Code. The resolution shall delineate the boundary of the 31681  
proposed district and specifically identify each parcel within 31682  
the district. A proposed district may not include any parcel 31683  
that is or has been exempted from taxation under division (A) of 31684  
this section or that is or has been within another district 31685  
created under this division. A resolution may create more than 31686  
one such district, and more than one resolution may be adopted 31687  
under division (B) (1) of this section. 31688

(2) (a) Not later than thirty days prior to adopting a 31689  
resolution under division (B) (1) of this section, if the county 31690  
intends to apply for exemptions from taxation under section 31691  
5709.911 of the Revised Code on behalf of owners of real 31692  
property located within the proposed incentive district, the 31693  
board of county commissioners shall conduct a public hearing on 31694  
the proposed resolution. Not later than thirty days prior to the 31695  
public hearing, the board shall give notice of the public 31696  
hearing and the proposed resolution by first class mail to every 31697  
real property owner whose property is located within the 31698  
boundaries of the proposed incentive district that is the 31699  
subject of the proposed resolution. The board also shall provide 31700  
the notice by first class mail to the clerk of each township in 31701  
which the proposed incentive district will be located. The 31702  
notice shall include a map of the proposed incentive district on 31703  
which the board of county commissioners shall have delineated an 31704  
overlay. The notice shall inform property owners of the owner's 31705

right to exclude the owner's property from the incentive 31706  
district if both of the following conditions are met: 31707

(i) The owner's entire parcel of property will not be 31708  
located within the overlay. 31709

(ii) The owner has submitted a statement to the board of 31710  
township trustees of the township in which the parcel is located 31711  
indicating the owner's intent to seek a tax exemption for 31712  
improvements to the owner's parcel under section 5709.41 or 31713  
division (B) or (C) of section 5709.73 of the Revised Code 31714  
within the next five years. 31715

When both of the preceding conditions are met, the owner 31716  
may exclude the owner's property from the incentive district by 31717  
submitting a written response in accordance with division (B) (2) 31718  
(b) of this section. The notice also shall include information 31719  
detailing the required contents of the response, the address to 31720  
which the response may be mailed, and the deadline for 31721  
submitting the response. 31722

(b) Any owner of real property located within the 31723  
boundaries of an incentive district proposed under division (B) 31724  
(1) of this section who meets the conditions specified in 31725  
divisions (B) (2) (a) (i) and (ii) of this section may exclude the 31726  
property from the proposed incentive district by submitting a 31727  
written response to the board not later than forty-five days 31728  
after the postmark date on the notice required under division 31729  
(B) (2) (a) of this section. The response shall include a copy of 31730  
the statement submitted under division (B) (2) (a) (ii) of this 31731  
section. The response shall be sent by first class mail or 31732  
delivered in person at a public hearing held by the board under 31733  
division (B) (2) (a) of this section. The response shall conform 31734  
to any content requirements that may be established by the board 31735



and included in the notice provided under division (B) (2) (a) of 31736  
this section. In the response, property owners may identify a 31737  
parcel by street address, by the manner in which it is 31738  
identified in the resolution, or by other means allowing the 31739  
identity of the parcel to be ascertained. 31740

(c) Before adopting a resolution under division (B) (1) of 31741  
this section, the board shall amend the resolution to exclude 31742  
any parcel for which a written response has been submitted under 31743  
division (B) (2) (b) of this section. A county shall not apply for 31744  
exemptions from taxation under section 5709.911 of the Revised 31745  
Code for any such parcel, and service payments may not be 31746  
required from the owner of the parcel. Improvements to a parcel 31747  
excluded from an incentive district under this division may be 31748  
exempted from taxation under division (A) of this section 31749  
pursuant to a resolution adopted under that division or under 31750  
any other section of the Revised Code under which the parcel 31751  
qualifies. 31752

(3) (a) A resolution adopted under division (B) (1) of this 31753  
section shall specify the life of the incentive district and the 31754  
percentage of the improvements to be exempted, shall designate 31755  
the public infrastructure improvements made, to be made, or in 31756  
the process of being made, that benefit or serve, or, once made, 31757  
will benefit or serve parcels in the district. The resolution 31758  
also shall identify one or more specific projects being, or to 31759  
be, undertaken in the district that place additional demand on 31760  
the public infrastructure improvements designated in the 31761  
resolution. The project identified may, but need not be, the 31762  
project under division (B) (3) (b) of this section that places 31763  
real property in use for commercial or industrial purposes. 31764

A resolution adopted under division (B) (1) of this section 31765

on or after March 30, 2006, shall not designate police or fire 31766  
equipment as public infrastructure improvements, and no service 31767  
payment provided for in section 5709.79 of the Revised Code and 31768  
received by the county under the resolution shall be used for 31769  
police or fire equipment. 31770

(b) A resolution adopted under division (B)(1) of this 31771  
section may authorize the use of service payments provided for 31772  
in section 5709.79 of the Revised Code for the purpose of 31773  
housing renovations within the incentive district, provided that 31774  
the resolution also designates public infrastructure 31775  
improvements that benefit or serve the district, and that a 31776  
project within the district places real property in use for 31777  
commercial or industrial purposes. Service payments may be used 31778  
to finance or support loans, deferred loans, and grants to 31779  
persons for the purpose of housing renovations within the 31780  
district. The resolution shall designate the parcels within the 31781  
district that are eligible for housing renovations. The 31782  
resolution shall state separately the amount or the percentages 31783  
of the expected aggregate service payments that are designated 31784  
for each public infrastructure improvement and for the purpose 31785  
of housing renovations. 31786

(4) Except with the approval of the board of education of 31787  
each city, local, or exempted village school district within the 31788  
territory of which the incentive district is or will be located, 31789  
and subject to division (D) of this section, the life of an 31790  
incentive district shall not exceed ten years, and the 31791  
percentage of improvements to be exempted shall not exceed 31792  
seventy-five per cent. With approval of the board of education, 31793  
the life of a district may be not more than thirty years, and 31794  
the percentage of improvements to be exempted may be not more 31795  
than one hundred per cent. The approval of a board of education 31796

shall be obtained in the manner provided in division (C) of this section. 31797  
31798

(C) (1) Improvements with respect to a parcel may be 31799  
exempted from taxation under division (A) of this section, and 31800  
improvements to parcels within an incentive district may be 31801  
exempted from taxation under division (B) of this section, for 31802  
up to ten years or, with the approval of the board of education 31803  
of each city, local, or exempted village school district within 31804  
which the parcel or district is located, for up to thirty years. 31805  
The percentage of the improvements exempted from taxation may, 31806  
with such approval, exceed seventy-five per cent, but shall not 31807  
exceed one hundred per cent. Not later than forty-five business 31808  
days prior to adopting a resolution under this section declaring 31809  
improvements to be a public purpose that is subject to the 31810  
approval of a board of education under this division, the board 31811  
of county commissioners shall deliver to the board of education 31812  
a notice stating its intent to adopt a resolution making that 31813  
declaration. The notice regarding improvements with respect to a 31814  
parcel under division (A) of this section shall identify the 31815  
parcels for which improvements are to be exempted from taxation, 31816  
provide an estimate of the true value in money of the 31817  
improvements, specify the period for which the improvements 31818  
would be exempted from taxation and the percentage of the 31819  
improvements that would be exempted, and indicate the date on 31820  
which the board of county commissioners intends to adopt the 31821  
resolution. The notice regarding improvements to parcels within 31822  
an incentive district under division (B) of this section shall 31823  
delineate the boundaries of the district, specifically identify 31824  
each parcel within the district, identify each anticipated 31825  
improvement in the district, provide an estimate of the true 31826  
value in money of each such improvement, specify the life of the 31827

district and the percentage of improvements that would be 31828  
exempted, and indicate the date on which the board of county 31829  
commissioners intends to adopt the resolution. The board of 31830  
education, by resolution adopted by a majority of the board, may 31831  
approve the exemption for the period or for the exemption 31832  
percentage specified in the notice; may disapprove the exemption 31833  
for the number of years in excess of ten, may disapprove the 31834  
exemption for the percentage of the improvements to be exempted 31835  
in excess of seventy-five per cent, or both; or may approve the 31836  
exemption on the condition that the board of county 31837  
commissioners and the board of education negotiate an agreement 31838  
providing for compensation to the school district equal in value 31839  
to a percentage of the amount of taxes exempted in the eleventh 31840  
and subsequent years of the exemption period or, in the case of 31841  
exemption percentages in excess of seventy-five per cent, 31842  
compensation equal in value to a percentage of the taxes that 31843  
would be payable on the portion of the improvements in excess of 31844  
seventy-five per cent were that portion to be subject to 31845  
taxation, or other mutually agreeable compensation. 31846

(2) The board of education shall certify its resolution to 31847  
the board of county commissioners not later than fourteen days 31848  
prior to the date the board of county commissioners intends to 31849  
adopt its resolution as indicated in the notice. If the board of 31850  
education and the board of county commissioners negotiate a 31851  
mutually acceptable compensation agreement, the resolution of 31852  
the board of county commissioners may declare the improvements a 31853  
public purpose for the number of years specified in that 31854  
resolution or, in the case of exemption percentages in excess of 31855  
seventy-five per cent, for the exemption percentage specified in 31856  
the resolution. In either case, if the board of education and 31857  
the board of county commissioners fail to negotiate a mutually 31858

acceptable compensation agreement, the resolution may declare 31859  
the improvements a public purpose for not more than ten years, 31860  
and shall not exempt more than seventy-five per cent of the 31861  
improvements from taxation. If the board of education fails to 31862  
certify a resolution to the board of county commissioners within 31863  
the time prescribed by this section, the board of county 31864  
commissioners thereupon may adopt the resolution and may declare 31865  
the improvements a public purpose for up to thirty years or, in 31866  
the case of exemption percentages proposed in excess of seventy- 31867  
five per cent, for the exemption percentage specified in the 31868  
resolution. The board of county commissioners may adopt the 31869  
resolution at any time after the board of education certifies 31870  
its resolution approving the exemption to the board of county 31871  
commissioners, or, if the board of education approves the 31872  
exemption on the condition that a mutually acceptable 31873  
compensation agreement be negotiated, at any time after the 31874  
compensation agreement is agreed to by the board of education 31875  
and the board of county commissioners. If a mutually acceptable 31876  
compensation agreement is negotiated between the board of county 31877  
commissioners and the board of education, including agreements 31878  
for payments in lieu of taxes under section 5709.79 of the 31879  
Revised Code, the board of county commissioners shall compensate 31880  
the joint vocational school district within which the parcel or 31881  
district is located at the same rate and under the same terms 31882  
received by the city, local, or exempted village school 31883  
district. 31884

(3) If a board of education has adopted a resolution 31885  
waiving its right to approve exemptions from taxation under this 31886  
section and the resolution remains in effect, approval of such 31887  
exemptions by the board of education is not required under 31888  
division (C) of this section. If a board of education has 31889

adopted a resolution allowing a board of county commissioners to 31890  
deliver the notice required under division (C) of this section 31891  
fewer than forty-five business days prior to approval of the 31892  
resolution by the board of county commissioners, the board of 31893  
county commissioners shall deliver the notice to the board of 31894  
education not later than the number of days prior to such 31895  
approval as prescribed by the board of education in its 31896  
resolution. If a board of education adopts a resolution waiving 31897  
its right to approve exemptions or shortening the notification 31898  
period, the board of education shall certify a copy of the 31899  
resolution to the board of county commissioners. If the board of 31900  
education rescinds such a resolution, it shall certify notice of 31901  
the rescission to the board of county commissioners. 31902

(4) Nothing in division (C) of this section prohibits the 31903  
board of county commissioners from amending the resolution under 31904  
section 5709.51 of the Revised Code to extend the term of the 31905  
exemption. 31906

(D) (1) If a proposed resolution under division (B) (1) of 31907  
this section exempts improvements with respect to a parcel 31908  
within an incentive district for more than ten years, or the 31909  
percentage of the improvement exempted from taxation exceeds 31910  
seventy-five per cent, not later than forty-five business days 31911  
prior to adopting the resolution the board of county 31912  
commissioners shall deliver to the board of township trustees of 31913  
any township within which the incentive district is or will be 31914  
located a notice that states its intent to adopt a resolution 31915  
creating an incentive district. The notice shall include a copy 31916  
of the proposed resolution, identify the parcels for which 31917  
improvements are to be exempted from taxation, provide an 31918  
estimate of the true value in money of the improvements, specify 31919  
the period of time for which the improvements would be exempted 31920

from taxation, specify the percentage of the improvements that 31921  
would be exempted from taxation, and indicate the date on which 31922  
the board intends to adopt the resolution. 31923

(2) The board of township trustees, by resolution adopted 31924  
by a majority of the board, may object to the exemption for the 31925  
number of years in excess of ten, may object to the exemption 31926  
for the percentage of the improvement to be exempted in excess 31927  
of seventy-five per cent, or both. If the board of township 31928  
trustees objects, the board of township trustees may negotiate a 31929  
mutually acceptable compensation agreement with the board of 31930  
county commissioners. In no case shall the compensation provided 31931  
to the board of township trustees exceed the property taxes 31932  
forgone due to the exemption. If the board of township trustees 31933  
objects, and the board of township trustees and the board of 31934  
county commissioners fail to negotiate a mutually acceptable 31935  
compensation agreement, the resolution adopted under division 31936  
(B) (1) of this section shall provide to the board of township 31937  
trustees compensation in the eleventh and subsequent years of 31938  
the exemption period equal in value to not more than fifty per 31939  
cent of the taxes that would be payable to the township or, if 31940  
the board of township trustee's objection includes an objection 31941  
to an exemption percentage in excess of seventy-five per cent, 31942  
compensation equal in value to not more than fifty per cent of 31943  
the taxes that would be payable to the township on the portion 31944  
of the improvement in excess of seventy-five per cent, were that 31945  
portion to be subject to taxation. The board of township 31946  
trustees shall certify its resolution to the board of county 31947  
commissioners not later than thirty days after receipt of the 31948  
notice. 31949

(3) If the board of township trustees does not object or 31950  
fails to certify a resolution objecting to an exemption within 31951

thirty days after receipt of the notice, the board of county 31952  
commissioners may adopt its resolution, and no compensation 31953  
shall be provided to the board of township trustees. If the 31954  
board of township trustees certifies its resolution objecting to 31955  
the commissioners' resolution, the board of county commissioners 31956  
may adopt its resolution at any time after a mutually acceptable 31957  
compensation agreement is agreed to by the board of county 31958  
commissioners and the board of township trustees. If the board 31959  
of township trustees certifies a resolution objecting to the 31960  
commissioners' resolution, the board of county commissioners may 31961  
adopt its resolution at any time after a mutually acceptable 31962  
compensation agreement is agreed to by the board of county 31963  
commissioners and the board of township trustees, or, if no 31964  
compensation agreement is negotiated, at any time after the 31965  
board of county commissioners in the proposed resolution to 31966  
provide compensation to the board of township trustees of fifty 31967  
per cent of the taxes that would be payable to the township in 31968  
the eleventh and subsequent years of the exemption period or on 31969  
the portion of the improvement in excess of seventy-five per 31970  
cent, were that portion to be subject to taxation. 31971

(E) Service payments in lieu of taxes that are 31972  
attributable to any amount by which the effective tax rate of 31973  
either a renewal levy with an increase or a replacement levy 31974  
exceeds the effective tax rate of the levy renewed or replaced, 31975  
or that are attributable to an additional levy, for a levy 31976  
authorized by the voters for any of the following purposes on or 31977  
after January 1, 2006, and which are provided pursuant to a 31978  
resolution creating an incentive district under division (B)(1) 31979  
of this section that is adopted on or after January 1, 2006, 31980  
shall be distributed to the appropriate taxing authority as 31981  
required under division (D) of section 5709.79 of the Revised 31982



Code in an amount equal to the amount of taxes from that	31983
additional levy or from the increase in the effective tax rate	31984
of such renewal or replacement levy that would have been payable	31985
to that taxing authority from the following levies were it not	31986
for the exemption authorized under division (B) of this section:	31987
(1) A tax levied under division (L) of section 5705.19 or	31988
section 5705.191 or 5705.222 of the Revised Code for community	31989
developmental disabilities programs and services pursuant to	31990
Chapter 5126. of the Revised Code;	31991
(2) A tax levied under division (Y) of section 5705.19 of	31992
the Revised Code for providing or maintaining senior citizens	31993
services or facilities;	31994
(3) A tax levied under section 5705.22 of the Revised Code	31995
for county hospitals;	31996
(4) A tax levied by a joint-county district or by a county	31997
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	31998
for alcohol, drug addiction, and mental health services or	31999
facilities;	32000
(5) A tax levied under section 5705.23 of the Revised Code	32001
for library purposes;	32002
(6) A tax levied under section 5705.24 of the Revised Code	32003
for the support of children services and the placement and care	32004
of children;	32005
(7) A tax levied under division (Z) of section 5705.19 of	32006
the Revised Code for the provision and maintenance of zoological	32007
park services and facilities under section 307.76 of the Revised	32008
Code;	32009
(8) A tax levied under section 511.27 or division (H) of	32010

section 5705.19 of the Revised Code for the support of township	32011
park districts;	32012
(9) A tax levied under division (A), (F), or (H) of	32013
section 5705.19 of the Revised Code for parks and recreational	32014
purposes of a joint recreation district organized pursuant to	32015
division (B) of section 755.14 of the Revised Code;	32016
(10) A tax levied under section 1545.20 or 1545.21 of the	32017
Revised Code for park district purposes;	32018
(11) A tax levied under section 5705.191 of the Revised	32019
Code for the purpose of making appropriations for public	32020
assistance; human or social services; public relief; public	32021
welfare; public health and hospitalization; and support of	32022
general hospitals;	32023
(12) A tax levied under section 3709.29 of the Revised	32024
Code for a general health district program.	32025
(F) An exemption from taxation granted under this section	32026
commences with the tax year specified in the resolution so long	32027
as the year specified in the resolution commences after the	32028
effective date of the resolution. If the resolution specifies a	32029
year commencing before the effective date of the resolution or	32030
specifies no year whatsoever, the exemption commences with the	32031
tax year in which an exempted improvement first appears on the	32032
tax list and duplicate of real and public utility property and	32033
that commences after the effective date of the resolution. In	32034
lieu of stating a specific year, the resolution may provide that	32035
the exemption commences in the tax year in which the value of an	32036
improvement exceeds a specified amount or in which the	32037
construction of one or more improvements is completed, provided	32038
that such tax year commences after the effective date of the	32039

resolution. With respect to the exemption of improvements to 32040  
parcels under division (A) of this section, the resolution may 32041  
allow for the exemption to commence in different tax years on a 32042  
parcel-by-parcel basis, with a separate exemption term specified 32043  
for each parcel. 32044

Except as otherwise provided in this division, the 32045  
exemption ends on the date specified in the resolution as the 32046  
date the improvement ceases to be a public purpose or the 32047  
incentive district expires, or ends on the date on which the 32048  
county can no longer require annual service payments in lieu of 32049  
taxes under section 5709.79 of the Revised Code, whichever 32050  
occurs first. The exemption of an improvement with respect to a 32051  
parcel or within an incentive district may end on a later date, 32052  
as specified in the resolution, if the board of commissioners 32053  
and the board of education of the city, local, or exempted 32054  
village school district within which the parcel or district is 32055  
located have entered into a compensation agreement under section 32056  
5709.82 of the Revised Code with respect to the improvement, and 32057  
the board of education has approved the term of the exemption 32058  
under division (C)(1) of this section, but in no case shall the 32059  
improvement be exempted from taxation for more than thirty 32060  
years. Exemptions shall be claimed and allowed in the same or a 32061  
similar manner as in the case of other real property exemptions. 32062  
If an exemption status changes during a tax year, the procedure 32063  
for the apportionment of the taxes for that year is the same as 32064  
in the case of other changes in tax exemption status during the 32065  
year. 32066

(G) If the board of county commissioners is not required 32067  
by this section to notify the board of education of the board of 32068  
county commissioners' intent to declare improvements to be a 32069  
public purpose, the board of county commissioners shall comply 32070

with the notice requirements imposed under section 5709.83 of 32071  
the Revised Code before taking formal action to adopt the 32072  
resolution making that declaration, unless the board of 32073  
education has adopted a resolution under that section waiving 32074  
its right to receive such a notice. 32075

(H) The county, not later than fifteen days after the 32076  
adoption of a resolution under this section, shall submit to the 32077  
director of housing and development a copy of the resolution. On 32078  
or before the thirty-first day of March of each year, the county 32079  
shall submit a status report to the director. The report shall 32080  
indicate, in the manner prescribed by the director, the progress 32081  
of the project during each year that an exemption remains in 32082  
effect, including a summary of the receipts from service 32083  
payments in lieu of taxes; expenditures of money from the fund 32084  
created under section 5709.80 of the Revised Code; a description 32085  
of the public infrastructure improvements and housing 32086  
renovations financed with such expenditures; and a quantitative 32087  
summary of changes in employment and private investment 32088  
resulting from each project. 32089

(I) Nothing in this section shall be construed to prohibit 32090  
a board of county commissioners from declaring to be a public 32091  
purpose improvements with respect to more than one parcel. 32092

(J) If a parcel is located in a new community district in 32093  
which the new community authority imposes a community 32094  
development charge on the basis of rentals received from leases 32095  
of real property as described in division (L) (2) of section 32096  
349.01 of the Revised Code, the parcel may not be exempted from 32097  
taxation under this section. 32098

**Sec. 5709.82.** (A) As used in this section: 32099

(1) "New employee" means both of the following:	32100
(a) Persons employed in the construction of real property	32101
exempted from taxation under the chapters or sections of the	32102
Revised Code enumerated in division (B) of this section;	32103
(b) Persons not described by division (A) (1) (a) of this	32104
section who are first employed at the site of such property and	32105
who within the two previous years have not been subject, prior	32106
to being employed at that site, to income taxation by the	32107
municipal corporation within whose territory the site is located	32108
on income derived from employment for the person's current	32109
employer. "New employee" does not include any person who	32110
replaces a person who is not a new employee under division (A)	32111
(1) of this section.	32112
(2) "Infrastructure costs" means costs incurred by a	32113
municipal corporation in a calendar year to acquire, construct,	32114
reconstruct, improve, plan, or equip real or tangible personal	32115
property that directly benefits or will directly benefit the	32116
exempted property. If the municipal corporation finances the	32117
acquisition, construction, reconstruction, improvement,	32118
planning, or equipping of real or tangible personal property	32119
that directly benefits the exempted property by issuing debt,	32120
"infrastructure costs" means the annual debt charges incurred by	32121
the municipal corporation from the issuance of such debt. Real	32122
or tangible personal property directly benefits exempted	32123
property only if the exempted property places or will place	32124
direct, additional demand on the real or tangible personal	32125
property for which such costs were or will be incurred.	32126
(3) "Taxing unit" has the same meaning as in division (H)	32127
of section 5705.01 of the Revised Code.	32128

(B) (1) Except as otherwise provided under division (C) of 32129  
this section, the legislative authority of any political 32130  
subdivision that has acted under the authority of Chapter 725. 32131  
or 1728., sections 3735.65 to 3735.70, or section 5709.40, 32132  
5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 32133  
5709.84, or 5709.88 of the Revised Code to grant an exemption 32134  
from taxation for real or tangible personal property may 32135  
negotiate with the board of education of each city, local, 32136  
exempted village, or joint vocational school district or other 32137  
taxing unit within the territory of which the exempted property 32138  
is located, and enter into an agreement whereby the school 32139  
district or taxing unit is compensated for tax revenue foregone 32140  
by the school district or taxing unit as a result of the 32141  
exemption. Except as otherwise provided in division (B) (1) of 32142  
this section, if a political subdivision enters into more than 32143  
one agreement under this section with respect to a tax 32144  
exemption, the political subdivision shall provide to each 32145  
school district or taxing unit with which it contracts the same 32146  
percentage of tax revenue foregone by the school district or 32147  
taxing unit, which may be based on a good faith projection made 32148  
at the time the exemption is granted. Such percentage shall be 32149  
calculated on the basis of amounts paid by the political 32150  
subdivision and any amounts paid by an owner under division (B) 32151  
(2) of this section. A political subdivision may provide a 32152  
school district or other taxing unit with a smaller percentage 32153  
of foregone tax revenue than that provided to other school 32154  
districts or taxing units only if the school district or taxing 32155  
unit expressly consents in the agreement to receiving a smaller 32156  
percentage. If a subdivision has acted under the authority of 32157  
section 3735.671, 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 32158  
5709.632, 5709.73, or 5709.78 of the Revised Code and enters 32159  
into a compensation agreement with a city, local, or exempted 32160

village school district, the subdivision shall provide 32161  
compensation to the joint vocational school district within the 32162  
territory of which the exempted property is located at the same 32163  
rate and under the same terms as received by the city, local, or 32164  
exempted village school district. 32165

(2) An owner of property exempted from taxation under the 32166  
authority described in division (B)(1) of this section may, by 32167  
becoming a party to an agreement described in division (B)(1) of 32168  
this section or by entering into a separate agreement with a 32169  
school district or other taxing unit, agree to compensate the 32170  
school district or taxing unit by paying cash or by providing 32171  
property or services by gift, loan, or otherwise. If the owner's 32172  
property is exempted under the authority of section 3735.671, 32173  
5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 32174  
or 5709.78 of the Revised Code and the owner enters into a 32175  
compensation agreement with a city, local, or exempted village 32176  
school district, the owner shall provide compensation to the 32177  
joint vocational school district within the territory of which 32178  
the owner's property is located at the same rate and under the 32179  
same terms as received by the city, local, or exempted village 32180  
school district. 32181

(C) This division does not apply to the following: 32182

(1) The legislative authority of a municipal corporation 32183  
that has acted under the authority of division (H) of section 32184  
715.70 or division (U) of section 715.72 of the Revised Code to 32185  
consent to the granting of an exemption from taxation for real 32186  
or tangible personal property in a joint economic development 32187  
district. 32188

(2) The legislative authority of a municipal corporation 32189  
that has specified in an ordinance adopted under section 32190

5709.40, 5709.41, or 5709.45 of the Revised Code that payments 32191  
in lieu of taxes provided for under section 5709.42 or 5709.46 32192  
of the Revised Code shall be paid to the city, local, or 32193  
exempted village school district in which the improvements are 32194  
located in the amount of taxes that would have been payable to 32195  
the school district if the improvements had not been exempted 32196  
from taxation, as directed in the ordinance. 32197

If the legislative authority of any municipal corporation 32198  
has acted under the authority of Chapter 725. or 1728. or 32199  
section 3735.671, 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 32200  
5709.632, or 5709.88, or a housing officer under section 3735.67 32201  
of the Revised Code, to grant or consent to the granting of an 32202  
exemption from taxation for real or tangible personal property 32203  
on or after July 1, 1994, the municipal corporation imposes a 32204  
tax on incomes, and the payroll of new employees resulting from 32205  
the exercise of that authority equals or exceeds one million 32206  
dollars, or two million dollars, as adjusted under division (E) 32207  
of this section, in the case of the authority exercised under 32208  
section 3735.67 or 3735.671 of the Revised Code, in any tax year 32209  
for which such property is exempted, the legislative authority 32210  
and the board of education of each city, local, or exempted 32211  
village school district within the territory of which the 32212  
exempted property is located shall attempt to negotiate an 32213  
agreement providing for compensation to the school district for 32214  
all or a portion of the tax revenue the school district would 32215  
have received had the property not been exempted from taxation. 32216  
The agreement may include as a party the owner of the property 32217  
exempted or to be exempted from taxation and may include 32218  
provisions obligating the owner to compensate the school 32219  
district by paying cash or providing property or services by 32220  
gift, loan, or otherwise. Such an obligation is enforceable by 32221



the board of education of the school district pursuant to the 32222  
terms of the agreement. 32223

If the legislative authority and board of education fail 32224  
to negotiate an agreement that is mutually acceptable within six 32225  
months of formal approval by the legislative authority of the 32226  
instrument granting the exemption, the legislative authority 32227  
shall compensate the school district in the amount and manner 32228  
prescribed by division (D) of this section. 32229

(D) Annually, the legislative authority of a municipal 32230  
corporation subject to this division shall pay to the city, 32231  
local, or exempted village school district within the territory 32232  
of which the exempted property is located an amount equal to 32233  
fifty per cent of the difference between the amount of taxes 32234  
levied and collected by the municipal corporation on the incomes 32235  
of new employees in the calendar year ending on the day the 32236  
payment is required to be made, and the amount of any 32237  
infrastructure costs incurred in that calendar year. For 32238  
purposes of such computation, the amount of infrastructure costs 32239  
shall not exceed thirty-five per cent of the amount of those 32240  
taxes unless the board of education of the school district, by 32241  
resolution adopted by a majority of the board, approves an 32242  
amount in excess of that percentage. If the amount of those 32243  
taxes or infrastructure costs must be estimated at the time the 32244  
payment is made, payments in subsequent years shall be adjusted 32245  
to compensate for any departure of those estimates from the 32246  
actual amount of those taxes. 32247

A municipal corporation required to make a payment under 32248  
this section shall make the payment from its general fund or a 32249  
special fund established for the purpose. The payment is payable 32250  
on the thirty-first day of December of the tax year for or in 32251

which the exemption from taxation commences and on that day for 32252  
each subsequent tax year property is exempted and the 32253  
legislative authority and board fail to negotiate an acceptable 32254  
agreement under division (C) of this section. 32255

(E) (1) The director of housing and development shall 32256  
adjust, in September of each year, the payroll threshold 32257  
described in division (C) (2) of this section applicable to the 32258  
exercise of authority under section 3735.67 or 3735.671 of the 32259  
Revised Code by completing the following computations: 32260

(a) Determine the percentage increase in the gross 32261  
domestic product deflator determined by the bureau of economic 32262  
analysis of the United States department of commerce from the 32263  
first day of January of the preceding calendar year to the last 32264  
day of December of the preceding calendar year; 32265

(b) Multiply that percentage increase by the threshold 32266  
applicable for the current year; 32267

(c) Add the resulting product to the threshold applicable 32268  
for the current year; 32269

(d) Round the resulting sum to the nearest one thousand 32270  
dollars. 32271

(2) The director shall certify the amount of the 32272  
adjustment under division (E) (1) of this section to each 32273  
legislative authority of a municipal corporation and housing 32274  
officer designated by a municipal corporation exercising 32275  
authority under section 3735.67 or 3735.671 of the Revised Code 32276  
not later than the first day of December of the year the 32277  
director computes the adjustment. The certified amount applies 32278  
to the ensuing calendar year and each calendar year thereafter 32279  
until the director makes a new adjustment. The director shall 32280

not calculate a new adjustment in any year in which the 32281  
resulting threshold amount from the adjustment would be less 32282  
than the threshold for the current year. 32283

**Sec. 5709.87.** (A) As used in this section: 32284

(1) "Improvement," "building," "fixture," and "structure" 32285  
have the same meanings as in section 5701.02 of the Revised 32286  
Code. 32287

(2) "Property," "remedy," and "remedial activities" have 32288  
the same meanings as in section 3746.01 of the Revised Code. 32289

(B) The director of environmental protection, after 32290  
issuing a covenant not to sue for property under section 3746.12 32291  
of the Revised Code and determining that remedies or remedial 32292  
activities have commenced or been completed at that property to 32293  
the satisfaction of the director, shall certify to the tax 32294  
commissioner and to the director of housing and development 32295  
~~services~~ that such a covenant has been issued, that such 32296  
remedies or remedial activities have occurred at that property, 32297  
and the date on which those remedial activities began. The 32298  
certification shall be in such form as is agreed upon by the 32299  
~~directors~~ director of environmental protection ~~and~~, the 32300  
director of housing and development ~~services~~, and the tax 32301  
commissioner and shall include a description of the property in 32302  
sufficient detail for the tax commissioner and director of 32303  
housing and development ~~services~~ to determine the boundaries of 32304  
the property entitled to exemption from taxation under this 32305  
section. 32306

(C) (1) (a) Upon receipt by the tax commissioner of a 32307  
certification for property under division (B) of this section, 32308  
the commissioner shall issue an order granting an exemption from 32309

real property taxation of the increase in the assessed value of 32310  
land constituting property that is described in the 32311  
certification and of the increase in the assessed value of 32312  
improvements, buildings, fixtures, and structures that are 32313  
situated on that land on the tax lien date of the year in which 32314  
the remedial activities began. For each tax year of the 32315  
exemption allowed under this section, this increase in assessed 32316  
value shall equal the amount by which the assessed value of that 32317  
land or those improvements, buildings, fixtures, or structures 32318  
on the tax lien date of that year as indicated on the tax list 32319  
for that year exceeds the assessed value of that land or those 32320  
improvements, buildings, fixtures, or structures on the tax lien 32321  
date of the year in which the remedial activities began as 32322  
indicated on the tax list for that year. The exemption shall 32323  
commence on the first day of the tax year including the day on 32324  
which the order is issued and shall end on the last day of the 32325  
tenth tax year after issuance of the order. The order shall 32326  
include a description of the property and the tax years for 32327  
which the property is to be exempted from taxation. The 32328  
commissioner shall send copies of the exemption order to the 32329  
owner of record of the property to which the exemption applies 32330  
and to the county auditor of each county in which any portion of 32331  
that property is located. 32332

(b) Within sixty days after receiving the commissioner's 32333  
order, the owner of record of the property may notify the 32334  
commissioner in writing that the owner does not want the 32335  
exemption from real property taxation provided under division 32336  
(C) (1) of this section to apply. Upon receiving such a 32337  
notification from the property owner of record, the commissioner 32338  
shall issue a subsequent order rescinding the previously granted 32339  
exemption. 32340

(2) The director of housing and development services shall 32341  
maintain a record of certifications received under this section 32342  
for purposes of section 5709.88 of the Revised Code. 32343

(D) Any sale or other transfer of the property does not 32344  
affect an exemption granted under division (C) of this section. 32345  
The exemption shall continue in effect thereafter for the full 32346  
period stated in the exemption order. 32347

(E) If at any time the director revokes a covenant not to 32348  
sue under Chapter 3746. of the Revised Code and rules adopted 32349  
under it for property concerning which the commissioner has 32350  
issued an exemption order under division (C) of this section, 32351  
the director shall so notify the commissioner and the 32352  
legislative authority of the municipal corporation and county in 32353  
which the property is located. The commissioner immediately 32354  
shall rescind the exemption order and shall so notify the owner 32355  
of record of the property and the county auditor of each county 32356  
in which any portion of the property is located. 32357

Upon revocation of the covenant not to sue, the owner of 32358  
record shall pay the amount of taxes that would have been 32359  
charged against the property had the property not been exempted 32360  
from taxation for the period beginning with commencement of the 32361  
exemption and ending with the date of revocation of the covenant 32362  
not to sue. The county auditor shall return the property to the 32363  
tax list and enter on the tax list the amount so payable as 32364  
current taxes charged against the property. Taxes required to be 32365  
paid pursuant to this section are payable in full on the first 32366  
succeeding day on which the first one-half of taxes is required 32367  
to be paid under section 323.12 of the Revised Code. If such 32368  
taxes are not paid in full when due, a penalty shall be charged, 32369  
and interest shall accrue on those taxes, as provided in section 32370

323.121 of the Revised Code. In cases of underpayment or 32371  
nonpayment, the deficiency shall be collected as otherwise 32372  
provided for the collection of delinquent real property taxes. 32373

**Sec. 5709.88.** (A) As used in sections 5709.88~~through~~ to 32374  
5709.883 of the Revised Code: 32375

(1) "Enterprise," "expand," "renovate," "project," 32376  
"project site," "position," "full-time employee," "first used in 32377  
business," and "making retail sales" have the same meanings as 32378  
in section 5709.61 of the Revised Code. 32379

(2) "Property," "remedy," and "remedial activities" have 32380  
the same meanings as in section 3746.01 of the Revised Code. 32381

(3) "Facility" means an enterprise's place of business, 32382  
including land constituting property that is described in a 32383  
certification under division (B) of section 5709.87 of the 32384  
Revised Code, and buildings, improvements, fixtures, structures, 32385  
machinery, equipment, and other materials, except inventory, 32386  
used in business and situated on such land. "Facility" does not 32387  
include any portion of an enterprise's place of business used 32388  
primarily for making retail sales unless the place of business 32389  
is located in an impacted city as defined in section 1728.01 of 32390  
the Revised Code. 32391

(4) "New employee" means a full-time employee first 32392  
employed by an enterprise at a facility that is a project site 32393  
after the enterprise enters into an agreement under division (D) 32394  
of this section. 32395

(5) "Remediate" means to make expenditures for remedies or 32396  
remedial activities equal to at least ten per cent of the true 32397  
value in money of the land, buildings, improvements, structures, 32398  
and fixtures constituting a facility as determined for purposes 32399

of property taxation immediately prior to formal approval of an 32400  
agreement under division (D) of this section. 32401

(6) "Occupy" means to make expenditures to alter or repair 32402  
a vacant facility equal to at least twenty per cent of the 32403  
market value of the facility prior to such expenditures, as 32404  
determined for the purposes of local property taxation. 32405

(7) "Vacant facility" means a facility that has been 32406  
vacant for at least ninety days immediately preceding the date 32407  
on which an agreement is entered into under division (D) of this 32408  
section. 32409

(B) The legislative authority of any county or municipal 32410  
corporation within which is located property that is the subject 32411  
of a certification under division (B) of section 5709.87 of the 32412  
Revised Code may enter into an agreement with an enterprise 32413  
under division (D) of this section, provided that the 32414  
legislative authority of a county may enter into such agreements 32415  
with respect only to property located within the unincorporated 32416  
territory of the county. Prior to entering into such an 32417  
agreement, the legislative authority shall petition the director 32418  
of housing and development for the director's confirmation that 32419  
the property is the subject of such a certification, and the 32420  
director, within thirty days after receipt of such a petition, 32421  
shall confirm whether such a certification has been issued. The 32422  
petition shall be accompanied by a description of the property 32423  
in the form and manner prescribed by the director. 32424

(C) Any enterprise that wishes to enter into an agreement 32425  
with a legislative authority under division (D) of this section 32426  
shall submit a proposal to the legislative authority on a form 32427  
prescribed by the director of housing and development together 32428  
with the application fee established under section 5709.882 of 32429

the Revised Code. The form shall require the following 32430  
information: 32431

(1) An estimate of the number of new employees whom the 32432  
enterprise intends to hire, or of the number of employees whom 32433  
the enterprise intends to retain, at a facility that is a 32434  
project site, and an estimate of the amount of payroll of the 32435  
enterprise attributable to these employees; 32436

(2) An estimate of the amount to be invested by the 32437  
enterprise to establish, expand, renovate, or occupy a facility, 32438  
including investment in new buildings, additions or improvements 32439  
to existing buildings, machinery, equipment, furniture, 32440  
fixtures, and inventory; 32441

(3) A listing of the enterprise's current investment, if 32442  
any, in a facility as of the date of the proposal's submission. 32443

The enterprise shall review and update the listings 32444  
required under this division to reflect material changes, and 32445  
any agreement entered into under division (D) of this section 32446  
shall set forth final estimates and listings as of the time the 32447  
agreement is entered into. The legislative authority, on a 32448  
separate form and at any time, may require any additional 32449  
information necessary to determine whether an enterprise is in 32450  
compliance with an agreement and to collect the information 32451  
required to be reported under section 5709.882 of the Revised 32452  
Code. 32453

(D) Upon receipt and investigation of a proposal under 32454  
division (C) of this section, if the legislative authority finds 32455  
that the enterprise submitting the proposal is qualified by 32456  
financial responsibility and business experience to create and 32457  
preserve employment opportunities at the project site and 32458



improve the economic climate of the county or municipal 32459  
corporation, the legislative authority, after complying with 32460  
section 5709.83 of the Revised Code, may enter into, and 32461  
formally shall approve, an agreement with the enterprise under 32462  
which the enterprise agrees to remediate a facility and to spend 32463  
an amount equal to at least two hundred fifty per cent of the 32464  
true value in money of the land, buildings, improvements, 32465  
structures, and fixtures constituting the facility, as 32466  
determined for purposes of property taxation immediately prior 32467  
to formal approval of the agreement, to establish, expand, 32468  
renovate, or occupy a facility and hire new employees, or 32469  
preserve employment opportunities for existing employees, in 32470  
return for one or more of the following incentives: 32471

(1) Exemption for a specified number of years, not to 32472  
exceed ten, of a specified portion, up to one hundred per cent, 32473  
of the assessed value of tangible personal property first used 32474  
in business at the project site as a result of the agreement. An 32475  
exemption granted pursuant to division (D)(1) of this section 32476  
applies to inventory required to be listed pursuant to sections 32477  
5711.15 and 5711.16 of the Revised Code, except that, in the 32478  
instance of an expansion or other situations in which an 32479  
enterprise was in business at the facility prior to the 32480  
effective date of the agreement, the inventory that is exempt is 32481  
that amount or value of inventory in excess of the amount or 32482  
value of inventory required to be listed in the personal 32483  
property tax return of the enterprise in the return for the tax 32484  
year in which the agreement is entered into. 32485

(2) Exemption for a specified number of years, not to 32486  
exceed ten, of a specified portion, up to one hundred per cent, 32487  
of the increase, subsequent to formal approval of the agreement 32488  
by the legislative authority, in the assessed valuation of 32489

buildings, improvements, structures, and fixtures constituting 32490  
the project site; 32491

(3) Provision for a specified number of years, not to 32492  
exceed ten, of any optional services or assistance that the 32493  
county or municipal corporation is authorized to provide with 32494  
regard to the project site. 32495

(E) All agreements entered into under this section shall 32496  
be in the form prescribed under section 5709.881 of the Revised 32497  
Code. 32498

(F) Except as otherwise provided in this division, an 32499  
agreement entered into under this section shall require that the 32500  
enterprise pay an annual fee equal to the greater of one per 32501  
cent of the dollar value of incentives offered under the 32502  
agreement or five hundred dollars, provided that if the value of 32503  
the incentives exceeds two hundred fifty thousand dollars, the 32504  
fee shall not exceed two thousand five hundred dollars. The fee 32505  
shall be payable to the legislative authority once per year for 32506  
each year the agreement is effective on the days and in the form 32507  
specified in the agreement. Fees paid shall be deposited in a 32508  
special fund created for that purpose by the legislative 32509  
authority and shall be used by the legislative authority 32510  
exclusively for the purpose of complying with section 5709.882 32511  
of the Revised Code and by the tax incentive review council 32512  
created under section 5709.883 of the Revised Code exclusively 32513  
for the purposes of performing the duties prescribed under that 32514  
section. The legislative authority may waive or reduce the 32515  
amount of the fee charged against an enterprise, but such a 32516  
waiver or reduction does not affect the obligations of the 32517  
legislative authority or the tax incentive review council to 32518  
comply with section 5709.882 or 5709.883 of the Revised Code. 32519

(G) When an agreement is entered into under this section, 32520  
the legislative authority authorizing the agreement shall 32521  
forward a copy of the agreement to the director of housing and 32522  
development and to the tax commissioner within fifteen days 32523  
after the agreement is entered into. 32524

(H) After an agreement is entered into, the enterprise 32525  
shall file with each personal property tax return required to be 32526  
filed while the agreement is in effect, an informational return, 32527  
on a form prescribed by the tax commissioner for that purpose, 32528  
setting forth separately the property, and related costs and 32529  
values, exempted from taxation under the agreement. 32530

(I) The legislative authority may require the owner of 32531  
record to pay the amount of taxes that, during the period 32532  
beginning with the commencement of the exemption and ending with 32533  
the date of revocation of the covenant not to sue under Chapter 32534  
3746. of the Revised Code, would have been charged against the 32535  
property had the property not been exempted from taxation 32536  
pursuant to an agreement entered into under this section. In the 32537  
case of real property, the proper county auditor shall determine 32538  
the taxable value of the property for each of the tax years for 32539  
which the property had been exempted from taxation, and shall 32540  
determine the amount of taxes that would have been charged 32541  
against the property had the property been subject to taxation 32542  
each of those years. The county treasurer shall issue a tax bill 32543  
as otherwise required by law, and the taxes shall be payable in 32544  
full on the first succeeding day on which the first one-half of 32545  
taxes is required to be paid under section 323.12 of the Revised 32546  
Code. If such real property taxes are not paid in full when due, 32547  
a penalty shall be charged, and interest shall accrue on those 32548  
taxes, as provided in section 323.121 of the Revised Code. In 32549  
cases of underpayment or nonpayment, the deficiency shall be 32550

collected as otherwise provided for the collection of delinquent 32551  
real property taxes. 32552

In the case of tangible personal property, the tax 32553  
commissioner shall determine the taxable value of the property 32554  
for each of the tax years for which the property had been 32555  
exempted from taxation on the basis of the informational return 32556  
required to be filed under this section or any further 32557  
assessment necessary to make such a determination, and certify 32558  
that determination to the proper county auditor, who shall add 32559  
the property to the proper tax lists and duplicates. Taxes shall 32560  
be charged against such property at the rates charged for the 32561  
respective years for which taxes are charged under this 32562  
division. The county treasurer shall issue a tax bill as 32563  
otherwise required by law, and the taxes shall be payable on the 32564  
next succeeding date for the payment of current taxes. If the 32565  
taxes are not paid in full when due, a penalty shall be charged, 32566  
and interest shall accrue, as otherwise provided in sections 32567  
5719.03 and 5719.041 of the Revised Code. In cases of 32568  
underpayment or nonpayment, the deficiency shall be collected as 32569  
otherwise provided in Chapter 5719. of the Revised Code. 32570

**Sec. 5709.882.** (A) On or before the thirty-first day of 32571  
March each year, a municipal corporation or county that has 32572  
entered into an agreement with an enterprise under section 32573  
5709.88 of the Revised Code shall submit to the directors of 32574  
housing and development services and environmental protection 32575  
and the board of education of each school district of which a 32576  
municipal corporation or county to which such an agreement 32577  
applies is a part a report on all such agreements in effect 32578  
during the preceding calendar year. The report shall include all 32579  
of the following information: 32580

(1) The number of enterprises that are subject to such 32581  
agreements and the number of full-time employees subject to 32582  
those agreements in the county or municipal corporation; 32583

(2) The number of agreements approved and executed during 32584  
the calendar year for which the report is submitted, the total 32585  
number of agreements in effect on the thirty-first day of 32586  
December of the preceding calendar year, the number of 32587  
agreements that expired during the calendar year for which the 32588  
report is submitted, and the number of agreements scheduled to 32589  
expire during the calendar year in which the report is 32590  
submitted. For each agreement that expired during the calendar 32591  
year for which the report is submitted, the municipal 32592  
corporation or county shall include the amount of taxes exempted 32593  
and the estimated dollar value of any other incentives provided 32594  
under the agreement. 32595

(3) The number of agreements receiving compliance reviews 32596  
by the tax incentive review council in the municipal corporation 32597  
or county under section 5709.883 of the Revised Code during the 32598  
calendar year for which the report is submitted, including all 32599  
of the following information: 32600

(a) The number of agreements the terms of which an 32601  
enterprise has complied with, indicating separately for each 32602  
such agreement the value of the real and personal property 32603  
exempted pursuant to the agreement and a comparison of the 32604  
stipulated and actual schedules for hiring new employees, for 32605  
retaining existing employees, for the amount of payroll of the 32606  
enterprise attributable to these employees, and for remediating 32607  
and investing in establishing, expanding, renovating, or 32608  
occupying a facility; 32609

(b) The number of agreements the terms of which an 32610

enterprise has failed to comply with, indicating separately for 32611  
each such agreement the value of the real and personal property 32612  
exempted pursuant to the agreement and a comparison of the 32613  
stipulated and actual schedules for hiring new employees, for 32614  
retaining existing employees, for the amount of payroll of the 32615  
enterprise attributable to these employees, and for remediating 32616  
and investing in establishing, expanding, renovating, or 32617  
occupying a facility; 32618

(c) The number of agreements about which the tax incentive 32619  
review council made recommendations to the legislative authority 32620  
of the municipal corporation or county, and the number of such 32621  
recommendations that have not been followed; 32622

(d) The number of agreements rescinded during the calendar 32623  
year for which the report is submitted. 32624

(4) The number of enterprises that are subject to 32625  
agreements and the number of new employees hired and existing 32626  
employees retained by each such enterprise; 32627

(5) (a) The number of enterprises that are subject to 32628  
agreements and that closed or reduced employment at any place of 32629  
business within the state for the primary purpose of remediating 32630  
and establishing, expanding, renovating, or occupying a 32631  
facility, indicating separately for each such enterprise the 32632  
political subdivision in which the enterprise closed or reduced 32633  
employment at a place of business and the number of full-time 32634  
employees transferred and retained by each such place of 32635  
business; 32636

(b) The number of enterprises that are subject to 32637  
agreements and that closed or reduced employment at any place of 32638  
business outside the state for the primary purpose of 32639

remediating and establishing, expanding, renovating, or 32640  
occupying a facility. 32641

(B) Upon the failure of a municipal corporation or county 32642  
to comply with division (A) of this section, both of the 32643  
following apply: 32644

(1) Beginning on the first day of April of the calendar 32645  
year in which the municipal corporation or county fails to 32646  
comply with that division, the municipal corporation or county 32647  
shall not enter into any agreements with an enterprise under 32648  
section 5709.88 of the Revised Code until the municipal 32649  
corporation or county has complied with division (A) of this 32650  
section; 32651

(2) On the first day of each ensuing calendar month until 32652  
the municipal corporation or county complies with that division, 32653  
the director of housing and development ~~services~~ shall either 32654  
order the proper county auditor to deduct from the next 32655  
succeeding payment of taxes to the municipal corporation or 32656  
county under section 321.31, 321.32, 321.33, or 321.34 of the 32657  
Revised Code an amount equal to five hundred dollars for each 32658  
calendar month the municipal corporation or county fails to 32659  
comply with that division, or order the county auditor to deduct 32660  
such an amount from the next succeeding payment to the municipal 32661  
corporation or county from the undivided local government fund 32662  
under section 5747.51 of the Revised Code. At the time such a 32663  
payment is made, the county auditor shall comply with the 32664  
director's order by issuing a warrant, drawn on the fund from 32665  
which such money would have been paid, to the director of 32666  
housing and development ~~services~~, who shall deposit the warrant 32667  
into the contaminated sites development program administration 32668  
fund created in division (C) of this section. 32669

(C) The director, by rule, shall establish the state's application fee for applications submitted to a municipal corporation or county to enter into an agreement under section 5709.88 of the Revised Code. In establishing the amount of the fee, the director shall consider the state's cost of administering this section and section 5709.88 of the Revised Code. The director may change the amount of the fee at such times and in such increments as the director considers necessary. Any municipal corporation or county that receives an application shall collect the application fee and remit the fee for deposit in the state treasury to the credit of the contaminated sites development program administration fund, which is hereby created. Money credited to the fund shall be used by the department of housing and development ~~services~~ ~~agency~~ to pay the costs of administering this section and section 5709.88 of the Revised Code.

**Sec. 5717.02.** (A) Except as otherwise provided by law, appeals from final determinations by the tax commissioner of any preliminary, amended, or final tax assessments, reassessments, valuations, determinations, findings, computations, or orders made by the commissioner may be taken to the board of tax appeals by the taxpayer, by the person to whom notice of the tax assessment, reassessment, valuation, determination, finding, computation, or order by the commissioner is required by law to be given, by the director of budget and management if the revenues affected by that decision would accrue primarily to the state treasury, or by the county auditors of the counties to the undivided general tax funds of which the revenues affected by that decision would primarily accrue. Appeals from the redetermination by the director of housing and development ~~services~~ under division (B) of section 5709.64 or division (A)



of section 5709.66 of the Revised Code may be taken to the board 32701  
of tax appeals by the enterprise to which notice of the 32702  
redetermination is required by law to be given. Appeals from a 32703  
decision of the tax commissioner or county auditor concerning an 32704  
application for a property tax exemption may be taken to the 32705  
board of tax appeals by the applicant or by a school district 32706  
that filed a statement concerning that application under 32707  
division (C) of section 5715.27 of the Revised Code. Appeals 32708  
from a redetermination by the director of job and family 32709  
services under section 5733.42 of the Revised Code may be taken 32710  
by the person to which the notice of the redetermination is 32711  
required by law to be given under that section. 32712

(B) The appeals shall be taken by the filing of a notice 32713  
of appeal with the board, and with the tax commissioner if the 32714  
tax commissioner's action is the subject of the appeal, with the 32715  
county auditor if the county auditor's action is the subject of 32716  
the appeal, with the director of housing and development 32717  
~~services~~ if that director's action is the subject of the appeal, 32718  
or with the director of job and family services if that 32719  
director's action is the subject of the appeal. The notice of 32720  
appeal shall be filed within sixty days after service of the 32721  
notice of the tax assessment, reassessment, valuation, 32722  
determination, finding, computation, or order by the 32723  
commissioner, property tax exemption determination by the 32724  
commissioner or the county auditor, or redetermination by the 32725  
director has been given as provided in section 5703.37, 5709.64, 32726  
5709.66, or 5733.42 of the Revised Code. The notice of appeal 32727  
may be filed in person or by certified mail, express mail, 32728  
facsimile transmission, electronic transmission or by authorized 32729  
delivery service. If the notice of appeal is filed by certified 32730  
mail, express mail, or authorized delivery service as provided 32731

in section 5703.056 of the Revised Code, the date of the United 32732  
States postmark placed on the sender's receipt by the postal 32733  
service or the date of receipt recorded by the authorized 32734  
delivery service shall be treated as the date of filing. If 32735  
notice of appeal is filed by facsimile transmission or 32736  
electronic transmission, the date and time the notice is 32737  
received by the board shall be the date and time reflected on a 32738  
timestamp provided by the board's electronic system, and the 32739  
appeal shall be considered filed with the board on the date 32740  
reflected on that timestamp. Any timestamp provided by another 32741  
computer system or electronic submission device shall not affect 32742  
the time and date the notice is received by the board. The 32743  
notice of appeal shall have attached to it and incorporated in 32744  
it by reference a true copy of the notice sent by the 32745  
commissioner, county auditor, or director to the taxpayer, 32746  
enterprise, or other person of the final determination or 32747  
redetermination complained of, but failure to attach a copy of 32748  
that notice and to incorporate it by reference in the notice of 32749  
appeal does not invalidate the appeal. 32750

(C) A notice of appeal shall contain a short and plain 32751  
statement of the claimed errors in the determination or 32752  
redetermination of the tax commissioner, county auditor, or 32753  
director showing that the appellant is entitled to relief and a 32754  
demand for the relief to which the appellant claims to be 32755  
entitled. An appellant may amend the notice of appeal once as a 32756  
matter of course within sixty days after the certification of 32757  
the transcript. Otherwise, an appellant may amend the notice of 32758  
appeal only after receiving leave of the board or the written 32759  
consent of each adverse party. Leave of the board shall be 32760  
freely given when justice so requires. 32761

(D) Upon the filing of a notice of appeal, the tax 32762

commissioner, county auditor, or the director, as appropriate, 32763  
shall certify to the board a transcript of the record of the 32764  
proceedings before the commissioner, auditor, or director, 32765  
together with all evidence considered by the commissioner, 32766  
auditor, or director in connection with the proceedings. Those 32767  
appeals or applications may be heard by the board at its office 32768  
in Columbus or in the county where the appellant resides, or it 32769  
may cause its examiners to conduct the hearings and to report to 32770  
it their findings for affirmation or rejection. 32771

(E) The board may order the appeal to be heard upon the 32772  
record and the evidence certified to it by the commissioner, 32773  
county auditor, or director, but upon the application of any 32774  
interested party the board shall order the hearing of additional 32775  
evidence, and it may make an investigation concerning the appeal 32776  
that it considers proper. An appeal may proceed pursuant to 32777  
section 5703.021 of the Revised Code on the small claims docket 32778  
if the appeal qualifies under that section. 32779

**Sec. 5725.32.** Upon the issuance of a tax credit 32780  
certificate by the director of housing and development, a 32781  
refundable credit granted by the tax credit authority under 32782  
section 122.17 of the Revised Code may be claimed against the 32783  
tax imposed by section 5725.18 of the Revised Code. The credit 32784  
shall be claimed in the calendar year specified in the 32785  
certificate issued by the director of housing and development. 32786

**Sec. 5725.33.** (A) Except as otherwise provided in this 32787  
section, terms used in this section have the same meaning as 32788  
section 45D of the Internal Revenue Code, any related proposed, 32789  
temporary, or final regulations promulgated under the Internal 32790  
Revenue Code, any rules or guidance of the internal revenue 32791  
service or the United States department of the treasury, and any 32792

related rules or guidance issued by the community development 32793  
financial institutions fund of the United States department of 32794  
the treasury, as such law, regulations, rules, and guidance 32795  
exist on October 16, 2009. 32796

As used in this section: 32797

(1) "Adjusted purchase price" means the amount paid for 32798  
the portion of a qualified equity investment approved or 32799  
certified by the director of housing and development services— 32800  
for a qualified community development entity in accordance with 32801  
rules adopted under division (E) of this section. 32802

(2) "Applicable percentage" means zero per cent for each 32803  
of the first two credit allowance dates, seven per cent for the 32804  
third credit allowance date, and eight per cent for the four 32805  
following credit allowance dates. 32806

(3) "Credit allowance date" means the date, on or after 32807  
January 1, 2010, a qualified equity investment is made and each 32808  
of the six anniversary dates thereafter. For qualified equity 32809  
investments made after October 16, 2009, but before January 1, 32810  
2010, the initial credit allowance date is January 1, 2010, and 32811  
each of the six anniversary dates thereafter is on the first day 32812  
of January of each year. 32813

(4) "Qualified community development entity" includes only 32814  
entities: 32815

(a) That have entered into an allocation agreement with 32816  
the community development financial institutions fund of the 32817  
United States department of the treasury with respect to credits 32818  
authorized by section 45D of the Internal Revenue Code; 32819

(b) Whose service area includes any portion of this state; 32820  
and 32821

(c) That will designate an equity investment in such 32822  
entities as a qualified equity investment for purposes of both 32823  
section 45D of the Internal Revenue Code and this section. 32824

(5) "Qualified equity investment" is limited to an equity 32825  
investment in a qualified community development entity that: 32826

(a) Is acquired after October 16, 2009, at its original 32827  
issuance solely in exchange for cash; 32828

(b) Has at least eighty-five per cent of its cash purchase 32829  
price used by the qualified community development entity to make 32830  
qualified low-income community investments in qualified active 32831  
low-income community businesses in this state, provided that in 32832  
the seventh year after a qualified equity investment is made, 32833  
only seventy-five per cent of such cash purchase price must be 32834  
used by the qualified community development entity to make 32835  
qualified low-income community investments in those businesses; 32836  
and 32837

(c) Is designated by the issuer as a qualified equity 32838  
investment. 32839

"Qualified equity investment" includes any equity 32840  
investment that would, but for division (A) (5) (a) of this 32841  
section, be a qualified equity investment in the hands of the 32842  
taxpayer if such investment was a qualified equity investment in 32843  
the hands of a prior holder. 32844

(B) There is hereby allowed a nonrefundable credit against 32845  
the tax imposed by section 5725.18 of the Revised Code for an 32846  
insurance company holding a qualified equity investment on the 32847  
credit allowance date occurring in the calendar year for which 32848  
the tax is due. The credit shall equal the applicable percentage 32849  
of the adjusted purchase price, subject to divisions (B) (1) and 32850

(2) of this section: 32851

(1) For the purpose of calculating the amount of qualified 32852  
low-income community investments held by a qualified community 32853  
development entity, an investment shall be considered held by a 32854  
qualified community development entity even if the investment 32855  
has been sold or repaid, provided that, at any time before the 32856  
seventh anniversary of the issuance of the qualified equity 32857  
investment, the qualified community development entity reinvests 32858  
an amount equal to the capital returned to or received or 32859  
recovered by the qualified community development entity from the 32860  
original investment, exclusive of any profits realized and costs 32861  
incurred in the sale or repayment, in another qualified low- 32862  
income community investment in this state within twelve months 32863  
of the receipt of such capital. If the qualified low-income 32864  
community investment is sold or repaid after the sixth 32865  
anniversary of the issuance of the qualified equity investment, 32866  
the qualified low-income community investment shall be 32867  
considered held by the qualified community development entity 32868  
through the seventh anniversary of the qualified equity 32869  
investment's issuance. 32870

(2) The qualified low-income community investment made in 32871  
this state shall equal the sum of the qualified low-income 32872  
community investments in each qualified active low-income 32873  
community business in this state, not to exceed two million five 32874  
hundred sixty-four thousand dollars, in which the qualified 32875  
community development entity invests, including such investments 32876  
in any such businesses in this state related to that qualified 32877  
active low-income community business through majority ownership 32878  
or control. 32879

The credit shall be claimed in the order prescribed by 32880

section 5725.98 of the Revised Code. If the amount of the credit 32881  
exceeds the amount of tax otherwise due after deducting all 32882  
other credits in that order, the excess may be carried forward 32883  
and applied to the tax due for not more than four ensuing years. 32884

By claiming a tax credit under this section, an insurance 32885  
company waives its rights under section 5725.222 of the Revised 32886  
Code with respect to the time limitation for the assessment of 32887  
taxes as it relates to credits claimed that later become subject 32888  
to recapture under division (E) of this section. 32889

(C) The aggregate amount of credit allocations made by the 32890  
director of housing and development services under this section 32891  
and sections 5726.54, 5729.16, and 5733.58 of the Revised Code 32892  
each fiscal year shall not exceed ten million dollars. 32893

(D) If any amount of the federal tax credit allowed for a 32894  
qualified equity investment for which a credit was received 32895  
under this section is recaptured under section 45D of the 32896  
Internal Revenue Code, or if the director of housing and 32897  
development ~~services~~ determines that an investment for which a 32898  
tax credit is claimed under this section is not a qualified 32899  
equity investment or that the proceeds of an investment for 32900  
which a tax credit is claimed under this section are used to 32901  
make qualified low-income community investments other than in a 32902  
qualified active low-income community business in this state, 32903  
all or a portion of the credit received on account of that 32904  
investment shall be paid by the insurance company that received 32905  
the credit to the superintendent of insurance. The amount to be 32906  
recovered shall be determined by the director of housing and 32907  
development ~~services~~ pursuant to rules adopted under division 32908  
(E) of this section. The director shall certify any amount due 32909  
under this division to the superintendent of insurance, and the 32910

superintendent shall notify the treasurer of state of the amount 32911  
due. Upon notification, the treasurer shall invoice the 32912  
insurance company for the amount due. The amount due is payable 32913  
not later than thirty days after the date the treasurer invoices 32914  
the insurance company. The amount due shall be considered to be 32915  
tax due under section 5725.18 of the Revised Code, and may be 32916  
collected by assessment without regard to the time limitations 32917  
imposed under section 5725.222 of the Revised Code for the 32918  
assessment of taxes by the superintendent. All amounts collected 32919  
under this division shall be credited as revenue from the tax 32920  
levied under section 5725.18 of the Revised Code. 32921

(E) The tax credits authorized under this section and 32922  
sections 5726.54, 5729.16, and 5733.58 of the Revised Code shall 32923  
be administered by the department of housing and development- 32924  
~~services agency~~. The director of housing and development- 32925  
~~services~~, in consultation with the tax commissioner and the 32926  
superintendent of insurance, pursuant to Chapter 119. of the 32927  
Revised Code, shall adopt rules for the administration of this 32928  
section and sections 5726.54, 5729.16, and 5733.58 of the 32929  
Revised Code. The rules shall provide for determining the 32930  
recovery of credits under division (D) of this section and under 32931  
sections 5726.54, 5729.16, and 5733.58 of the Revised Code, 32932  
including prorating the amount of the credit to be recovered on 32933  
any reasonable basis, the manner in which credits may be 32934  
allocated among claimants, and the amount of any application or 32935  
other fees to be charged in connection with a recovery. 32936

(F) The director of housing and development ~~services~~ is 32937  
authorized to charge reasonable application and other fees in 32938  
connection with the administration of tax credits authorized by 32939  
this section and sections 5726.54, 5729.16, and 5733.58 of the 32940  
Revised Code. Any such fees collected shall be credited to the 32941



tax incentives operating fund created in section 122.174 of the Revised Code.

(G) Tax credits earned or allocated to a pass-through entity, as that term is defined in section 5733.04 of the Revised Code, under section 5725.33, 5726.54, 5729.16, or 5733.58 of the Revised Code may be allocated to persons having a direct or indirect ownership interest in the pass-through entity for such persons' direct use in accordance with the provisions of any mutual agreement between such persons.

**Sec. 5726.54.** (A) Any term used in this section has the same meaning as in section 5725.33 of the Revised Code.

(B) A taxpayer may claim a nonrefundable credit against the tax imposed by this chapter for each person included in the annual report of the taxpayer that holds a qualified equity investment on a credit allowance date occurring in the calendar year immediately preceding the tax year for which the tax is due. The credit shall be computed in the same manner prescribed for the computation of credits allowed under section 5725.33 of the Revised Code.

By claiming a tax credit under this section, a taxpayer waives its rights under section 5726.20 of the Revised Code with respect to the time limitation for the assessment of taxes as it relates to credits claimed under this section that later become subject to recapture under division (D) of this section.

A taxpayer may claim against the tax imposed by this chapter any unused portion of the credits authorized under sections 5725.33 and 5733.58 of the Revised Code, but only to the extent of the remaining carry forward period authorized by those sections.

The credit shall be claimed in the order prescribed by 32971  
section 5726.98 of the Revised Code. If the amount of the credit 32972  
exceeds the amount of tax otherwise due after deducting all 32973  
other credits preceding the credit in the order prescribed in 32974  
section 5726.98 of the Revised Code, the excess may be carried 32975  
forward for not more than four ensuing tax years. 32976

(C) The total amount of qualified equity investments on 32977  
the basis of which credits may be claimed under this section and 32978  
sections 5725.33, 5729.16, and 5733.58 of the Revised Code is 32979  
subject to the limitation of division (C) of section 5725.33 of 32980  
the Revised Code. 32981

(D) If any amount of a federal tax credit allowed for a 32982  
qualified equity investment for which a credit was received 32983  
under this section is recaptured under section 45D of the 32984  
Internal Revenue Code, or if the director of housing and 32985  
~~development services~~ determines that an investment for which a 32986  
tax credit is claimed under this section is not a qualified 32987  
equity investment or that the proceeds of an investment for 32988  
which a tax credit is claimed under this section are used to 32989  
make qualified low-income community investments other than in a 32990  
qualified active low-income community business in this state, 32991  
all or a portion of the credit received on account of that 32992  
investment shall be paid by the taxpayer that received the 32993  
credit to the tax commissioner. The amount to be recovered shall 32994  
be determined by the director pursuant to rules adopted under 32995  
section 5725.33 of the Revised Code. The director shall certify 32996  
any amount due under this division to the tax commissioner, and 32997  
the commissioner shall notify the taxpayer of the amount due. 32998  
The amount due is payable not later than thirty days after the 32999  
day the commissioner issues the notice. The amount due shall be 33000  
considered to be tax due under section 5726.02 of the Revised 33001

Code, and may be collected by assessment without regard to the 33002  
limitations imposed under section 5726.20 of the Revised Code 33003  
for the assessment of taxes by the commissioner. All amounts 33004  
collected under this division shall be credited as revenue from 33005  
the tax levied under section 5726.02 of the Revised Code. 33006

**Sec. 5726.55.** (A) Any term used in this section has the 33007  
same meaning as in section 122.85 of the Revised Code. 33008

(B) A taxpayer may claim a refundable credit against the 33009  
tax imposed under this chapter for each person included in the 33010  
annual report of the taxpayer that is a certificate owner of a 33011  
tax credit certificate issued under section 122.85 of the 33012  
Revised Code. The credit shall be claimed for the taxable year 33013  
in which the certificate is issued by the director of housing 33014  
and development~~services~~. The credit amount equals the amount 33015  
stated in the certificate. The credit shall be claimed in the 33016  
order required under section 5726.98 of the Revised Code. If the 33017  
credit amount exceeds the tax otherwise due under section 33018  
5726.02 of the Revised Code after deducting all other credits 33019  
preceding the credit in the order prescribed in section 5726.98 33020  
of the Revised Code, the excess shall be refunded to the 33021  
taxpayer. 33022

(C) Nothing in this section shall allow a taxpayer to 33023  
claim more than one credit per tax credit-eligible production. 33024

**Sec. 5726.59.** (A) Any term used in this section has the 33025  
same meaning as in section 122.852 of the Revised Code. 33026

(B) A taxpayer may claim a refundable credit against the 33027  
tax imposed under this chapter for each person included in the 33028  
annual report of the taxpayer that is a certificate owner of a 33029  
tax credit certificate issued under section 122.852 of the 33030

Revised Code. The credit shall be claimed for the taxable year 33031  
in which the certificate is issued by the director of housing 33032  
and development. The credit amount equals the amount stated on 33033  
the certificate or the portion of that amount owned by the 33034  
certificate owner. The credit shall be claimed in the order 33035  
required under section 5726.98 of the Revised Code. If the 33036  
credit amount exceeds the tax otherwise due under section 33037  
5726.02 of the Revised Code after deducting all other credits 33038  
preceding the credit in the order prescribed in section 5726.98 33039  
of the Revised Code, the excess shall be refunded to the 33040  
taxpayer. 33041

**Sec. 5727.75.** (A) For purposes of this section: 33042

(1) "Qualified energy project" means an energy project 33043  
certified by the director of housing and development pursuant to 33044  
this section. 33045

(2) "Energy project" means a project to provide electric 33046  
power through the construction, installation, and use of an 33047  
energy facility. 33048

(3) "Alternative energy zone" means a county declared as 33049  
such by the board of county commissioners under division (E) (1) 33050  
(b) or (c) of this section. 33051

(4) "Full-time equivalent employee" means the total number 33052  
of employee-hours for which compensation was paid to individuals 33053  
employed at a qualified energy project for services performed at 33054  
the project during the calendar year divided by two thousand 33055  
eighty hours. For the purpose of this calculation, "performed at 33056  
the project" includes only hours worked at the qualified energy 33057  
project and devoted to site preparation or protection, 33058  
construction and installation, and the unloading and 33059

distribution of materials at the project site, but does not 33060  
include hours worked by superintendents, owners, manufacturers' 33061  
representatives, persons employed in a bona fide executive, 33062  
management, supervisory, or administrative capacity, or persons 33063  
whose sole employment on the project is transporting materials 33064  
or persons to the project site. 33065

(5) "Solar energy project" means an energy project 33066  
composed of an energy facility using solar panels to generate 33067  
electricity. 33068

(6) "Internet identifier of record" has the same meaning 33069  
as in section 9.312 of the Revised Code. 33070

(7) "Applicable year" means the later of the following: 33071

(a) The tax year in which the secretary of the treasury of 33072  
the United States, or the secretary's delegate, determines, in 33073  
accordance with section 45Y of the Internal Revenue Code, that 33074  
the annual greenhouse gas emissions from the production of 33075  
electricity in the United States are equal to or less than 33076  
twenty-five per cent of the annual greenhouse gas emissions from 33077  
the production of electricity in the United States for calendar 33078  
year 2022; 33079

(b) Tax year 2029. 33080

(8) "Internal Revenue Code" means the Internal Revenue 33081  
Code as of ~~the effective date of this amendment~~ October 3, 2023. 33082

(B) (1) Tangible personal property of a qualified energy 33083  
project using renewable energy resources is exempt from taxation 33084  
for tax years 2011 through the applicable year if all of the 33085  
following conditions are satisfied: 33086

(a) On or before the last day of the tax year preceding 33087

the applicable year, the owner or a lessee pursuant to a sale 33088  
and leaseback transaction of the project submits an application 33089  
to the power siting board for a certificate under section 33090  
4906.20 of the Revised Code, or if that section does not apply, 33091  
submits an application for any approval, consent, permit, or 33092  
certificate or satisfies any condition required by a public 33093  
agency or political subdivision of this state for the 33094  
construction or initial operation of an energy project. 33095

(b) Construction or installation of the energy facility 33096  
begins on or after January 1, 2009, and before the first day of 33097  
the applicable year. For the purposes of this division, 33098  
construction begins on the earlier of the date of application 33099  
for a certificate or other approval or permit described in 33100  
division (B)(1)(a) of this section, or the date the contract for 33101  
the construction or installation of the energy facility is 33102  
entered into. 33103

(c) For a qualified energy project with a nameplate 33104  
capacity of twenty megawatts or greater, a board of county 33105  
commissioners of a county in which property of the project is 33106  
located has adopted a resolution under division (E)(1)(b) or (c) 33107  
of this section to approve the application submitted under 33108  
division (E) of this section to exempt the property located in 33109  
that county from taxation. A board's adoption of a resolution 33110  
rejecting an application or its failure to adopt a resolution 33111  
approving the application does not affect the tax-exempt status 33112  
of the qualified energy project's property that is located in 33113  
another county. 33114

(2) If tangible personal property of a qualified energy 33115  
project using renewable energy resources was exempt from 33116  
taxation under this section beginning in any of tax years 2011 33117

through the applicable year, and the certification under 33118  
division (E) (2) of this section has not been revoked, the 33119  
tangible personal property of the qualified energy project is 33120  
exempt from taxation for the tax year following the applicable 33121  
year and all ensuing tax years if the property was placed into 33122  
service before the first day of the tax year following the 33123  
applicable year, as certified in the construction progress 33124  
report required under division (F) (2) of this section. Tangible 33125  
personal property that has not been placed into service before 33126  
that date is taxable property subject to taxation. An energy 33127  
project for which certification has been revoked is ineligible 33128  
for further exemption under this section. Revocation does not 33129  
affect the tax-exempt status of the project's tangible personal 33130  
property for the tax year in which revocation occurs or any 33131  
prior tax year. 33132

(C) Tangible personal property of a qualified energy 33133  
project using clean coal technology, advanced nuclear 33134  
technology, or cogeneration technology is exempt from taxation 33135  
for the first tax year that the property would be listed for 33136  
taxation and all subsequent years if all of the following 33137  
circumstances are met: 33138

(1) The property was placed into service before January 1, 33139  
2021. Tangible personal property that has not been placed into 33140  
service before that date is taxable property subject to 33141  
taxation. 33142

(2) For such a qualified energy project with a nameplate 33143  
capacity of twenty megawatts or greater, a board of county 33144  
commissioners of a county in which property of the qualified 33145  
energy project is located has adopted a resolution under 33146  
division (E) (1) (b) or (c) of this section to approve the 33147

application submitted under division (E) of this section to 33148  
exempt the property located in that county from taxation. A 33149  
board's adoption of a resolution rejecting the application or 33150  
its failure to adopt a resolution approving the application does 33151  
not affect the tax-exempt status of the qualified energy 33152  
project's property that is located in another county. 33153

(3) The certification for the qualified energy project 33154  
issued under division (E) (2) of this section has not been 33155  
revoked. An energy project for which certification has been 33156  
revoked is ineligible for exemption under this section. 33157  
Revocation does not affect the tax-exempt status of the 33158  
project's tangible personal property for the tax year in which 33159  
revocation occurs or any prior tax year. 33160

(D) Except as otherwise provided in this section, real 33161  
property of a qualified energy project is exempt from taxation 33162  
for any tax year for which the tangible personal property of the 33163  
qualified energy project is exempted under this section. 33164

(E) (1) (a) A person may apply to the director of housing 33165  
and development for certification of an energy project as a 33166  
qualified energy project on or before the following dates: 33167

(i) The last day of the tax year preceding the applicable 33168  
year, for an energy project using renewable energy resources; 33169

(ii) December 31, 2017, for an energy project using clean 33170  
coal technology, advanced nuclear technology, or cogeneration 33171  
technology. 33172

(b) The director shall forward a copy of each application 33173  
for certification of an energy project with a nameplate capacity 33174  
of twenty megawatts or greater to the board of county 33175  
commissioners of each county in which the project is located and 33176



to each taxing unit with territory located in each of the 33177  
affected counties. Any board that receives from the director a 33178  
copy of an application submitted under this division shall adopt 33179  
a resolution approving or rejecting the application unless it 33180  
has adopted a resolution under division (E)(1)(c) of this 33181  
section. A resolution adopted under division (E)(1)(b) or (c) of 33182  
this section may require an annual service payment to be made in 33183  
addition to the service payment required under division (G) of 33184  
this section. The sum of the service payment required in the 33185  
resolution and the service payment required under division (G) 33186  
of this section shall not exceed nine thousand dollars per 33187  
megawatt of nameplate capacity located in the county. The 33188  
resolution shall specify the time and manner in which the 33189  
payments required by the resolution shall be paid to the county 33190  
treasurer. The county treasurer shall deposit the payment to the 33191  
credit of the county's general fund to be used for any purpose 33192  
for which money credited to that fund may be used. 33193

The board shall send copies of the resolution to the owner 33194  
of the facility and the director by certified mail or, if the 33195  
board has record of an internet identifier of record associated 33196  
with the owner or director, by ordinary mail and by that 33197  
internet identifier of record. The board shall send such notice 33198  
within thirty days after receipt of the application, or a longer 33199  
period of time if authorized by the director. 33200

(c) A board of county commissioners may adopt a resolution 33201  
declaring the county to be an alternative energy zone and 33202  
declaring all applications submitted to the director of housing 33203  
and development under this division after the adoption of the 33204  
resolution, and prior to its repeal, to be approved by the 33205  
board. 33206

All tangible personal property and real property of an 33207  
energy project with a nameplate capacity of twenty megawatts or 33208  
greater is taxable if it is located in a county in which the 33209  
board of county commissioners adopted a resolution rejecting the 33210  
application submitted under this division or failed to adopt a 33211  
resolution approving the application under division (E) (1) (b) or 33212  
(c) of this section. 33213

(2) The director shall certify an energy project if all of 33214  
the following circumstances exist: 33215

(a) The application was timely submitted. 33216

(b) For an energy project with a nameplate capacity of 33217  
twenty megawatts or greater, a board of county commissioners of 33218  
at least one county in which the project is located has adopted 33219  
a resolution approving the application under division (E) (1) (b) 33220  
or (c) of this section. 33221

(c) No portion of the project's facility was used to 33222  
supply electricity before December 31, 2009. 33223

(d) For construction or installation of a qualified energy 33224  
project described in division (B) (1) (b) of this section, that 33225  
the project is subject to wage requirements described in section 33226  
45(b) (7) (A) of the Internal Revenue Code and apprenticeship 33227  
requirements described in section 45(b) (8) (A) (i) of the Internal 33228  
Revenue Code, provided both of the following apply: 33229

(i) The person applies for such certificate after ~~the~~ 33230  
~~effective date of this amendment~~ October 3, 2023. 33231

(ii) A board of commissioners of at least one county in 33232  
which the project is located is required to adopt a resolution 33233  
approving the application under division (E) (1) (b) or (c) of 33234  
this section. 33235

(3) The director shall deny a certification application if 33236  
the director determines the person has failed to comply with any 33237  
requirement under this section. The director may revoke a 33238  
certification if the director determines the person, or 33239  
subsequent owner or lessee pursuant to a sale and leaseback 33240  
transaction of the qualified energy project, has failed to 33241  
comply with any requirement under this section. Upon 33242  
certification or revocation, the director shall notify the 33243  
person, owner, or lessee, the tax commissioner, and the county 33244  
auditor of a county in which the project is located of the 33245  
certification or revocation. Notice shall be provided in a 33246  
manner convenient to the director. 33247

(F) The owner or a lessee pursuant to a sale and leaseback 33248  
transaction of a qualified energy project shall do each of the 33249  
following: 33250

(1) Comply with all applicable regulations; 33251

(2) File with the director of housing and development a 33252  
certified construction progress report before the first day of 33253  
March of each year during the energy facility's construction or 33254  
installation indicating the percentage of the project completed, 33255  
and the project's nameplate capacity, as of the preceding 33256  
thirty-first day of December. Unless otherwise instructed by the 33257  
director of housing and development, the owner or lessee of an 33258  
energy project shall file a report with the director on or 33259  
before the first day of March each year after completion of the 33260  
energy facility's construction or installation indicating the 33261  
project's nameplate capacity as of the preceding thirty-first 33262  
day of December. Not later than sixty days after June 17, 2010, 33263  
the owner or lessee of an energy project, the construction of 33264  
which was completed before June 17, 2010, shall file a 33265

certificate indicating the project's nameplate capacity. 33266

(3) File with the director of housing and development, in 33267  
a manner prescribed by the director, a report of the total 33268  
number of full-time equivalent employees, and the total number 33269  
of full-time equivalent employees domiciled in Ohio, who are 33270  
employed in the construction or installation of the energy 33271  
facility; 33272

(4) For energy projects with a nameplate capacity of 33273  
twenty megawatts or greater, repair all roads, bridges, and 33274  
culverts affected by construction as reasonably required to 33275  
restore them to their preconstruction condition, as determined 33276  
by the county engineer in consultation with the local 33277  
jurisdiction responsible for the roads, bridges, and culverts. 33278  
In the event that the county engineer deems any road, bridge, or 33279  
culvert to be inadequate to support the construction or 33280  
decommissioning of the energy facility, the road, bridge, or 33281  
culvert shall be rebuilt or reinforced to the specifications 33282  
established by the county engineer prior to the construction or 33283  
decommissioning of the facility. The owner or lessee of the 33284  
facility shall post a bond in an amount established by the 33285  
county engineer and to be held by the board of county 33286  
commissioners to ensure funding for repairs of roads, bridges, 33287  
and culverts affected during the construction. The bond shall be 33288  
released by the board not later than one year after the date the 33289  
repairs are completed. The energy facility owner or lessee 33290  
pursuant to a sale and leaseback transaction shall post a bond, 33291  
as may be required by the Ohio power siting board in the 33292  
certificate authorizing commencement of construction issued 33293  
pursuant to section 4906.10 of the Revised Code, to ensure 33294  
funding for repairs to roads, bridges, and culverts resulting 33295  
from decommissioning of the facility. The energy facility owner 33296

or lessee and the county engineer may enter into an agreement 33297  
regarding specific transportation plans, reinforcements, 33298  
modifications, use and repair of roads, financial security to be 33299  
provided, and any other relevant issue. 33300

(5) Provide or facilitate training for fire and emergency 33301  
responders for response to emergency situations related to the 33302  
energy project and, for energy projects with a nameplate 33303  
capacity of twenty megawatts or greater, at the person's 33304  
expense, equip the fire and emergency responders with proper 33305  
equipment as reasonably required to enable them to respond to 33306  
such emergency situations; 33307

(6) (a) Except as otherwise provided in this division, for 33308  
projects for which certification as a qualified energy project 33309  
was applied for, under division (E) of this section, before ~~the~~ 33310  
~~effective date of this amendment~~ October 3, 2023, maintain a 33311  
ratio of Ohio-domiciled full-time equivalent employees employed 33312  
in the construction or installation of the energy project to 33313  
total full-time equivalent employees employed in the 33314  
construction or installation of the energy project of not less 33315  
than eighty per cent in the case of a solar energy project, and 33316  
not less than fifty per cent in the case of any other energy 33317  
project. A person applying for such a qualified energy project 33318  
may certify to the director of housing and development that the 33319  
project will be voluntarily subject to the wage requirements 33320  
described in section 45(b) (7) (A) of the Internal Revenue Code 33321  
and apprenticeship requirements described in section 45(b) (8) (A) 33322  
(i) of the Internal Revenue Code as authorized in division (F) 33323  
(6) (b) of this section. Upon receipt of that certification, the 33324  
project shall comply with division (F) (6) (b) of this section 33325  
rather than division (F) (6) (a) of this section. 33326

(b) For projects for which certification as a qualified 33327  
energy project was applied for, under division (E) of this 33328  
section, on or after ~~the effective date of this amendment~~ 33329  
October 3, 2023, maintain a ratio of Ohio-domiciled full-time 33330  
equivalent employees employed in the construction or 33331  
installation of the energy project to total full-time equivalent 33332  
employees employed in the construction or installation of the 33333  
energy project of not less than seventy per cent in the case of 33334  
a solar energy project, and not less than fifty per cent in the 33335  
case of any other energy project. 33336

(c) For purposes of divisions (F) (6) (a) and (b) of this 33337  
section, in the case of an energy project for which 33338  
certification from the power siting board is required under 33339  
section 4906.20 of the Revised Code, the number of full-time 33340  
equivalent employees employed in the construction or 33341  
installation of the energy project equals the number actually 33342  
employed or the number projected to be employed in the 33343  
certificate application, if such projection is required under 33344  
regulations adopted pursuant to section 4906.03 of the Revised 33345  
Code, whichever is greater. For all other energy projects, the 33346  
number of full-time equivalent employees employed in the 33347  
construction or installation of the energy project equals the 33348  
number actually employed or the number projected to be employed 33349  
by the director of housing and development, whichever is 33350  
greater. To estimate the number of employees to be employed in 33351  
the construction or installation of an energy project, the 33352  
director shall use a generally accepted job-estimating model in 33353  
use for renewable energy projects, including but not limited to 33354  
the job and economic development impact model. The director may 33355  
adjust an estimate produced by a model to account for variables 33356  
not accounted for by the model. 33357

(7) For energy projects with a nameplate capacity in 33358  
excess of twenty megawatts, establish a relationship with any of 33359  
the following to educate and train individuals for careers in 33360  
the wind or solar energy industry: 33361

(a) A member of the university system of Ohio as defined 33362  
in section 3345.011 of the Revised Code; 33363

(b) A person offering an apprenticeship program registered 33364  
with the employment and training administration within the 33365  
United States department of labor or with the apprenticeship 33366  
council created by section 4139.02 of the Revised Code; 33367

(c) A career-technical center, joint vocational school 33368  
district, comprehensive career-technical center, or compact 33369  
career-technical center; 33370

(d) A training center operated by a labor organization, or 33371  
with a training center operated by a for-profit or nonprofit 33372  
organization. 33373

The relationship may include endowments, cooperative 33374  
programs, internships, apprenticeships, research and development 33375  
projects, and curriculum development. 33376

(8) Offer to sell power or renewable energy credits from 33377  
the energy project to electric distribution utilities or 33378  
electric service companies subject to renewable energy resource 33379  
requirements under section 4928.64 of the Revised Code that have 33380  
issued requests for proposal for such power or renewable energy 33381  
credits. If no electric distribution utility or electric service 33382  
company issues a request for proposal on or before December 31, 33383  
2010, or accepts an offer for power or renewable energy credits 33384  
within forty-five days after the offer is submitted, power or 33385  
renewable energy credits from the energy project may be sold to 33386

other persons. Division (F) (8) of this section does not apply 33387  
if: 33388

(a) The owner or lessee is a rural electric company or a 33389  
municipal power agency as defined in section 3734.058 of the 33390  
Revised Code. 33391

(b) The owner or lessee is a person that, before 33392  
completion of the energy project, contracted for the sale of 33393  
power or renewable energy credits with a rural electric company 33394  
or a municipal power agency. 33395

(c) The owner or lessee contracts for the sale of power or 33396  
renewable energy credits from the energy project before June 17, 33397  
2010. 33398

(9) Make annual service payments as required by division 33399  
(G) of this section and as may be required in a resolution 33400  
adopted by a board of county commissioners under division (E) of 33401  
this section. 33402

(G) The owner or a lessee pursuant to a sale and leaseback 33403  
transaction of a qualified energy project shall make annual 33404  
service payments in lieu of taxes to the county treasurer on or 33405  
before the final dates for payments of taxes on public utility 33406  
personal property on the real and public utility personal 33407  
property tax list for each tax year for which property of the 33408  
energy project is exempt from taxation under this section. The 33409  
county treasurer shall allocate the payment on the basis of the 33410  
project's physical location. Upon receipt of a payment, or if 33411  
timely payment has not been received, the county treasurer shall 33412  
certify such receipt or non-receipt to the director of housing 33413  
and development and tax commissioner in a form determined by the 33414  
director and commissioner, respectively. Each payment shall be 33415



in the following amount: 33416

(1) In the case of a solar energy project, seven thousand 33417  
dollars per megawatt of nameplate capacity located in the county 33418  
as of the thirty-first-day of December of the preceding tax 33419  
year; 33420

(2) In the case of any other energy project using 33421  
renewable energy resources, the following: 33422

(a) If the project maintains during the construction or 33423  
installation of the energy facility a ratio of Ohio-domiciled 33424  
full-time equivalent employees to total full-time equivalent 33425  
employees of not less than seventy-five per cent, six thousand 33426  
dollars per megawatt of nameplate capacity located in the county 33427  
as of the thirty-first day of December of the preceding tax 33428  
year; 33429

(b) If the project maintains during the construction or 33430  
installation of the energy facility a ratio of Ohio-domiciled 33431  
full-time equivalent employees to total full-time equivalent 33432  
employees of less than seventy-five per cent but not less than 33433  
sixty per cent, seven thousand dollars per megawatt of nameplate 33434  
capacity located in the county as of the thirty-first day of 33435  
December of the preceding tax year; 33436

(c) If the project maintains during the construction or 33437  
installation of the energy facility a ratio of Ohio-domiciled 33438  
full-time equivalent employees to total full-time equivalent 33439  
employees of less than sixty per cent but not less than fifty 33440  
per cent, eight thousand dollars per megawatt of nameplate 33441  
capacity located in the county as of the thirty-first day of 33442  
December of the preceding tax year. 33443

(3) In the case of an energy project using clean coal 33444

technology, advanced nuclear technology, or cogeneration 33445  
technology, the following: 33446

(a) If the project maintains during the construction or 33447  
installation of the energy facility a ratio of Ohio-domiciled 33448  
full-time equivalent employees to total full-time equivalent 33449  
employees of not less than seventy-five per cent, six thousand 33450  
dollars per megawatt of nameplate capacity located in the county 33451  
as of the thirty-first day of December of the preceding tax 33452  
year; 33453

(b) If the project maintains during the construction or 33454  
installation of the energy facility a ratio of Ohio-domiciled 33455  
full-time equivalent employees to total full-time equivalent 33456  
employees of less than seventy-five per cent but not less than 33457  
sixty per cent, seven thousand dollars per megawatt of nameplate 33458  
capacity located in the county as of the thirty-first day of 33459  
December of the preceding tax year; 33460

(c) If the project maintains during the construction or 33461  
installation of the energy facility a ratio of Ohio-domiciled 33462  
full-time equivalent employees to total full-time equivalent 33463  
employees of less than sixty per cent but not less than fifty 33464  
per cent, eight thousand dollars per megawatt of nameplate 33465  
capacity located in the county as of the thirty-first day of 33466  
December of the preceding tax year. 33467

(H) The director of housing and development in 33468  
consultation with the tax commissioner shall adopt rules 33469  
pursuant to Chapter 119. of the Revised Code to implement and 33470  
enforce this section. 33471

**Sec. 5729.032.** Upon the issuance of a tax credit 33472  
certificate by the director of housing and development, a 33473

refundable credit granted by the tax credit authority under 33474  
section 122.17 of the Revised Code may be claimed against the 33475  
tax imposed by section 5729.03 of the Revised Code. The credit 33476  
shall be claimed in the calendar year specified in the 33477  
certificate issued by the director of housing and development. 33478

**Sec. 5729.16.** (A) Terms used in this section have the same 33479  
meaning as in section 5725.33 of the Revised Code. 33480

(B) There is hereby allowed a nonrefundable credit against 33481  
the tax imposed by section 5729.03 or 5729.06 of the Revised 33482  
Code for a foreign insurance company holding a qualified equity 33483  
investment on the credit allowance date occurring in the 33484  
calendar year for which the tax is due. The credit shall be 33485  
computed in the same manner prescribed for the computation of 33486  
credits allowed under section 5725.33 of the Revised Code. 33487

The credit shall be claimed in the order prescribed by 33488  
section 5729.98 of the Revised Code. If the amount of the credit 33489  
exceeds the amount of tax otherwise due after deducting all 33490  
other credits in that order, the excess may be carried forward 33491  
and applied to the tax due for not more than four ensuing years. 33492

By claiming a tax credit under this section, an insurance 33493  
company waives its rights under section 5729.102 of the Revised 33494  
Code with respect to the time limitation for the assessment of 33495  
taxes as it relates to credits claimed that later become subject 33496  
to recapture under division (D) of this section. 33497

(C) The total amount of qualified equity investments on 33498  
the basis of which credits may be claimed under this section, 33499  
section 5725.33, and section 5733.58 of the Revised Code is 33500  
subject to the limitation of division (C) of section 5725.33 of 33501  
the Revised Code. 33502

(D) If any amount of a federal tax credit allowed for a 33503  
qualified equity investment for which a credit was received 33504  
under this section is recaptured under section 45D of the 33505  
Internal Revenue Code, or if the director of housing and 33506  
~~development services~~ determines that an investment for which a 33507  
tax credit is claimed under this section is not a qualified 33508  
equity investment or that the proceeds of an investment for 33509  
which a tax credit is claimed under this section are used to 33510  
make qualified low-income community investments other than in a 33511  
qualified active low-income community business in this state, 33512  
all or a portion of the credit received on account of that 33513  
investment shall be paid by the insurance company that received 33514  
the credit to the superintendent of insurance. The amount to be 33515  
recovered shall be determined by the director of housing and 33516  
~~development services~~ pursuant to rules adopted under section 33517  
5725.33 of the Revised Code. The director shall certify any 33518  
amount due under this division to the superintendent of 33519  
insurance, and the superintendent shall notify the treasurer of 33520  
state of the amount due. Upon notification, the treasurer shall 33521  
invoice the insurance company for the amount due. The amount due 33522  
is payable not later than thirty days after the date the 33523  
treasurer invoices the insurance company. The amount due shall 33524  
be considered to be tax due under section 5729.03 or 5729.06 of 33525  
the Revised Code, as applicable, and may be collected by 33526  
assessment without regard to the time limitations imposed under 33527  
section 5729.102 of the Revised Code for the assessment of taxes 33528  
by the superintendent. All amounts collected under this division 33529  
shall be credited as revenue from the tax levied under section 33530  
5729.03 of the Revised Code. 33531

**Sec. 5733.33.** (A) As used in this section: 33532

(1) "Manufacturing machinery and equipment" means engines 33533

and machinery, and tools and implements, of every kind used, or 33534  
designed to be used, in refining and manufacturing. 33535

"Manufacturing machinery and equipment" does not include 33536  
property acquired after December 31, 1999, that is used: 33537

    (a) For the transmission and distribution of electricity; 33538

    (b) For the generation of electricity, if fifty per cent 33539  
or more of the electricity that the property generates is 33540  
consumed, during the one-hundred-twenty-month period commencing 33541  
with the date the property is placed in service, by persons that 33542  
are not related members to the person who generates the 33543  
electricity. 33544

    (2) "New manufacturing machinery and equipment" means 33545  
manufacturing machinery and equipment, the original use in this 33546  
state of which commences with the taxpayer or with a partnership 33547  
of which the taxpayer is a partner. "New manufacturing machinery 33548  
and equipment" does not include property acquired after December 33549  
31, 1999, that is used: 33550

    (a) For the transmission and distribution of electricity; 33551

    (b) For the generation of electricity, if fifty per cent 33552  
or more of the electricity that the property generates is 33553  
consumed, during the one-hundred-twenty-month period commencing 33554  
with the date the property is placed in service, by persons that 33555  
are not related members to the person who generates the 33556  
electricity. 33557

    (3) (a) "Purchase" has the same meaning as in section 33558  
179(d) (2) of the Internal Revenue Code. 33559

    (b) For purposes of this section, any property that is not 33560  
manufactured or assembled primarily by the taxpayer is 33561  
considered purchased at the time the agreement to acquire the 33562

property becomes binding. Any property that is manufactured or 33563  
assembled primarily by the taxpayer is considered purchased at 33564  
the time the taxpayer places the property in service in the 33565  
county for which the taxpayer will calculate the county excess 33566  
amount. 33567

(c) Notwithstanding section 179(d) of the Internal Revenue 33568  
Code, a taxpayer's direct or indirect acquisition of new 33569  
manufacturing machinery and equipment is not purchased on or 33570  
after July 1, 1995, if the taxpayer, or a person whose 33571  
relationship to the taxpayer is described in subparagraphs (A), 33572  
(B), or (C) of section 179(d)(2) of the Internal Revenue Code, 33573  
had directly or indirectly entered into a binding agreement to 33574  
acquire the property at any time prior to July 1, 1995. 33575

(4) "Qualifying period" means the period that begins July 33576  
1, 1995, and ends June 30, 2005. 33577

(5) "County average new manufacturing machinery and 33578  
equipment investment" means either of the following: 33579

(a) The average annual cost of new manufacturing machinery 33580  
and equipment purchased for use in the county during baseline 33581  
years, in the case of a taxpayer that was in existence for more 33582  
than one year during baseline years. 33583

(b) Zero, in the case of a taxpayer that was not in 33584  
existence for more than one year during baseline years. 33585

(6) "Partnership" includes a limited liability company 33586  
formed under former Chapter 1705. ~~or of the Revised Code as that~~ 33587  
chapter existed prior to February 11, 2022, Chapter 1706. of the 33588  
Revised Code, or under the laws of any other state, provided 33589  
that the company is not classified for federal income tax 33590  
purposes as an association taxable as a corporation. 33591

(7) "Partner" includes a member of a limited liability company formed under former Chapter 1705. ~~or of the Revised Code~~ as that chapter existed prior to February 11, 2022, Chapter 1706. of the Revised Code, or under the laws of any other state, provided that the company is not classified for federal income tax purposes as an association taxable as a corporation.

(8) "Distressed area" means either a municipal corporation that has a population of at least fifty thousand or a county that meets two of the following criteria of economic distress, or a municipal corporation the majority of the population of which is situated in such a county:

(a) Its average rate of unemployment, during the most recent five-year period for which data are available, is equal to at least one hundred twenty-five per cent of the average rate of unemployment for the United States for the same period;

(b) It has a per capita income equal to or below eighty per cent of the median county per capita income of the United States as determined by the most recently available figures from the United States census bureau;

(c) (i) In the case of a municipal corporation, at least twenty per cent of the residents have a total income for the most recent census year that is below the official poverty line;

(ii) In the case of a county, in intercensal years, the county has a ratio of transfer payment income to total county income equal to or greater than twenty-five per cent.

(9) "Eligible area" means a distressed area, a labor surplus area, an inner city area, or a situational distress area.

(10) "Inner city area" means, in a municipal corporation

that has a population of at least one hundred thousand and does 33621  
not meet the criteria of a labor surplus area or a distressed 33622  
area, targeted investment areas established by the municipal 33623  
corporation within its boundaries that are comprised of the most 33624  
recent census block tracts that individually have at least 33625  
twenty per cent of their population at or below the state 33626  
poverty level or other census block tracts contiguous to such 33627  
census block tracts. 33628

(11) "Labor surplus area" means an area designated as a 33629  
labor surplus area by the United States department of labor. 33630

(12) "Official poverty line" has the same meaning as in 33631  
division (A) of section 3923.51 of the Revised Code. 33632

(13) "Situational distress area" means a county or a 33633  
municipal corporation that has experienced or is experiencing a 33634  
closing or downsizing of a major employer, that will adversely 33635  
affect the county's or municipal corporation's economy. In order 33636  
to be designated as a situational distress area for a period not 33637  
to exceed thirty-six months, the county or municipal corporation 33638  
may petition the director of housing and development. The 33639  
petition shall include written documentation that demonstrates 33640  
all of the following adverse effects on the local economy: 33641

(a) The number of jobs lost by the closing or downsizing; 33642

(b) The impact that the job loss has on the county's or 33643  
municipal corporation's unemployment rate as measured by the 33644  
state director of job and family services; 33645

(c) The annual payroll associated with the job loss; 33646

(d) The amount of state and local taxes associated with 33647  
the job loss; 33648



(e) The impact that the closing or downsizing has on the suppliers located in the county or municipal corporation. 33649  
33650

(14) "Cost" has the same meaning and limitation as in section 179(d) (3) of the Internal Revenue Code. 33651  
33652

(15) "Baseline years" means: 33653

(a) Calendar years 1992, 1993, and 1994, with regard to a credit claimed for the purchase during calendar year 1995, 1996, 1997, or 1998 of new manufacturing machinery and equipment; 33654  
33655  
33656

(b) Calendar years 1993, 1994, and 1995, with regard to a credit claimed for the purchase during calendar year 1999 of new manufacturing machinery and equipment; 33657  
33658  
33659

(c) Calendar years 1994, 1995, and 1996, with regard to a credit claimed for the purchase during calendar year 2000 of new manufacturing machinery and equipment; 33660  
33661  
33662

(d) Calendar years 1995, 1996, and 1997, with regard to a credit claimed for the purchase during calendar year 2001 of new manufacturing machinery and equipment; 33663  
33664  
33665

(e) Calendar years 1996, 1997, and 1998, with regard to a credit claimed for the purchase during calendar year 2002 of new manufacturing machinery and equipment; 33666  
33667  
33668

(f) Calendar years 1997, 1998, and 1999, with regard to a credit claimed for the purchase during calendar year 2003 of new manufacturing machinery and equipment; 33669  
33670  
33671

(g) Calendar years 1998, 1999, and 2000, with regard to a credit claimed for the purchase during calendar year 2004 of new manufacturing machinery and equipment; 33672  
33673  
33674

(h) Calendar years 1999, 2000, and 2001, with regard to a 33675

credit claimed for the purchase on or after January 1, 2005, and 33676  
on or before June 30, 2005, of new manufacturing machinery and 33677  
equipment. 33678

(16) "Related member" has the same meaning as in section 33679  
5733.042 of the Revised Code. 33680

(B) (1) Subject to division (I) of this section, a 33681  
nonrefundable credit is allowed against the tax imposed by 33682  
section 5733.06 of the Revised Code for a taxpayer that 33683  
purchases new manufacturing machinery and equipment during the 33684  
qualifying period, provided that the new manufacturing machinery 33685  
and equipment are installed in this state no later than June 30, 33686  
2006. No credit shall be allowed under this section for taxable 33687  
years ending on or after July 1, 2005. The elimination of the 33688  
credit for those taxable years includes the elimination of any 33689  
remaining one-sevenths of credit amounts for which a portion was 33690  
allowed for prior taxable years and the elimination of any 33691  
credit carry-forward, but the purchases on which the credits 33692  
were based remain subject to grants under section 122.173 of the 33693  
Revised Code for those remaining one-seventh amounts or carry- 33694  
forward amounts. 33695

(2) (a) Except as otherwise provided in division (B) (2) (b) 33696  
of this section, a credit may be claimed under this section in 33697  
excess of one million dollars only if the cost of all 33698  
manufacturing machinery and equipment owned in this state by the 33699  
taxpayer claiming the credit on the last day of the calendar 33700  
year exceeds the cost of all manufacturing machinery and 33701  
equipment owned in this state by the taxpayer on the first day 33702  
of that calendar year. 33703

As used in division (B) (2) (a) of this section, "calendar 33704  
year" means the calendar year in which the machinery and 33705

equipment for which the credit is claimed was purchased. 33706

(b) Division (B) (2) (a) of this section does not apply if 33707  
the taxpayer claiming the credit applies for and is issued a 33708  
waiver of the requirement of that division. A taxpayer may apply 33709  
to the director of housing and development for such a waiver in 33710  
the manner prescribed by the director, and the director may 33711  
issue such a waiver if the director determines that granting the 33712  
credit is necessary to increase or retain employees in this 33713  
state, and that the credit has not caused relocation of 33714  
manufacturing machinery and equipment among counties within this 33715  
state for the primary purpose of qualifying for the credit. 33716

(C) (1) Except as otherwise provided in division (C) (2) and 33717  
division (I) of this section, the credit amount is equal to 33718  
seven and one-half per cent of the excess of the cost of the new 33719  
manufacturing machinery and equipment purchased during the 33720  
calendar year for use in a county over the county average new 33721  
manufacturing machinery and equipment investment for that 33722  
county. 33723

(2) Subject to division (I) of this section, as used in 33724  
division (C) (2) of this section "county excess" means the 33725  
taxpayer's excess cost for a county as computed under division 33726  
(C) (1) of this section. 33727

Subject to division (I) of this section, a taxpayer with a 33728  
county excess, whose purchases included purchases for use in any 33729  
eligible area in the county, the credit amount is equal to 33730  
thirteen and one-half per cent of the cost of the new 33731  
manufacturing machinery and equipment purchased during the 33732  
calendar year for use in the eligible areas in the county, 33733  
provided that the cost subject to the thirteen and one-half per 33734  
cent rate shall not exceed the county excess. If the county 33735

excess is greater than the cost of the new manufacturing 33736  
machinery and equipment purchased during the calendar year for 33737  
use in eligible areas in the county, the credit amount also 33738  
shall include an amount equal to seven and one-half per cent of 33739  
the amount of the difference. 33740

(3) If a taxpayer is allowed a credit for purchases of new 33741  
manufacturing machinery and equipment in more than one county or 33742  
eligible area, it shall aggregate the amount of those credits 33743  
each year. 33744

(4) The taxpayer shall claim one-seventh of the credit 33745  
amount for the tax year immediately following the calendar year 33746  
in which the new manufacturing machinery and equipment is 33747  
purchased for use in the county by the taxpayer or partnership. 33748  
One-seventh of the taxpayer credit amount is allowed for each of 33749  
the six ensuing tax years. Except for carried-forward amounts, 33750  
the taxpayer is not allowed any credit amount remaining if the 33751  
new manufacturing machinery and equipment is sold by the 33752  
taxpayer or partnership or is transferred by the taxpayer or 33753  
partnership out of the county before the end of the seven-year 33754  
period unless, at the time of the sale or transfer, the new 33755  
manufacturing machinery and equipment has been fully depreciated 33756  
for federal income tax purposes. 33757

(5) (a) A taxpayer that acquires manufacturing machinery 33758  
and equipment as a result of a merger with the taxpayer with 33759  
whom commenced the original use in this state of the 33760  
manufacturing machinery and equipment, or with a taxpayer that 33761  
was a partner in a partnership with whom commenced the original 33762  
use in this state of the manufacturing machinery and equipment, 33763  
is entitled to any remaining or carried-forward credit amounts 33764  
to which the taxpayer was entitled. 33765

(b) A taxpayer that enters into an agreement under 33766  
division (C) (3) of section 5709.62 of the Revised Code and that 33767  
acquires manufacturing machinery or equipment as a result of 33768  
purchasing a large manufacturing facility, as defined in section 33769  
5709.61 of the Revised Code, from another taxpayer with whom 33770  
commenced the original use in this state of the manufacturing 33771  
machinery or equipment, and that operates the large 33772  
manufacturing facility so purchased, is entitled to any 33773  
remaining or carried-forward credit amounts to which the other 33774  
taxpayer who sold the facility would have been entitled under 33775  
this section had the other taxpayer not sold the manufacturing 33776  
facility or equipment. 33777

(c) New manufacturing machinery and equipment is not 33778  
considered sold if a pass-through entity transfers to another 33779  
pass-through entity substantially all of its assets as part of a 33780  
plan of reorganization under which substantially all gain and 33781  
loss is not recognized by the pass-through entity that is 33782  
transferring the new manufacturing machinery and equipment to 33783  
the transferee and under which the transferee's basis in the new 33784  
manufacturing machinery and equipment is determined, in whole or 33785  
in part, by reference to the basis of the pass-through entity 33786  
which transferred the new manufacturing machinery and equipment 33787  
to the transferee. 33788

(d) Division (C) (5) of this section shall apply only if 33789  
the acquiring taxpayer or transferee does not sell the new 33790  
manufacturing machinery and equipment or transfer the new 33791  
manufacturing machinery and equipment out of the county before 33792  
the end of the seven-year period to which division (C) (4) of 33793  
this section refers. 33794

(e) Division (C) (5) (b) of this section applies only to the 33795

extent that the taxpayer that sold the manufacturing machinery 33796  
or equipment, upon request, timely provides to the tax 33797  
commissioner any information that the tax commissioner considers 33798  
to be necessary to ascertain any remaining or carried-forward 33799  
amounts to which the taxpayer that sold the facility would have 33800  
been entitled under this section had the taxpayer not sold the 33801  
manufacturing machinery or equipment. Nothing in division (C) (5) 33802  
(b) or (e) of this section shall be construed to allow a 33803  
taxpayer to claim any credit amount with respect to the acquired 33804  
manufacturing machinery or equipment that is greater than the 33805  
amount that would have been available to the other taxpayer that 33806  
sold the manufacturing machinery or equipment had the other 33807  
taxpayer not sold the manufacturing machinery or equipment. 33808

(D) The taxpayer shall claim the credit in the order 33809  
required under section 5733.98 of the Revised Code. Each year, 33810  
any credit amount in excess of the tax due under section 5733.06 33811  
of the Revised Code after allowing for any other credits that 33812  
precede the credit under this section in that order may be 33813  
carried forward for three tax years. 33814

(E) A taxpayer purchasing new manufacturing machinery and 33815  
equipment and intending to claim the credit shall file, with the 33816  
department of housing and development, a notice of intent to 33817  
claim the credit on a form prescribed by the department of 33818  
housing and development. The department of housing and 33819  
development shall inform the tax commissioner of the notice of 33820  
intent to claim the credit. No credit may be claimed under this 33821  
section for any manufacturing machinery and equipment with 33822  
respect to which a notice was not filed by the date of a timely 33823  
filed return, including extensions, for the taxable year that 33824  
includes September 30, 2005. 33825

(F) The director of housing and development shall annually 33826  
certify, by the first day of January of each year during the 33827  
qualifying period, the eligible areas for the tax credit for the 33828  
calendar year that includes that first day of January. The 33829  
director shall send a copy of the certification to the tax 33830  
commissioner. 33831

(G) New manufacturing machinery and equipment for which a 33832  
taxpayer claims the credit under section 5733.31 or 5733.311 of 33833  
the Revised Code shall not be considered new manufacturing 33834  
machinery and equipment for purposes of the credit under this 33835  
section. 33836

(H) (1) Notwithstanding sections 5733.11 and 5747.13 of the 33837  
Revised Code, but subject to division (H) (2) of this section, 33838  
the tax commissioner may issue an assessment against a person 33839  
with respect to a credit claimed under this section for new 33840  
manufacturing machinery and equipment described in division (A) 33841  
(1) (b) or (2) (b) of this section, if the machinery or equipment 33842  
subsequently does not qualify for the credit. 33843

(2) Division (H) (1) of this section shall not apply after 33844  
the twenty-fourth month following the last day of the period 33845  
described in divisions (A) (1) (b) and (2) (b) of this section. 33846

(I) Notwithstanding any other provision of this section to 33847  
the contrary, in the case of a qualifying controlled group, the 33848  
credit available under this section to a taxpayer or taxpayers 33849  
in the qualifying controlled group shall be computed as if all 33850  
corporations in the group were a single corporation. The credit 33851  
shall be allocated to such a taxpayer or taxpayers in the group 33852  
in any amount elected for the taxable year by the group. Such 33853  
election shall be revocable and amendable during the period 33854  
described in division (B) of section 5733.12 of the Revised 33855

Code. 33856

This division applies to all purchases of new 33857  
manufacturing machinery and equipment made on or after January 33858  
1, 2001, and to all baseline years used to compute any credit 33859  
attributable to such purchases; provided, that this division may 33860  
be applied solely at the election of the qualifying controlled 33861  
group with respect to all purchases of new manufacturing 33862  
machinery and equipment made before that date, and to all 33863  
baseline years used to compute any credit attributable to such 33864  
purchases. The qualifying controlled group at any time may elect 33865  
to apply this division to purchases made prior to January 1, 33866  
2001, subject to the following: 33867

(1) The election is irrevocable; 33868

(2) The election need not accompany a timely filed report, 33869  
but the election may accompany a subsequently filed but timely 33870  
application for refund, a subsequently filed but timely amended 33871  
report, or a subsequently filed but timely petition for 33872  
reassessment. 33873

**Sec. 5733.34.** (A) As used in this section: 33874

(1) "Partnership" includes a limited liability company if 33875  
the limited liability company is not treated as a corporation 33876  
for purposes of this chapter and is not classified as an 33877  
association taxable as a corporation for federal income tax 33878  
purposes. 33879

(2) "Partner" includes a member of a limited liability 33880  
company if the limited liability company is not treated as a 33881  
corporation for purposes of this chapter and is not classified 33882  
as an association taxable as a corporation for federal income 33883  
tax purposes. 33884



(B) (1) A nonrefundable credit is allowed against the tax 33885  
imposed by section 5733.06 of the Revised Code for a taxpayer 33886  
that has entered into an agreement with the director of housing 33887  
and development under section 122.16 of the Revised Code, or for 33888  
a taxpayer that is a partner in a partnership that has entered 33889  
into such an agreement. If a taxpayer is a partner in such a 33890  
partnership, the taxpayer shall be allowed its distributive 33891  
share of the credit available through the partnership. 33892

(2) If a taxpayer enters into more than one agreement 33893  
under section 122.16 of the Revised Code, the taxpayer may 33894  
aggregate the amount of those credits each year. 33895

(3) A taxpayer entitled to the credit allowed under this 33896  
section shall claim one-fifth of the credit amount for the tax 33897  
year immediately following the calendar year in which the 33898  
agreement is entered into, and one-fifth of the credit amount 33899  
for each of the four succeeding tax years. 33900

(4) A taxpayer shall claim the credit in the order 33901  
provided under section 5733.98 of the Revised Code. The amount 33902  
of the credit that a taxpayer may claim each year shall be the 33903  
amount indicated on the certificate issued by the director of 33904  
housing and development under section 122.16 of the Revised 33905  
Code, or the taxpayer's distributive share of that amount if the 33906  
taxpayer is entitled to the credit through a partnership. The 33907  
taxpayer shall submit the certificate with the taxpayer's annual 33908  
report filed under section 5733.02 of the Revised Code. Each tax 33909  
year, any credit amount in excess of the tax due for that year 33910  
under section 5733.06 of the Revised Code, after allowing for 33911  
all other credits preceding the credit in that order, may be 33912  
carried forward for no more than three tax years. 33913

(5) A taxpayer shall not claim any credit amount 33914

remaining, including any amounts carried forward from prior tax 33915  
years, for any tax year following the calendar year in which any 33916  
of the following events occur, except as otherwise provided 33917  
under division (B) (6) of this section: 33918

(a) The taxpayer or partnership through which the taxpayer 33919  
is entitled to the credit enters into a compliance schedule 33920  
agreement pursuant to division (B) (3) of section 3746.12 of the 33921  
Revised Code; 33922

(b) The taxpayer or partnership through which the taxpayer 33923  
is entitled to the credit has its covenant not to sue revoked 33924  
pursuant to Chapter 3746. of the Revised Code and rules adopted 33925  
under that chapter; 33926

(c) The covenant not to sue issued to the taxpayer or 33927  
partnership through which the taxpayer is entitled to the credit 33928  
is void pursuant to Chapter 3746. of the Revised Code; 33929

(d) The director of housing and development has determined 33930  
that the taxpayer, or a partnership through which the taxpayer 33931  
is entitled to the credit, has permitted the eligible site to be 33932  
used in such a manner as to cause the relocation of employment 33933  
positions from elsewhere in this state in violation of the 33934  
commitment required under division (D) of section 122.16 of the 33935  
Revised Code. 33936

If a taxpayer claims credits through more than one 33937  
partnership, division (B) (5) of this section prohibits that 33938  
taxpayer from claiming a credit through any of those 33939  
partnerships that has entered into a compliance schedule 33940  
agreement, has had its covenant not to sue revoked or voided, or 33941  
has violated the commitment required in division (D) of section 33942  
122.16 of the Revised Code. Division (B) (5) of this section does 33943

not prohibit such a taxpayer from claiming a credit through a partnership that has not entered into a compliance schedule agreement, has not had its covenant not to sue revoked or voided, or has not violated the commitment required in division (D) of section 122.16 of the Revised Code.

(6) If a taxpayer has been prohibited from claiming the credit or a portion of the credit by reason of division (B) (5) (a) of this section, and the taxpayer, or a partnership in which the taxpayer is a partner, subsequently has returned the property to compliance with applicable standards pursuant to the compliance schedule agreement, the taxpayer may claim the credit for the tax year following the calendar year in which the director of environmental protection has determined that the taxpayer or partnership has returned the property to compliance with applicable standards and for each subsequent tax year for which the taxpayer is otherwise allowed to claim the credit under division (B) (3) of this section.

**Sec. 5733.352.** (A) As used in this section:

(1) "Borrower" means any person that receives a loan from the director of housing and development under section 166.21 of the Revised Code, regardless of whether the borrower is subject to the taxes imposed by sections 5733.06, 5733.065, and 5733.066 of the Revised Code.

(2) "Related member" has the same meaning as in section 5733.042 of the Revised Code.

(3) "Qualified research and development loan payments" has the same meaning as in division (D) of section 166.21 of the Revised Code.

(B) Beginning with tax year 2004, and in the case of a

corporation subject to division (G)(2) of section 5733.01 of the Revised Code ending with tax year 2008, a nonrefundable credit is allowed against the taxes imposed by sections 5733.06, 5733.065, and 5733.066 of the Revised Code equal to a borrower's qualified research and development loan payments made during the calendar year immediately preceding the tax year for which the credit is claimed. The amount of the credit for a tax year shall not exceed one hundred fifty thousand dollars. No taxpayer is entitled to claim a credit under this section unless it has obtained a certificate issued by the director of housing and development under division (D) of section 166.21 of the Revised Code and submits a copy of the certificate with its report for the taxable year. Failure to submit a copy of the certificate with the report does not invalidate a claim for a credit if the taxpayer submits a copy of the certificate within sixty days after the tax commissioner requests it. The credit shall be claimed in the order required under section 5733.98 of the Revised Code. The credit, to the extent it exceeds the taxpayer's tax liability for the tax year after allowance for any other credits that precede the credit under this section in that order, shall be carried forward to the next succeeding tax year or years until fully used. A corporation subject to division (G)(2) of section 5733.01 of the Revised Code may carry forward any credit not fully utilized by tax year 2008 and apply it against the tax levied by Chapter 5751. of the Revised Code to the extent allowed under section 5751.52 of the Revised Code.

(C) A borrower entitled to a credit under this section may assign the credit, or a portion thereof, to any of the following:

(1) A related member of that borrower;

(2) The owner or lessee of the eligible research and 34003  
development project; 34004

(3) A related member of the owner or lessee of the 34005  
eligible research and development project. 34006

A borrower making an assignment under this division shall 34007  
provide written notice of the assignment to the tax commissioner 34008  
and the director of housing and development, in such form as the 34009  
tax commissioner prescribes, before the credit that was assigned 34010  
is used. The assignor may not claim the credit to the extent it 34011  
was assigned to an assignee. The assignee may claim the credit 34012  
only to the extent the assignor has not claimed it. 34013

(D) If any taxpayer is a partner in a partnership or a 34014  
member in a limited liability company treated as a partnership 34015  
for federal income tax purposes, the taxpayer shall be allowed 34016  
the taxpayer's distributive or proportionate share of the credit 34017  
available through the partnership or limited liability company. 34018

(E) The aggregate credit against the taxes imposed by 34019  
sections 5733.06, 5733.065, 5733.066, and 5747.02 of the Revised 34020  
Code that may be claimed under this section and section 5747.331 34021  
of the Revised Code by a borrower as a result of qualified 34022  
research and development loan payments attributable during a 34023  
calendar year to any one loan shall not exceed one hundred fifty 34024  
thousand dollars. 34025

**Sec. 5733.58.** (A) Terms used in this section have the same 34026  
meaning as in section 5725.33 of the Revised Code. 34027

(B) There is hereby allowed a nonrefundable credit against 34028  
the tax imposed by section 5733.06 of the Revised Code for a 34029  
financial institution holding a qualified equity investment on 34030  
the credit allowance date occurring in the calendar year 34031

immediately preceding the tax year for which the tax is due. The 34032  
credit shall be computed in the same manner prescribed for the 34033  
computation of credits allowed under section 5725.33 of the 34034  
Revised Code. 34035

By claiming a tax credit under this section, a financial 34036  
institution waives its rights under section 5733.11 of the 34037  
Revised Code with respect to the time limitation for the 34038  
assessment of taxes as it relates to credits claimed that later 34039  
become subject to recapture under division (D) of this section. 34040

The credit shall be claimed in the order prescribed by 34041  
section 5733.98 of the Revised Code. If the amount of the credit 34042  
exceeds the amount of tax otherwise due after deducting all 34043  
other credits in that order, the excess may be carried forward 34044  
and applied to the tax due for not more than four ensuing tax 34045  
years. 34046

(C) The total amount of qualified equity investments on 34047  
the basis of which credits may be claimed under this section and 34048  
sections 5725.33 and 5729.16 of the Revised Code is subject to 34049  
the limitation of division (C) of section 5725.33 of the Revised 34050  
Code. 34051

(D) If any amount of a federal tax credit allowed for a 34052  
qualified equity investment for which a credit was received 34053  
under this section is recaptured under section 45D of the 34054  
Internal Revenue Code, or if the director of housing and 34055  
development ~~services~~ determines that an investment for which a 34056  
tax credit is claimed under this section is not a qualified 34057  
equity investment or that the proceeds of an investment for 34058  
which a tax credit is claimed under this section are used to 34059  
make qualified low-income community investments other than in a 34060  
qualified active low-income community business in this state, 34061

all or a portion of the credit received on account of that 34062  
investment shall be paid by the financial institution that 34063  
received the credit to the tax commissioner. The amount to be 34064  
recovered shall be determined by the director of housing and 34065  
~~development services~~ pursuant to rules adopted under section 34066  
5725.33 of the Revised Code. The director shall certify any 34067  
amount due under this division to the tax commissioner, and the 34068  
commissioner shall notify the financial institution of the 34069  
amount due. The amount due is payable not later than thirty days 34070  
after the day the commissioner issues the notice. The amount due 34071  
shall be considered to be tax due under section 5733.06 of the 34072  
Revised Code, and may be collected by assessment without regard 34073  
to the limitations imposed under section 5733.11 of the Revised 34074  
Code for the assessment of taxes by the commissioner. All 34075  
amounts collected under this division shall be credited as 34076  
revenue from the tax levied under section 5733.06 of the Revised 34077  
Code. 34078

**Sec. 5733.59.** (A) Any term used in this section has the 34079  
same meaning as in section 122.85 of the Revised Code. 34080

(B) There is allowed a credit against the tax imposed by 34081  
section 5733.06 of the Revised Code for any corporation that is 34082  
the certificate owner of a tax credit certificate issued under 34083  
section 122.85 of the Revised Code. The credit shall be claimed 34084  
for the taxable year in which the certificate is issued by the 34085  
director of housing and development. The credit amount equals 34086  
the amount stated in the certificate. The credit shall be 34087  
claimed in the order required under section 5733.98 of the 34088  
Revised Code. If the credit amount exceeds the tax otherwise due 34089  
under section 5733.06 of the Revised Code after deducting all 34090  
other credits in that order, the excess shall be refunded. 34091

(C) If, pursuant to division (G) of section 5733.01 of the Revised Code, the corporation is not required to pay tax under this chapter, the corporation may file an annual report under section 5733.02 of the Revised Code and claim the credit authorized by this section. Nothing in this section allows a corporation to claim more than one credit per tax credit-eligible production.

**Sec. 5747.01.** Except as otherwise expressly provided or clearly appearing from the context, any term used in this chapter that is not otherwise defined in this section has the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes or if not used in a comparable context in those laws, has the same meaning as in section 5733.40 of the Revised Code. Any reference in this chapter to the Internal Revenue Code includes other laws of the United States relating to federal income taxes.

As used in this chapter:

(A) "Adjusted gross income" or "Ohio adjusted gross income" means federal adjusted gross income, as defined and used in the Internal Revenue Code, adjusted as provided in this section:

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities.

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from



state income taxes. 34121

(3) Deduct interest or dividends on obligations of the 34122  
United States and its territories and possessions or of any 34123  
authority, commission, or instrumentality of the United States 34124  
to the extent that the interest or dividends are included in 34125  
federal adjusted gross income but exempt from state income taxes 34126  
under the laws of the United States. 34127

(4) Deduct disability and survivor's benefits to the 34128  
extent included in federal adjusted gross income. 34129

(5) Deduct the following, to the extent not otherwise 34130  
deducted or excluded in computing federal or Ohio adjusted gross 34131  
income: 34132

(a) Benefits under Title II of the Social Security Act and 34133  
tier 1 railroad retirement; 34134

(b) Railroad retirement benefits, other than tier 1 34135  
railroad retirement benefits, to the extent such amounts are 34136  
exempt from state taxation under federal law. 34137

(6) Deduct the amount of wages and salaries, if any, not 34138  
otherwise allowable as a deduction but that would have been 34139  
allowable as a deduction in computing federal adjusted gross 34140  
income for the taxable year, had the work opportunity tax credit 34141  
allowed and determined under sections 38, 51, and 52 of the 34142  
Internal Revenue Code not been in effect. 34143

(7) Deduct any interest or interest equivalent on public 34144  
obligations and purchase obligations to the extent that the 34145  
interest or interest equivalent is included in federal adjusted 34146  
gross income. 34147

(8) Add any loss or deduct any gain resulting from the 34148

sale, exchange, or other disposition of public obligations to 34149  
the extent that the loss has been deducted or the gain has been 34150  
included in computing federal adjusted gross income. 34151

(9) Deduct or add amounts, as provided under section 34152  
5747.70 of the Revised Code, related to contributions made to or 34153  
tuition units purchased under a qualified tuition program 34154  
established pursuant to section 529 of the Internal Revenue 34155  
Code. 34156

(10)(a) Deduct, to the extent not otherwise allowable as a 34157  
deduction or exclusion in computing federal or Ohio adjusted 34158  
gross income for the taxable year, the amount the taxpayer paid 34159  
during the taxable year for medical care insurance and qualified 34160  
long-term care insurance for the taxpayer, the taxpayer's 34161  
spouse, and dependents. No deduction for medical care insurance 34162  
under division (A)(10)(a) of this section shall be allowed 34163  
either to any taxpayer who is eligible to participate in any 34164  
subsidized health plan maintained by any employer of the 34165  
taxpayer or of the taxpayer's spouse, or to any taxpayer who is 34166  
entitled to, or on application would be entitled to, benefits 34167  
under part A of Title XVIII of the "Social Security Act," 49 34168  
Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of 34169  
division (A)(10)(a) of this section, "subsidized health plan" 34170  
means a health plan for which the employer pays any portion of 34171  
the plan's cost. The deduction allowed under division (A)(10)(a) 34172  
of this section shall be the net of any related premium refunds, 34173  
related premium reimbursements, or related insurance premium 34174  
dividends received during the taxable year. 34175

(b) Deduct, to the extent not otherwise deducted or 34176  
excluded in computing federal or Ohio adjusted gross income 34177  
during the taxable year, the amount the taxpayer paid during the 34178

taxable year, not compensated for by any insurance or otherwise, 34179  
for medical care of the taxpayer, the taxpayer's spouse, and 34180  
dependents, to the extent the expenses exceed seven and one-half 34181  
per cent of the taxpayer's federal adjusted gross income. 34182

(c) For purposes of division (A)(10) of this section, 34183  
"medical care" has the meaning given in section 213 of the 34184  
Internal Revenue Code, subject to the special rules, 34185  
limitations, and exclusions set forth therein, and "qualified 34186  
long-term care" has the same meaning given in section 7702B(c) 34187  
of the Internal Revenue Code. Solely for purposes of division 34188  
(A)(10)(a) of this section, "dependent" includes a person who 34189  
otherwise would be a "qualifying relative" and thus a 34190  
"dependent" under section 152 of the Internal Revenue Code but 34191  
for the fact that the person fails to meet the income and 34192  
support limitations under section 152(d)(1)(B) and (C) of the 34193  
Internal Revenue Code. 34194

(11)(a) Deduct any amount included in federal adjusted 34195  
gross income solely because the amount represents a 34196  
reimbursement or refund of expenses that in any year the 34197  
taxpayer had deducted as an itemized deduction pursuant to 34198  
section 63 of the Internal Revenue Code and applicable United 34199  
States department of the treasury regulations. The deduction 34200  
otherwise allowed under division (A)(11)(a) of this section 34201  
shall be reduced to the extent the reimbursement is attributable 34202  
to an amount the taxpayer deducted under this section in any 34203  
taxable year. 34204

(b) Add any amount not otherwise included in Ohio adjusted 34205  
gross income for any taxable year to the extent that the amount 34206  
is attributable to the recovery during the taxable year of any 34207  
amount deducted or excluded in computing federal or Ohio 34208

adjusted gross income in any taxable year. 34209

(12) Deduct any portion of the deduction described in 34210  
section 1341(a)(2) of the Internal Revenue Code, for repaying 34211  
previously reported income received under a claim of right, that 34212  
meets both of the following requirements: 34213

(a) It is allowable for repayment of an item that was 34214  
included in the taxpayer's adjusted gross income for a prior 34215  
taxable year and did not qualify for a credit under division (A) 34216  
or (B) of section 5747.05 of the Revised Code for that year; 34217

(b) It does not otherwise reduce the taxpayer's adjusted 34218  
gross income for the current or any other taxable year. 34219

(13) Deduct an amount equal to the deposits made to, and 34220  
net investment earnings of, a medical savings account during the 34221  
taxable year, in accordance with section 3924.66 of the Revised 34222  
Code. The deduction allowed by division (A)(13) of this section 34223  
does not apply to medical savings account deposits and earnings 34224  
otherwise deducted or excluded for the current or any other 34225  
taxable year from the taxpayer's federal adjusted gross income. 34226

(14)(a) Add an amount equal to the funds withdrawn from a 34227  
medical savings account during the taxable year, and the net 34228  
investment earnings on those funds, when the funds withdrawn 34229  
were used for any purpose other than to reimburse an account 34230  
holder for, or to pay, eligible medical expenses, in accordance 34231  
with section 3924.66 of the Revised Code; 34232

(b) Add the amounts distributed from a medical savings 34233  
account under division (A)(2) of section 3924.68 of the Revised 34234  
Code during the taxable year. 34235

(15) Add any amount claimed as a credit under section 34236  
5747.059 of the Revised Code to the extent that such amount 34237

satisfies either of the following: 34238

(a) The amount was deducted or excluded from the 34239  
computation of the taxpayer's federal adjusted gross income as 34240  
required to be reported for the taxpayer's taxable year under 34241  
the Internal Revenue Code; 34242

(b) The amount resulted in a reduction of the taxpayer's 34243  
federal adjusted gross income as required to be reported for any 34244  
of the taxpayer's taxable years under the Internal Revenue Code. 34245

(16) Deduct the amount contributed by the taxpayer to an 34246  
individual development account program established by a county 34247  
department of job and family services pursuant to sections 34248  
329.11 to 329.14 of the Revised Code for the purpose of matching 34249  
funds deposited by program participants. On request of the tax 34250  
commissioner, the taxpayer shall provide any information that, 34251  
in the tax commissioner's opinion, is necessary to establish the 34252  
amount deducted under division (A)(16) of this section. 34253

(17)(a)(i) Subject to divisions (A)(17)(a)(iii), (iv), and 34254  
(v) of this section, add five-sixths of the amount of 34255  
depreciation expense allowed by subsection (k) of section 168 of 34256  
the Internal Revenue Code, including the taxpayer's 34257  
proportionate or distributive share of the amount of 34258  
depreciation expense allowed by that subsection to a pass- 34259  
through entity in which the taxpayer has a direct or indirect 34260  
ownership interest. 34261

(ii) Subject to divisions (A)(17)(a)(iii), (iv), and (v) 34262  
of this section, add five-sixths of the amount of qualifying 34263  
section 179 depreciation expense, including the taxpayer's 34264  
proportionate or distributive share of the amount of qualifying 34265  
section 179 depreciation expense allowed to any pass-through 34266

entity in which the taxpayer has a direct or indirect ownership 34267  
interest. 34268

(iii) Subject to division (A) (17) (a) (v) of this section, 34269  
for taxable years beginning in 2012 or thereafter, if the 34270  
increase in income taxes withheld by the taxpayer is equal to or 34271  
greater than ten per cent of income taxes withheld by the 34272  
taxpayer during the taxpayer's immediately preceding taxable 34273  
year, "two-thirds" shall be substituted for "five-sixths" for 34274  
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 34275

(iv) Subject to division (A) (17) (a) (v) of this section, 34276  
for taxable years beginning in 2012 or thereafter, a taxpayer is 34277  
not required to add an amount under division (A) (17) of this 34278  
section if the increase in income taxes withheld by the taxpayer 34279  
and by any pass-through entity in which the taxpayer has a 34280  
direct or indirect ownership interest is equal to or greater 34281  
than the sum of (I) the amount of qualifying section 179 34282  
depreciation expense and (II) the amount of depreciation expense 34283  
allowed to the taxpayer by subsection (k) of section 168 of the 34284  
Internal Revenue Code, and including the taxpayer's 34285  
proportionate or distributive shares of such amounts allowed to 34286  
any such pass-through entities. 34287

(v) If a taxpayer directly or indirectly incurs a net 34288  
operating loss for the taxable year for federal income tax 34289  
purposes, to the extent such loss resulted from depreciation 34290  
expense allowed by subsection (k) of section 168 of the Internal 34291  
Revenue Code and by qualifying section 179 depreciation expense, 34292  
"the entire" shall be substituted for "five-sixths of the" for 34293  
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 34294

The tax commissioner, under procedures established by the 34295  
commissioner, may waive the add-backs related to a pass-through 34296

entity if the taxpayer owns, directly or indirectly, less than 34297  
five per cent of the pass-through entity. 34298

(b) Nothing in division (A) (17) of this section shall be 34299  
construed to adjust or modify the adjusted basis of any asset. 34300

(c) To the extent the add-back required under division (A) 34301  
(17) (a) of this section is attributable to property generating 34302  
nonbusiness income or loss allocated under section 5747.20 of 34303  
the Revised Code, the add-back shall be situated to the same 34304  
location as the nonbusiness income or loss generated by the 34305  
property for the purpose of determining the credit under 34306  
division (A) of section 5747.05 of the Revised Code. Otherwise, 34307  
the add-back shall be apportioned, subject to one or more of the 34308  
four alternative methods of apportionment enumerated in section 34309  
5747.21 of the Revised Code. 34310

(d) For the purposes of division (A) (17) (a) (v) of this 34311  
section, net operating loss carryback and carryforward shall not 34312  
include the allowance of any net operating loss deduction 34313  
carryback or carryforward to the taxable year to the extent such 34314  
loss resulted from depreciation allowed by section 168(k) of the 34315  
Internal Revenue Code and by the qualifying section 179 34316  
depreciation expense amount. 34317

(e) For the purposes of divisions (A) (17) and (18) of this 34318  
section: 34319

(i) "Income taxes withheld" means the total amount 34320  
withheld and remitted under sections 5747.06 and 5747.07 of the 34321  
Revised Code by an employer during the employer's taxable year. 34322

(ii) "Increase in income taxes withheld" means the amount 34323  
by which the amount of income taxes withheld by an employer 34324  
during the employer's current taxable year exceeds the amount of 34325

income taxes withheld by that employer during the employer's 34326  
immediately preceding taxable year. 34327

(iii) "Qualifying section 179 depreciation expense" means 34328  
the difference between (I) the amount of depreciation expense 34329  
directly or indirectly allowed to a taxpayer under section 179 34330  
of the Internal Revised Code, and (II) the amount of 34331  
depreciation expense directly or indirectly allowed to the 34332  
taxpayer under section 179 of the Internal Revenue Code as that 34333  
section existed on December 31, 2002. 34334

(18)(a) If the taxpayer was required to add an amount 34335  
under division (A)(17)(a) of this section for a taxable year, 34336  
deduct one of the following: 34337

(i) One-fifth of the amount so added for each of the five 34338  
succeeding taxable years if the amount so added was five-sixths 34339  
of qualifying section 179 depreciation expense or depreciation 34340  
expense allowed by subsection (k) of section 168 of the Internal 34341  
Revenue Code; 34342

(ii) One-half of the amount so added for each of the two 34343  
succeeding taxable years if the amount so added was two-thirds 34344  
of such depreciation expense; 34345

(iii) One-sixth of the amount so added for each of the six 34346  
succeeding taxable years if the entire amount of such 34347  
depreciation expense was so added. 34348

(b) If the amount deducted under division (A)(18)(a) of 34349  
this section is attributable to an add-back allocated under 34350  
division (A)(17)(c) of this section, the amount deducted shall 34351  
be sitused to the same location. Otherwise, the add-back shall 34352  
be apportioned using the apportionment factors for the taxable 34353  
year in which the deduction is taken, subject to one or more of 34354



the four alternative methods of apportionment enumerated in 34355  
section 5747.21 of the Revised Code. 34356

(c) No deduction is available under division (A) (18) (a) of 34357  
this section with regard to any depreciation allowed by section 34358  
168(k) of the Internal Revenue Code and by the qualifying 34359  
section 179 depreciation expense amount to the extent that such 34360  
depreciation results in or increases a federal net operating 34361  
loss carryback or carryforward. If no such deduction is 34362  
available for a taxable year, the taxpayer may carry forward the 34363  
amount not deducted in such taxable year to the next taxable 34364  
year and add that amount to any deduction otherwise available 34365  
under division (A) (18) (a) of this section for that next taxable 34366  
year. The carryforward of amounts not so deducted shall continue 34367  
until the entire addition required by division (A) (17) (a) of 34368  
this section has been deducted. 34369

(19) Deduct, to the extent not otherwise deducted or 34370  
excluded in computing federal or Ohio adjusted gross income for 34371  
the taxable year, the amount the taxpayer received during the 34372  
taxable year as reimbursement for life insurance premiums under 34373  
section 5919.31 of the Revised Code. 34374

(20) Deduct, to the extent not otherwise deducted or 34375  
excluded in computing federal or Ohio adjusted gross income for 34376  
the taxable year, the amount the taxpayer received during the 34377  
taxable year as a death benefit paid by the adjutant general 34378  
under section 5919.33 of the Revised Code. 34379

(21) Deduct, to the extent included in federal adjusted 34380  
gross income and not otherwise allowable as a deduction or 34381  
exclusion in computing federal or Ohio adjusted gross income for 34382  
the taxable year, military pay and allowances received by the 34383  
taxpayer during the taxable year for active duty service in the 34384

United States army, air force, navy, marine corps, or coast 34385  
guard or reserve components thereof or the national guard. The 34386  
deduction may not be claimed for military pay and allowances 34387  
received by the taxpayer while the taxpayer is stationed in this 34388  
state. 34389

(22) Deduct, to the extent not otherwise allowable as a 34390  
deduction or exclusion in computing federal or Ohio adjusted 34391  
gross income for the taxable year and not otherwise compensated 34392  
for by any other source, the amount of qualified organ donation 34393  
expenses incurred by the taxpayer during the taxable year, not 34394  
to exceed ten thousand dollars. A taxpayer may deduct qualified 34395  
organ donation expenses only once for all taxable years 34396  
beginning with taxable years beginning in 2007. 34397

For the purposes of division (A) (22) of this section: 34398

(a) "Human organ" means all or any portion of a human 34399  
liver, pancreas, kidney, intestine, or lung, and any portion of 34400  
human bone marrow. 34401

(b) "Qualified organ donation expenses" means travel 34402  
expenses, lodging expenses, and wages and salary forgone by a 34403  
taxpayer in connection with the taxpayer's donation, while 34404  
living, of one or more of the taxpayer's human organs to another 34405  
human being. 34406

(23) Deduct, to the extent not otherwise deducted or 34407  
excluded in computing federal or Ohio adjusted gross income for 34408  
the taxable year, amounts received by the taxpayer as retired 34409  
personnel pay for service in the uniformed services or reserve 34410  
components thereof, or the national guard, or received by the 34411  
surviving spouse or former spouse of such a taxpayer under the 34412  
survivor benefit plan on account of such a taxpayer's death. If 34413

the taxpayer receives income on account of retirement paid under 34414  
the federal civil service retirement system or federal employees 34415  
retirement system, or under any successor retirement program 34416  
enacted by the congress of the United States that is established 34417  
and maintained for retired employees of the United States 34418  
government, and such retirement income is based, in whole or in 34419  
part, on credit for the taxpayer's uniformed service, the 34420  
deduction allowed under this division shall include only that 34421  
portion of such retirement income that is attributable to the 34422  
taxpayer's uniformed service, to the extent that portion of such 34423  
retirement income is otherwise included in federal adjusted 34424  
gross income and is not otherwise deducted under this section. 34425  
Any amount deducted under division (A) (23) of this section is 34426  
not included in a taxpayer's adjusted gross income for the 34427  
purposes of section 5747.055 of the Revised Code. No amount may 34428  
be deducted under division (A) (23) of this section on the basis 34429  
of which a credit was claimed under section 5747.055 of the 34430  
Revised Code. 34431

(24) Deduct, to the extent not otherwise deducted or 34432  
excluded in computing federal or Ohio adjusted gross income for 34433  
the taxable year, the amount the taxpayer received during the 34434  
taxable year from the military injury relief fund created in 34435  
section 5902.05 of the Revised Code. 34436

(25) Deduct, to the extent not otherwise deducted or 34437  
excluded in computing federal or Ohio adjusted gross income for 34438  
the taxable year, the amount the taxpayer received as a veterans 34439  
bonus during the taxable year from the Ohio department of 34440  
veterans services as authorized by Section 2r of Article VIII, 34441  
Ohio Constitution. 34442

(26) Deduct, to the extent not otherwise deducted or 34443

excluded in computing federal or Ohio adjusted gross income for 34444  
the taxable year, any income derived from a transfer agreement 34445  
or from the enterprise transferred under that agreement under 34446  
section 4313.02 of the Revised Code. 34447

(27) Deduct, to the extent not otherwise deducted or 34448  
excluded in computing federal or Ohio adjusted gross income for 34449  
the taxable year, Ohio college opportunity or federal Pell grant 34450  
amounts received by the taxpayer or the taxpayer's spouse or 34451  
dependent pursuant to section 3333.122 of the Revised Code or 20 34452  
U.S.C. 1070a, et seq., and used to pay room or board furnished 34453  
by the educational institution for which the grant was awarded 34454  
at the institution's facilities, including meal plans 34455  
administered by the institution. For the purposes of this 34456  
division, receipt of a grant includes the distribution of a 34457  
grant directly to an educational institution and the crediting 34458  
of the grant to the enrollee's account with the institution. 34459

(28) Deduct from the portion of an individual's federal 34460  
adjusted gross income that is business income, to the extent not 34461  
otherwise deducted or excluded in computing federal adjusted 34462  
gross income for the taxable year, one hundred twenty-five 34463  
thousand dollars for each spouse if spouses file separate 34464  
returns under section 5747.08 of the Revised Code or two hundred 34465  
fifty thousand dollars for all other individuals. 34466

(29) Deduct, as provided under section 5747.78 of the 34467  
Revised Code, contributions to ABLE savings accounts made in 34468  
accordance with sections 113.50 to 113.56 of the Revised Code. 34469

(30) (a) Deduct, to the extent not otherwise deducted or 34470  
excluded in computing federal or Ohio adjusted gross income 34471  
during the taxable year, all of the following: 34472

(i) Compensation paid to a qualifying employee described 34473  
in division (A) (14) (a) of section 5703.94 of the Revised Code to 34474  
the extent such compensation is for disaster work conducted in 34475  
this state during a disaster response period pursuant to a 34476  
qualifying solicitation received by the employee's employer; 34477

(ii) Compensation paid to a qualifying employee described 34478  
in division (A) (14) (b) of section 5703.94 of the Revised Code to 34479  
the extent such compensation is for disaster work conducted in 34480  
this state by the employee during the disaster response period 34481  
on critical infrastructure owned or used by the employee's 34482  
employer; 34483

(iii) Income received by an out-of-state disaster business 34484  
for disaster work conducted in this state during a disaster 34485  
response period, or, if the out-of-state disaster business is a 34486  
pass-through entity, a taxpayer's distributive share of the 34487  
pass-through entity's income from the business conducting 34488  
disaster work in this state during a disaster response period, 34489  
if, in either case, the disaster work is conducted pursuant to a 34490  
qualifying solicitation received by the business. 34491

(b) All terms used in division (A) (30) of this section 34492  
have the same meanings as in section 5703.94 of the Revised 34493  
Code. 34494

(31) For a taxpayer who is a qualifying Ohio educator, 34495  
deduct, to the extent not otherwise deducted or excluded in 34496  
computing federal or Ohio adjusted gross income for the taxable 34497  
year, the lesser of two hundred fifty dollars or the amount of 34498  
expenses described in subsections (a) (2) (D) (i) and (ii) of 34499  
section 62 of the Internal Revenue Code paid or incurred by the 34500  
taxpayer during the taxpayer's taxable year in excess of the 34501  
amount the taxpayer is authorized to deduct for that taxable 34502

year under subsection (a) (2) (D) of that section. 34503

(32) Deduct, to the extent not otherwise deducted or 34504  
excluded in computing federal or Ohio adjusted gross income for 34505  
the taxable year, amounts received by the taxpayer as a 34506  
disability severance payment, computed under 10 U.S.C. 1212, 34507  
following discharge or release under honorable conditions from 34508  
the armed forces of the United States, as defined in section 34509  
5907.01 of the Revised Code. 34510

(33) Deduct, to the extent not otherwise deducted or 34511  
excluded in computing federal adjusted gross income or Ohio 34512  
adjusted gross income, amounts not subject to tax due to an 34513  
agreement entered into under division (A) (2) of section 5747.05 34514  
of the Revised Code. 34515

(34) Deduct amounts as provided under section 5747.79 of 34516  
the Revised Code related to the taxpayer's qualifying capital 34517  
gains and deductible payroll. 34518

To the extent a qualifying capital gain described under 34519  
division (A) (34) of this section is business income, the 34520  
taxpayer shall deduct those gains under this division before 34521  
deducting any such gains under division (A) (28) of this section. 34522

(35) (a) For taxable years beginning in or after 2026, 34523  
deduct, to the extent not otherwise deducted or excluded in 34524  
computing federal or Ohio adjusted gross income for the taxable 34525  
year: 34526

(i) One hundred per cent of the capital gain received by 34527  
the taxpayer in the taxable year from a qualifying interest in 34528  
an Ohio venture capital operating company attributable to the 34529  
company's investments in Ohio businesses during the period for 34530  
which the company was an Ohio venture operating company; and 34531

(ii) Fifty per cent of the capital gain received by the taxpayer in the taxable year from a qualifying interest in an Ohio venture capital operating company attributable to the company's investments in all other businesses during the period for which the company was an Ohio venture operating company.

(b) Add amounts previously deducted by the taxpayer under division (A) (35) (a) of this section if the director of housing and development certifies to the tax commissioner that the requirements for the deduction were not met.

(c) All terms used in division (A) (35) of this section have the same meanings as in section 122.851 of the Revised Code.

(d) To the extent a capital gain described in division (A) (35) (a) of this section is business income, the taxpayer shall apply that division before applying division (A) (28) of this section.

(36) Add, to the extent not otherwise included in computing federal or Ohio adjusted gross income for any taxable year, the taxpayer's proportionate share of the amount of the tax levied under section 5747.38 of the Revised Code and paid by an electing pass-through entity for the taxable year.

Notwithstanding any provision of the Revised Code to the contrary, the portion of the addition required by division (A) (36) of this section related to the apportioned business income of the pass-through entity shall be considered business income under division (B) of this section. Such addition is eligible for the deduction in division (A) (28) of this section, subject to the applicable dollar limitations, and the tax rate prescribed by division (A) (4) (a) of section 5747.02 of the

Revised Code. The taxpayer shall provide, upon request of the 34561  
tax commissioner, any documentation necessary to verify the 34562  
portion of the addition that is business income under this 34563  
division. 34564

(37) Deduct, to the extent not otherwise deducted or 34565  
excluded in computing federal or Ohio adjusted gross income for 34566  
the taxable year, amounts delivered to a qualifying institution 34567  
pursuant to section 3333.128 of the Revised Code for the benefit 34568  
of the taxpayer or the taxpayer's spouse or dependent. 34569

(38) Deduct, to the extent not otherwise deducted or 34570  
excluded in computing federal or Ohio adjusted gross income for 34571  
the taxable year, amounts received under the Ohio adoption grant 34572  
program pursuant to section 5101.191 of the Revised Code. 34573

(39) Deduct, to the extent included in federal adjusted 34574  
gross income, income attributable to amounts provided to a 34575  
taxpayer for any of the purposes for which an exclusion would 34576  
have been authorized under section 139 of the Internal Revenue 34577  
Code if the train derailment near the city of East Palestine on 34578  
February 3, 2023, had been a qualified disaster pursuant to that 34579  
section, or to compensate for lost business resulting from that 34580  
derailment, if such amounts are provided by any of the 34581  
following: 34582

(a) A federal, state, or local government agency; 34583

(b) A railroad company, as that term is defined in section 34584  
5727.01 of the Revised Code; 34585

(c) Any subsidiary, insurer, or agent of a railroad 34586  
company or any related person. 34587

Notwithstanding any provision to the contrary, the 34588  
derailment is not required to meet the definition of a 34589



"qualified disaster" pursuant to section 139 of the Internal 34590  
Revenue Code to qualify for the deduction under this section. 34591

(40) Deduct, to the extent included in federal adjusted 34592  
gross income, income attributable to loan repayments on behalf 34593  
of the taxpayer under the rural practice incentive program under 34594  
section 3333.135 of the Revised Code. 34595

(41) Add any income taxes deducted in computing federal or 34596  
Ohio adjusted gross income to the extent the income taxes were 34597  
derived from income subject to a tax levied in another state or 34598  
the District of Columbia when such tax was enacted for purposes 34599  
of complying with internal revenue service notice 2020-75. 34600

Notwithstanding any provision of the Revised Code to the 34601  
contrary, the portion of the addition required by division (A) 34602  
(41) of this section related to the apportioned business income 34603  
of the pass-through entity shall be considered business income 34604  
under division (B) of this section. Such addition is eligible 34605  
for the deduction in division (A) (28) of this section, subject 34606  
to the applicable dollar limitations, and the tax rate 34607  
prescribed by division (A) (4) (a) of section 5747.02 of the 34608  
Revised Code. The taxpayer shall provide, upon request of the 34609  
tax commissioner, any documentation necessary to verify the 34610  
portion of the addition that is business income under this 34611  
division. 34612

(42) Deduct amounts contributed to a homeownership savings 34613  
account and calculated pursuant to divisions (B) and (C) of 34614  
section 5747.85 of the Revised Code. 34615

(43) If the taxpayer is the account owner, add the amount 34616  
of funds withdrawn from a homeownership savings account not used 34617  
for eligible expenses, regardless of who deposited those funds. 34618

As used in division (A) (43) of this section, "homeownership 34619  
savings account," "account owner," and "eligible expenses" have 34620  
the same meanings as in section 5747.85 of the Revised Code. 34621

(B) "Business income" means income, including gain or 34622  
loss, arising from transactions, activities, and sources in the 34623  
regular course of a trade or business and includes income, gain, 34624  
or loss from real property, tangible property, and intangible 34625  
property if the acquisition, rental, management, and disposition 34626  
of the property constitute integral parts of the regular course 34627  
of a trade or business operation. "Business income" includes 34628  
income, including gain or loss, from a partial or complete 34629  
liquidation of a business, including, but not limited to, gain 34630  
or loss from the sale or other disposition of goodwill or the 34631  
sale of an equity or ownership interest in a business. 34632

As used in this division, the "sale of an equity or 34633  
ownership interest in a business" means sales to which either or 34634  
both of the following apply: 34635

(1) The sale is treated for federal income tax purposes as 34636  
the sale of assets. 34637

(2) The seller materially participated, as described in 26 34638  
C.F.R. 1.469-5T, in the activities of the business during the 34639  
taxable year in which the sale occurs or during any of the five 34640  
preceding taxable years. 34641

(C) "Nonbusiness income" means all income other than 34642  
business income and may include, but is not limited to, 34643  
compensation, rents and royalties from real or tangible personal 34644  
property, capital gains, interest, dividends and distributions, 34645  
patent or copyright royalties, or lottery winnings, prizes, and 34646  
awards. 34647

(D) "Compensation" means any form of remuneration paid to an employee for personal services. 34648  
34649

(E) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any other person acting in any fiduciary capacity for any individual, trust, or estate. 34650  
34651  
34652

(F) "Fiscal year" means an accounting period of twelve months ending on the last day of any month other than December. 34653  
34654

(G) "Individual" means any natural person. 34655

(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended. 34656  
34657

(I) "Resident" means any of the following: 34658

(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code; 34659  
34660

(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code are not controlling for purposes of division (I) (2) of this section. 34661  
34662  
34663  
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(3) A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part. 34665  
34666  
34667

For the purposes of division (I) (3) of this section: 34668

(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I) (3) (d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following: 34669  
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34671  
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(i) A person, a court, or a governmental entity or 34675  
instrumentality on account of the death of a decedent, but only 34676  
if the trust is described in division (I)(3)(e)(i) or (ii) of 34677  
this section; 34678

(ii) A person who was domiciled in this state for the 34679  
purposes of this chapter when the person directly or indirectly 34680  
transferred assets to an irrevocable trust, but only if at least 34681  
one of the trust's qualifying beneficiaries is domiciled in this 34682  
state for the purposes of this chapter during all or some 34683  
portion of the trust's current taxable year; 34684

(iii) A person who was domiciled in this state for the 34685  
purposes of this chapter when the trust document or instrument 34686  
or part of the trust document or instrument became irrevocable, 34687  
but only if at least one of the trust's qualifying beneficiaries 34688  
is a resident domiciled in this state for the purposes of this 34689  
chapter during all or some portion of the trust's current 34690  
taxable year. If a trust document or instrument became 34691  
irrevocable upon the death of a person who at the time of death 34692  
was domiciled in this state for purposes of this chapter, that 34693  
person is a person described in division (I)(3)(a)(iii) of this 34694  
section. 34695

(b) A trust is irrevocable to the extent that the 34696  
transferor is not considered to be the owner of the net assets 34697  
of the trust under sections 671 to 678 of the Internal Revenue 34698  
Code. 34699

(c) With respect to a trust other than a charitable lead 34700  
trust, "qualifying beneficiary" has the same meaning as 34701  
"potential current beneficiary" as defined in section 1361(e)(2) 34702  
of the Internal Revenue Code, and with respect to a charitable 34703  
lead trust "qualifying beneficiary" is any current, future, or 34704

contingent beneficiary, but with respect to any trust 34705  
"qualifying beneficiary" excludes a person or a governmental 34706  
entity or instrumentality to any of which a contribution would 34707  
qualify for the charitable deduction under section 170 of the 34708  
Internal Revenue Code. 34709

(d) For the purposes of division (I)(3)(a) of this 34710  
section, the extent to which a trust consists directly or 34711  
indirectly, in whole or in part, of assets, net of any related 34712  
liabilities, that were transferred directly or indirectly, in 34713  
whole or part, to the trust by any of the sources enumerated in 34714  
that division shall be ascertained by multiplying the fair 34715  
market value of the trust's assets, net of related liabilities, 34716  
by the qualifying ratio, which shall be computed as follows: 34717

(i) The first time the trust receives assets, the 34718  
numerator of the qualifying ratio is the fair market value of 34719  
those assets at that time, net of any related liabilities, from 34720  
sources enumerated in division (I)(3)(a) of this section. The 34721  
denominator of the qualifying ratio is the fair market value of 34722  
all the trust's assets at that time, net of any related 34723  
liabilities. 34724

(ii) Each subsequent time the trust receives assets, a 34725  
revised qualifying ratio shall be computed. The numerator of the 34726  
revised qualifying ratio is the sum of (1) the fair market value 34727  
of the trust's assets immediately prior to the subsequent 34728  
transfer, net of any related liabilities, multiplied by the 34729  
qualifying ratio last computed without regard to the subsequent 34730  
transfer, and (2) the fair market value of the subsequently 34731  
transferred assets at the time transferred, net of any related 34732  
liabilities, from sources enumerated in division (I)(3)(a) of 34733  
this section. The denominator of the revised qualifying ratio is 34734

the fair market value of all the trust's assets immediately 34735  
after the subsequent transfer, net of any related liabilities. 34736

(iii) Whether a transfer to the trust is by or from any of 34737  
the sources enumerated in division (I) (3) (a) of this section 34738  
shall be ascertained without regard to the domicile of the 34739  
trust's beneficiaries. 34740

(e) For the purposes of division (I) (3) (a) (i) of this 34741  
section: 34742

(i) A trust is described in division (I) (3) (e) (i) of this 34743  
section if the trust is a testamentary trust and the testator of 34744  
that testamentary trust was domiciled in this state at the time 34745  
of the testator's death for purposes of the taxes levied under 34746  
Chapter 5731. of the Revised Code. 34747

(ii) A trust is described in division (I) (3) (e) (ii) of 34748  
this section if the transfer is a qualifying transfer described 34749  
in any of divisions (I) (3) (f) (i) to (vi) of this section, the 34750  
trust is an irrevocable inter vivos trust, and at least one of 34751  
the trust's qualifying beneficiaries is domiciled in this state 34752  
for purposes of this chapter during all or some portion of the 34753  
trust's current taxable year. 34754

(f) For the purposes of division (I) (3) (e) (ii) of this 34755  
section, a "qualifying transfer" is a transfer of assets, net of 34756  
any related liabilities, directly or indirectly to a trust, if 34757  
the transfer is described in any of the following: 34758

(i) The transfer is made to a trust, created by the 34759  
decedent before the decedent's death and while the decedent was 34760  
domiciled in this state for the purposes of this chapter, and, 34761  
prior to the death of the decedent, the trust became irrevocable 34762  
while the decedent was domiciled in this state for the purposes 34763

of this chapter. 34764

(ii) The transfer is made to a trust to which the 34765  
decedent, prior to the decedent's death, had directly or 34766  
indirectly transferred assets, net of any related liabilities, 34767  
while the decedent was domiciled in this state for the purposes 34768  
of this chapter, and prior to the death of the decedent the 34769  
trust became irrevocable while the decedent was domiciled in 34770  
this state for the purposes of this chapter. 34771

(iii) The transfer is made on account of a contractual 34772  
relationship existing directly or indirectly between the 34773  
transferor and either the decedent or the estate of the decedent 34774  
at any time prior to the date of the decedent's death, and the 34775  
decedent was domiciled in this state at the time of death for 34776  
purposes of the taxes levied under Chapter 5731. of the Revised 34777  
Code. 34778

(iv) The transfer is made to a trust on account of a 34779  
contractual relationship existing directly or indirectly between 34780  
the transferor and another person who at the time of the 34781  
decedent's death was domiciled in this state for purposes of 34782  
this chapter. 34783

(v) The transfer is made to a trust on account of the will 34784  
of a testator who was domiciled in this state at the time of the 34785  
testator's death for purposes of the taxes levied under Chapter 34786  
5731. of the Revised Code. 34787

(vi) The transfer is made to a trust created by or caused 34788  
to be created by a court, and the trust was directly or 34789  
indirectly created in connection with or as a result of the 34790  
death of an individual who, for purposes of the taxes levied 34791  
under Chapter 5731. of the Revised Code, was domiciled in this 34792

state at the time of the individual's death. 34793

(g) The tax commissioner may adopt rules to ascertain the 34794  
part of a trust residing in this state. 34795

(J) "Nonresident" means an individual or estate that is 34796  
not a resident. An individual who is a resident for only part of 34797  
a taxable year is a nonresident for the remainder of that 34798  
taxable year. 34799

(K) "Pass-through entity" has the same meaning as in 34800  
section 5733.04 of the Revised Code. 34801

(L) "Return" means the notifications and reports required 34802  
to be filed pursuant to this chapter for the purpose of 34803  
reporting the tax due and includes declarations of estimated tax 34804  
when so required. 34805

(M) "Taxable year" means the calendar year or the 34806  
taxpayer's fiscal year ending during the calendar year, or 34807  
fractional part thereof, upon which the adjusted gross income is 34808  
calculated pursuant to this chapter. 34809

(N) "Taxpayer" means any person subject to the tax imposed 34810  
by section 5747.02 of the Revised Code or any pass-through 34811  
entity that makes the election under division (D) of section 34812  
5747.08 of the Revised Code. 34813

(O) "Dependents" means one of the following: 34814

(1) For taxable years beginning on or after January 1, 34815  
2018, and before January 1, 2026, dependents as defined in the 34816  
Internal Revenue Code; 34817

(2) For all other taxable years, dependents as defined in 34818  
the Internal Revenue Code and as claimed in the taxpayer's 34819  
federal income tax return for the taxable year or which the 34820



taxpayer would have been permitted to claim had the taxpayer 34821  
filed a federal income tax return. 34822

(P) "Principal county of employment" means, in the case of 34823  
a nonresident, the county within the state in which a taxpayer 34824  
performs services for an employer or, if those services are 34825  
performed in more than one county, the county in which the major 34826  
portion of the services are performed. 34827

(Q) As used in sections 5747.50 to 5747.55 of the Revised 34828  
Code: 34829

(1) "Subdivision" means any county, municipal corporation, 34830  
park district, or township. 34831

(2) "Essential local government purposes" includes all 34832  
functions that any subdivision is required by general law to 34833  
exercise, including like functions that are exercised under a 34834  
charter adopted pursuant to the Ohio Constitution. 34835

(R) "Overpayment" means any amount already paid that 34836  
exceeds the figure determined to be the correct amount of the 34837  
tax. 34838

(S) "Taxable income" or "Ohio taxable income" applies only 34839  
to estates and trusts, and means federal taxable income, as 34840  
defined and used in the Internal Revenue Code, adjusted as 34841  
follows: 34842

(1) Add interest or dividends, net of ordinary, necessary, 34843  
and reasonable expenses not deducted in computing federal 34844  
taxable income, on obligations or securities of any state or of 34845  
any political subdivision or authority of any state, other than 34846  
this state and its subdivisions and authorities, but only to the 34847  
extent that such net amount is not otherwise includible in Ohio 34848  
taxable income and is described in either division (S) (1) (a) or 34849

(b) of this section: 34850

(a) The net amount is not attributable to the S portion of 34851  
an electing small business trust and has not been distributed to 34852  
beneficiaries for the taxable year; 34853

(b) The net amount is attributable to the S portion of an 34854  
electing small business trust for the taxable year. 34855

(2) Add interest or dividends, net of ordinary, necessary, 34856  
and reasonable expenses not deducted in computing federal 34857  
taxable income, on obligations of any authority, commission, 34858  
instrumentality, territory, or possession of the United States 34859  
to the extent that the interest or dividends are exempt from 34860  
federal income taxes but not from state income taxes, but only 34861  
to the extent that such net amount is not otherwise includible 34862  
in Ohio taxable income and is described in either division (S) 34863  
(1)(a) or (b) of this section; 34864

(3) Add the amount of personal exemption allowed to the 34865  
estate pursuant to section 642(b) of the Internal Revenue Code; 34866

(4) Deduct interest or dividends, net of related expenses 34867  
deducted in computing federal taxable income, on obligations of 34868  
the United States and its territories and possessions or of any 34869  
authority, commission, or instrumentality of the United States 34870  
to the extent that the interest or dividends are exempt from 34871  
state taxes under the laws of the United States, but only to the 34872  
extent that such amount is included in federal taxable income 34873  
and is described in either division (S)(1)(a) or (b) of this 34874  
section; 34875

(5) Deduct the amount of wages and salaries, if any, not 34876  
otherwise allowable as a deduction but that would have been 34877  
allowable as a deduction in computing federal taxable income for 34878

the taxable year, had the work opportunity tax credit allowed 34879  
under sections 38, 51, and 52 of the Internal Revenue Code not 34880  
been in effect, but only to the extent such amount relates 34881  
either to income included in federal taxable income for the 34882  
taxable year or to income of the S portion of an electing small 34883  
business trust for the taxable year; 34884

(6) Deduct any interest or interest equivalent, net of 34885  
related expenses deducted in computing federal taxable income, 34886  
on public obligations and purchase obligations, but only to the 34887  
extent that such net amount relates either to income included in 34888  
federal taxable income for the taxable year or to income of the 34889  
S portion of an electing small business trust for the taxable 34890  
year; 34891

(7) Add any loss or deduct any gain resulting from sale, 34892  
exchange, or other disposition of public obligations to the 34893  
extent that such loss has been deducted or such gain has been 34894  
included in computing either federal taxable income or income of 34895  
the S portion of an electing small business trust for the 34896  
taxable year; 34897

(8) Except in the case of the final return of an estate, 34898  
add any amount deducted by the taxpayer on both its Ohio estate 34899  
tax return pursuant to section 5731.14 of the Revised Code, and 34900  
on its federal income tax return in determining federal taxable 34901  
income; 34902

(9) (a) Deduct any amount included in federal taxable 34903  
income solely because the amount represents a reimbursement or 34904  
refund of expenses that in a previous year the decedent had 34905  
deducted as an itemized deduction pursuant to section 63 of the 34906  
Internal Revenue Code and applicable treasury regulations. The 34907  
deduction otherwise allowed under division (S) (9) (a) of this 34908

section shall be reduced to the extent the reimbursement is 34909  
attributable to an amount the taxpayer or decedent deducted 34910  
under this section in any taxable year. 34911

(b) Add any amount not otherwise included in Ohio taxable 34912  
income for any taxable year to the extent that the amount is 34913  
attributable to the recovery during the taxable year of any 34914  
amount deducted or excluded in computing federal or Ohio taxable 34915  
income in any taxable year, but only to the extent such amount 34916  
has not been distributed to beneficiaries for the taxable year. 34917

(10) Deduct any portion of the deduction described in 34918  
section 1341(a)(2) of the Internal Revenue Code, for repaying 34919  
previously reported income received under a claim of right, that 34920  
meets both of the following requirements: 34921

(a) It is allowable for repayment of an item that was 34922  
included in the taxpayer's taxable income or the decedent's 34923  
adjusted gross income for a prior taxable year and did not 34924  
qualify for a credit under division (A) or (B) of section 34925  
5747.05 of the Revised Code for that year. 34926

(b) It does not otherwise reduce the taxpayer's taxable 34927  
income or the decedent's adjusted gross income for the current 34928  
or any other taxable year. 34929

(11) Add any amount claimed as a credit under section 34930  
5747.059 of the Revised Code to the extent that the amount 34931  
satisfies either of the following: 34932

(a) The amount was deducted or excluded from the 34933  
computation of the taxpayer's federal taxable income as required 34934  
to be reported for the taxpayer's taxable year under the 34935  
Internal Revenue Code; 34936

(b) The amount resulted in a reduction in the taxpayer's 34937

federal taxable income as required to be reported for any of the 34938  
taxpayer's taxable years under the Internal Revenue Code. 34939

(12) Deduct any amount, net of related expenses deducted 34940  
in computing federal taxable income, that a trust is required to 34941  
report as farm income on its federal income tax return, but only 34942  
if the assets of the trust include at least ten acres of land 34943  
satisfying the definition of "land devoted exclusively to 34944  
agricultural use" under section 5713.30 of the Revised Code, 34945  
regardless of whether the land is valued for tax purposes as 34946  
such land under sections 5713.30 to 5713.38 of the Revised Code. 34947  
If the trust is a pass-through entity investor, section 5747.231 34948  
of the Revised Code applies in ascertaining if the trust is 34949  
eligible to claim the deduction provided by division (S)(12) of 34950  
this section in connection with the pass-through entity's farm 34951  
income. 34952

Except for farm income attributable to the S portion of an 34953  
electing small business trust, the deduction provided by 34954  
division (S)(12) of this section is allowed only to the extent 34955  
that the trust has not distributed such farm income. 34956

(13) Add the net amount of income described in section 34957  
641(c) of the Internal Revenue Code to the extent that amount is 34958  
not included in federal taxable income. 34959

(14) Deduct the amount the taxpayer would be required to 34960  
deduct under division (A)(18) of this section if the taxpayer's 34961  
Ohio taxable income ~~were~~was computed in the same manner as an 34962  
individual's Ohio adjusted gross income is computed under this 34963  
section. 34964

(15) Add, to the extent not otherwise included in 34965  
computing taxable income or Ohio taxable income for any taxable 34966

year, the taxpayer's proportionate share of the amount of the 34967  
tax levied under section 5747.38 of the Revised Code and paid by 34968  
an electing pass-through entity for the taxable year. 34969

(16) Add any income taxes deducted in computing federal 34970  
taxable income or Ohio taxable income to the extent the income 34971  
taxes were derived from income subject to a tax levied in 34972  
another state or the District of Columbia when such tax was 34973  
enacted for purposes of complying with internal revenue service 34974  
notice 2020-75. 34975

(T) "School district income" and "school district income 34976  
tax" have the same meanings as in section 5748.01 of the Revised 34977  
Code. 34978

(U) As used in divisions (A) (7), (A) (8), (S) (6), and (S) 34979  
(7) of this section, "public obligations," "purchase 34980  
obligations," and "interest or interest equivalent" have the 34981  
same meanings as in section 5709.76 of the Revised Code. 34982

(V) "Limited liability company" means any limited 34983  
liability company formed under former Chapter 1705. of the 34984  
Revised Code as that chapter existed prior to February 11, 2022, 34985  
Chapter 1706. of the Revised Code, or the laws of any other 34986  
state. 34987

(W) "Pass-through entity investor" means any person who, 34988  
during any portion of a taxable year of a pass-through entity, 34989  
is a partner, member, shareholder, or equity investor in that 34990  
pass-through entity. 34991

(X) "Banking day" has the same meaning as in section 34992  
1304.01 of the Revised Code. 34993

(Y) "Month" means a calendar month. 34994

(Z) "Quarter" means the first three months, the second 34995  
three months, the third three months, or the last three months 34996  
of the taxpayer's taxable year. 34997

(AA)(1) "Modified business income" means the business 34998  
income included in a trust's Ohio taxable income after such 34999  
taxable income is first reduced by the qualifying trust amount, 35000  
if any. 35001

(2) "Qualifying trust amount" of a trust means capital 35002  
gains and losses from the sale, exchange, or other disposition 35003  
of equity or ownership interests in, or debt obligations of, a 35004  
qualifying investee to the extent included in the trust's Ohio 35005  
taxable income, but only if the following requirements are 35006  
satisfied: 35007

(a) The book value of the qualifying investee's physical 35008  
assets in this state and everywhere, as of the last day of the 35009  
qualifying investee's fiscal or calendar year ending immediately 35010  
prior to the date on which the trust recognizes the gain or 35011  
loss, is available to the trust. 35012

(b) The requirements of section 5747.011 of the Revised 35013  
Code are satisfied for the trust's taxable year in which the 35014  
trust recognizes the gain or loss. 35015

Any gain or loss that is not a qualifying trust amount is 35016  
modified business income, qualifying investment income, or 35017  
modified nonbusiness income, as the case may be. 35018

(3) "Modified nonbusiness income" means a trust's Ohio 35019  
taxable income other than modified business income, other than 35020  
the qualifying trust amount, and other than qualifying 35021  
investment income, as defined in section 5747.012 of the Revised 35022  
Code, to the extent such qualifying investment income is not 35023

otherwise part of modified business income. 35024

(4) "Modified Ohio taxable income" applies only to trusts, 35025  
and means the sum of the amounts described in divisions (AA) (4) 35026  
(a) to (c) of this section: 35027

(a) The fraction, calculated under section 5747.013, and 35028  
applying section 5747.231 of the Revised Code, multiplied by the 35029  
sum of the following amounts: 35030

(i) The trust's modified business income; 35031  
  
(ii) The trust's qualifying investment income, as defined 35032  
in section 5747.012 of the Revised Code, but only to the extent 35033  
the qualifying investment income does not otherwise constitute 35034  
modified business income and does not otherwise constitute a 35035  
qualifying trust amount. 35036

(b) The qualifying trust amount multiplied by a fraction, 35037  
the numerator of which is the sum of the book value of the 35038  
qualifying investee's physical assets in this state on the last 35039  
day of the qualifying investee's fiscal or calendar year ending 35040  
immediately prior to the day on which the trust recognizes the 35041  
qualifying trust amount, and the denominator of which is the sum 35042  
of the book value of the qualifying investee's total physical 35043  
assets everywhere on the last day of the qualifying investee's 35044  
fiscal or calendar year ending immediately prior to the day on 35045  
which the trust recognizes the qualifying trust amount. If, for 35046  
a taxable year, the trust recognizes a qualifying trust amount 35047  
with respect to more than one qualifying investee, the amount 35048  
described in division (AA) (4) (b) of this section shall equal the 35049  
sum of the products so computed for each such qualifying 35050  
investee. 35051

(c) (i) With respect to a trust or portion of a trust that 35052



is a resident as ascertained in accordance with division (I) (3) 35053  
(d) of this section, its modified nonbusiness income. 35054

(ii) With respect to a trust or portion of a trust that is 35055  
not a resident as ascertained in accordance with division (I) (3) 35056  
(d) of this section, the amount of its modified nonbusiness 35057  
income satisfying the descriptions in divisions (B) (2) to (5) of 35058  
section 5747.20 of the Revised Code, except as otherwise 35059  
provided in division (AA) (4) (c) (ii) of this section. With 35060  
respect to a trust or portion of a trust that is not a resident 35061  
as ascertained in accordance with division (I) (3) (d) of this 35062  
section, the trust's portion of modified nonbusiness income 35063  
recognized from the sale, exchange, or other disposition of a 35064  
debt interest in or equity interest in a section 5747.212 35065  
entity, as defined in section 5747.212 of the Revised Code, 35066  
without regard to division (A) of that section, shall not be 35067  
allocated to this state in accordance with section 5747.20 of 35068  
the Revised Code but shall be apportioned to this state in 35069  
accordance with division (B) of section 5747.212 of the Revised 35070  
Code without regard to division (A) of that section. 35071

If the allocation and apportionment of a trust's income 35072  
under divisions (AA) (4) (a) and (c) of this section do not fairly 35073  
represent the modified Ohio taxable income of the trust in this 35074  
state, the alternative methods described in division (C) of 35075  
section 5747.21 of the Revised Code may be applied in the manner 35076  
and to the same extent provided in that section. 35077

(5) (a) Except as set forth in division (AA) (5) (b) of this 35078  
section, "qualifying investee" means a person in which a trust 35079  
has an equity or ownership interest, or a person or unit of 35080  
government the debt obligations of either of which are owned by 35081  
a trust. For the purposes of division (AA) (2) (a) of this section 35082

and for the purpose of computing the fraction described in 35083  
division (AA) (4) (b) of this section, all of the following apply: 35084

(i) If the qualifying investee is a member of a qualifying 35085  
controlled group on the last day of the qualifying investee's 35086  
fiscal or calendar year ending immediately prior to the date on 35087  
which the trust recognizes the gain or loss, then "qualifying 35088  
investee" includes all persons in the qualifying controlled 35089  
group on such last day. 35090

(ii) If the qualifying investee, or if the qualifying 35091  
investee and any members of the qualifying controlled group of 35092  
which the qualifying investee is a member on the last day of the 35093  
qualifying investee's fiscal or calendar year ending immediately 35094  
prior to the date on which the trust recognizes the gain or 35095  
loss, separately or cumulatively own, directly or indirectly, on 35096  
the last day of the qualifying investee's fiscal or calendar 35097  
year ending immediately prior to the date on which the trust 35098  
recognizes the qualifying trust amount, more than fifty per cent 35099  
of the equity of a pass-through entity, then the qualifying 35100  
investee and the other members are deemed to own the 35101  
proportionate share of the pass-through entity's physical assets 35102  
which the pass-through entity directly or indirectly owns on the 35103  
last day of the pass-through entity's calendar or fiscal year 35104  
ending within or with the last day of the qualifying investee's 35105  
fiscal or calendar year ending immediately prior to the date on 35106  
which the trust recognizes the qualifying trust amount. 35107

(iii) For the purposes of division (AA) (5) (a) (iii) of this 35108  
section, "upper level pass-through entity" means a pass-through 35109  
entity directly or indirectly owning any equity of another pass- 35110  
through entity, and "lower level pass-through entity" means that 35111  
other pass-through entity. 35112

An upper level pass-through entity, whether or not it is also a qualifying investee, is deemed to own, on the last day of the upper level pass-through entity's calendar or fiscal year, the proportionate share of the lower level pass-through entity's physical assets that the lower level pass-through entity directly or indirectly owns on the last day of the lower level pass-through entity's calendar or fiscal year ending within or with the last day of the upper level pass-through entity's fiscal or calendar year. If the upper level pass-through entity directly and indirectly owns less than fifty per cent of the equity of the lower level pass-through entity on each day of the upper level pass-through entity's calendar or fiscal year in which or with which ends the calendar or fiscal year of the lower level pass-through entity and if, based upon clear and convincing evidence, complete information about the location and cost of the physical assets of the lower pass-through entity is not available to the upper level pass-through entity, then solely for purposes of ascertaining if a gain or loss constitutes a qualifying trust amount, the upper level pass-through entity shall be deemed as owning no equity of the lower level pass-through entity for each day during the upper level pass-through entity's calendar or fiscal year in which or with which ends the lower level pass-through entity's calendar or fiscal year. Nothing in division (AA)(5)(a)(iii) of this section shall be construed to provide for any deduction or exclusion in computing any trust's Ohio taxable income.

(b) With respect to a trust that is not a resident for the taxable year and with respect to a part of a trust that is not a resident for the taxable year, "qualifying investee" for that taxable year does not include a C corporation if both of the following apply:

(i) During the taxable year the trust or part of the trust 35144  
recognizes a gain or loss from the sale, exchange, or other 35145  
disposition of equity or ownership interests in, or debt 35146  
obligations of, the C corporation. 35147

(ii) Such gain or loss constitutes nonbusiness income. 35148

(6) "Available" means information is such that a person is 35149  
able to learn of the information by the due date plus 35150  
extensions, if any, for filing the return for the taxable year 35151  
in which the trust recognizes the gain or loss. 35152

(BB) "Qualifying controlled group" has the same meaning as 35153  
in section 5733.04 of the Revised Code. 35154

(CC) "Related member" has the same meaning as in section 35155  
5733.042 of the Revised Code. 35156

(DD) (1) For the purposes of division (DD) of this section: 35157

(a) "Qualifying person" means any person other than a 35158  
qualifying corporation. 35159

(b) "Qualifying corporation" means any person classified 35160  
for federal income tax purposes as an association taxable as a 35161  
corporation, except either of the following: 35162

(i) A corporation that has made an election under 35163  
subchapter S, chapter one, subtitle A, of the Internal Revenue 35164  
Code for its taxable year ending within, or on the last day of, 35165  
the investor's taxable year; 35166

(ii) A subsidiary that is wholly owned by any corporation 35167  
that has made an election under subchapter S, chapter one, 35168  
subtitle A of the Internal Revenue Code for its taxable year 35169  
ending within, or on the last day of, the investor's taxable 35170  
year. 35171

(2) For the purposes of this chapter, unless expressly 35172  
stated otherwise, no qualifying person indirectly owns any asset 35173  
directly or indirectly owned by any qualifying corporation. 35174

(EE) For purposes of this chapter and Chapter 5751. of the 35175  
Revised Code: 35176

(1) "Trust" does not include a qualified pre-income tax 35177  
trust. 35178

(2) A "qualified pre-income tax trust" is any pre-income 35179  
tax trust that makes a qualifying pre-income tax trust election 35180  
as described in division (EE) (3) of this section. 35181

(3) A "qualifying pre-income tax trust election" is an 35182  
election by a pre-income tax trust to subject to the tax imposed 35183  
by section 5751.02 of the Revised Code the pre-income tax trust 35184  
and all pass-through entities of which the trust owns or 35185  
controls, directly, indirectly, or constructively through 35186  
related interests, five per cent or more of the ownership or 35187  
equity interests. The trustee shall notify the tax commissioner 35188  
in writing of the election on or before April 15, 2006. The 35189  
election, if timely made, shall be effective on and after 35190  
January 1, 2006, and shall apply for all tax periods and tax 35191  
years until revoked by the trustee of the trust. 35192

(4) A "pre-income tax trust" is a trust that satisfies all 35193  
of the following requirements: 35194

(a) The document or instrument creating the trust was 35195  
executed by the grantor before January 1, 1972; 35196

(b) The trust became irrevocable upon the creation of the 35197  
trust; and 35198

(c) The grantor was domiciled in this state at the time 35199

the trust was created. 35200

(FF) "Uniformed services" means all of the following: 35201

(1) "Armed forces of the United States" as defined in 35202  
section 5907.01 of the Revised Code; 35203

(2) The commissioned corps of the national oceanic and 35204  
atmospheric administration; 35205

(3) The commissioned corps of the public health service. 35206

(GG) "Taxable business income" means the amount by which 35207  
an individual's business income that is included in federal 35208  
adjusted gross income exceeds the amount of business income the 35209  
individual is authorized to deduct under division (A) (28) of 35210  
this section for the taxable year. 35211

(HH) "Employer" does not include a franchisor with respect 35212  
to the franchisor's relationship with a franchisee or an 35213  
employee of a franchisee, unless the franchisor agrees to assume 35214  
that role in writing or a court of competent jurisdiction 35215  
determines that the franchisor exercises a type or degree of 35216  
control over the franchisee or the franchisee's employees that 35217  
is not customarily exercised by a franchisor for the purpose of 35218  
protecting the franchisor's trademark, brand, or both. For 35219  
purposes of this division, "franchisor" and "franchisee" have 35220  
the same meanings as in 16 C.F.R. 436.1. 35221

(II) "Modified adjusted gross income" means Ohio adjusted 35222  
gross income plus any amount deducted under divisions (A) (28) 35223  
and (34) of this section for the taxable year. 35224

(JJ) "Qualifying Ohio educator" means an individual who, 35225  
for a taxable year, qualifies as an eligible educator, as that 35226  
term is defined in section 62 of the Internal Revenue Code, and 35227

who holds a certificate, license, or permit described in Chapter 35228  
3319. or section 3301.071 of the Revised Code. 35229

**Sec. 5747.331.** (A) As used in this section: 35230

(1) "Borrower" means any person that receives a loan from 35231  
the director of housing and development under section 166.21 of 35232  
the Revised Code, regardless of whether the borrower is subject 35233  
to the tax imposed by section 5747.02 of the Revised Code. 35234

(2) "Related member" has the same meaning as in section 35235  
5733.042 of the Revised Code. 35236

(3) "Qualified research and development loan payments" has 35237  
the same meaning as in section 166.21 of the Revised Code. 35238

(B) Beginning with taxable years beginning in 2003, a 35239  
nonrefundable credit is allowed against a taxpayer's aggregate 35240  
tax liability under section 5747.02 of the Revised Code equal to 35241  
a borrower's qualified research and development loan payments 35242  
made during the calendar year that includes the last day of the 35243  
taxable year for which the credit is claimed. The amount of the 35244  
credit for a taxable year shall not exceed one hundred fifty 35245  
thousand dollars. No taxpayer is entitled to claim a credit 35246  
under this section unless it has obtained a certificate issued 35247  
by the director of housing and development under division (D) of 35248  
section 166.21 of the Revised Code and submits a copy of the 35249  
certificate with its report for the taxable year. Failure to 35250  
submit a copy of the certificate with the report does not 35251  
invalidate a claim for a credit if the taxpayer submits a copy 35252  
of the certificate within sixty days after the tax commissioner 35253  
requests it. The credit shall be claimed in the order required 35254  
under section 5747.98 of the Revised Code. No credit shall be 35255  
allowed under this section if the credit was available against 35256

the tax imposed by Chapter 5751. of the Revised Code except to 35257  
the extent the credit was not applied against that tax. The 35258  
credit, to the extent it exceeds the taxpayer's aggregate tax 35259  
liability for the taxable year after allowance for any other 35260  
credits that precede the credit under this section in that 35261  
order, shall be carried forward to the next succeeding taxable 35262  
year or years until fully used. 35263

(C) A borrower entitled to a credit under this section may 35264  
assign the credit, or a portion thereof, to any of the 35265  
following: 35266

(1) A related member of that borrower; 35267

(2) The owner or lessee of the eligible research and 35268  
development project; 35269

(3) A related member of the owner or lessee of the 35270  
eligible research and development project. 35271

A borrower making an assignment under this division shall 35272  
provide written notice of the assignment to the tax commissioner 35273  
and the director of housing and development, in such form as the 35274  
tax commissioner prescribes, before the credit that was assigned 35275  
is used. The assignor may not claim the credit to the extent it 35276  
was assigned to an assignee. The assignee may claim the credit 35277  
only to the extent the assignor has not claimed it. 35278

(D) If any taxpayer is a shareholder in an S corporation, 35279  
a partner in a partnership, or a member in a limited liability 35280  
company treated as a partnership for federal income tax 35281  
purposes, the taxpayer shall be allowed the taxpayer's 35282  
distributive or proportionate share of the credit available 35283  
through the S corporation, partnership, or limited liability 35284  
company. 35285



(E) The aggregate credit against the taxes imposed by 35286  
section 5747.02 and Chapter 5751. of the Revised Code that may 35287  
be claimed under this section and section 5751.52 of the Revised 35288  
Code by a borrower as a result of qualified research and 35289  
development loan payments attributable during a calendar year to 35290  
any one loan shall not exceed one hundred fifty thousand 35291  
dollars. 35292

**Sec. 5747.51.** (A) On or before the twenty-fifth day of 35293  
July of each year, the tax commissioner shall make and certify 35294  
to the county auditor of each county an estimate of the amount 35295  
of the local government fund to be allocated to the undivided 35296  
local government fund of each county for the ensuing calendar 35297  
year, adjusting the total as required to account for 35298  
subdivisions receiving local government funds under section 35299  
5747.502 of the Revised Code. 35300

(B) At each annual regular session of the county budget 35301  
commission convened pursuant to section 5705.27 of the Revised 35302  
Code, each auditor shall present to the commission the 35303  
certificate of the commissioner, the annual tax budget and 35304  
estimates, and the records showing the action of the commission 35305  
in its last preceding regular session. The commission, after 35306  
extending to the representatives of each subdivision an 35307  
opportunity to be heard, under oath administered by any member 35308  
of the commission, and considering all the facts and information 35309  
presented to it by the auditor, shall determine the amount of 35310  
the undivided local government fund needed by and to be 35311  
apportioned to each subdivision for current operating expenses, 35312  
as shown in the tax budget of the subdivision. This 35313  
determination shall be made pursuant to divisions (C) to (I) of 35314  
this section, unless the commission has provided for a formula 35315  
pursuant to section 5747.53 of the Revised Code. The 35316

commissioner shall reduce the amount of funds from the undivided 35317  
local government fund to a subdivision required to receive 35318  
reduced funds under section 5747.502 of the Revised Code. 35319

Nothing in this section prevents the budget commission, 35320  
for the purpose of apportioning the undivided local government 35321  
fund, from inquiring into the claimed needs of any subdivision 35322  
as stated in its tax budget, or from adjusting claimed needs to 35323  
reflect actual needs. For the purposes of this section, "current 35324  
operating expenses" means the lawful expenditures of a 35325  
subdivision, except those for permanent improvements and except 35326  
payments for interest, sinking fund, and retirement of bonds, 35327  
notes, and certificates of indebtedness of the subdivision. 35328

(C) The commission shall determine the combined total of 35329  
the estimated expenditures, including transfers, from the 35330  
general fund and any special funds other than special funds 35331  
established for road and bridge; street construction, 35332  
maintenance, and repair; state highway improvement; and gas, 35333  
water, sewer, and electric public utilities operated by a 35334  
subdivision, as shown in the subdivision's tax budget for the 35335  
ensuing calendar year. 35336

(D) From the combined total of expenditures calculated 35337  
pursuant to division (C) of this section, the commission shall 35338  
deduct the following expenditures, if included in these funds in 35339  
the tax budget: 35340

(1) Expenditures for permanent improvements as defined in 35341  
division (E) of section 5705.01 of the Revised Code; 35342

(2) In the case of counties and townships, transfers to 35343  
the road and bridge fund, and in the case of municipalities, 35344  
transfers to the street construction, maintenance, and repair 35345

fund and the state highway improvement fund; 35346

(3) Expenditures for the payment of debt charges; 35347

(4) Expenditures for the payment of judgments. 35348

(E) In addition to the deductions made pursuant to 35349  
division (D) of this section, revenues accruing to the general 35350  
fund and any special fund considered under division (C) of this 35351  
section from the following sources shall be deducted from the 35352  
combined total of expenditures calculated pursuant to division 35353  
(C) of this section: 35354

(1) Taxes levied within the ten-mill limitation, as 35355  
defined in section 5705.02 of the Revised Code; 35356

(2) The budget commission allocation of estimated county 35357  
public library fund revenues to be distributed pursuant to 35358  
section 5747.48 of the Revised Code; 35359

(3) Estimated unencumbered balances as shown on the tax 35360  
budget as of the thirty-first day of December of the current 35361  
year in the general fund, but not any estimated balance in any 35362  
special fund considered in division (C) of this section; 35363

(4) Revenue, including transfers, shown in the general 35364  
fund and any special funds other than special funds established 35365  
for road and bridge; street construction, maintenance, and 35366  
repair; state highway improvement; and gas, water, sewer, and 35367  
electric public utilities, from all other sources except those 35368  
that a subdivision receives from an additional tax or service 35369  
charge voted by its electorate or receives from special 35370  
assessment or revenue bond collection. For the purposes of this 35371  
division, where the charter of a municipal corporation prohibits 35372  
the levy of an income tax, an income tax levied by the 35373  
legislative authority of such municipal corporation pursuant to 35374

an amendment of the charter of that municipal corporation to 35375  
authorize such a levy represents an additional tax voted by the 35376  
electorate of that municipal corporation. For the purposes of 35377  
this division, any measure adopted by a board of county 35378  
commissioners pursuant to section 322.02, 4504.02, or 5739.021 35379  
of the Revised Code, including those measures upheld by the 35380  
electorate in a referendum conducted pursuant to section 35381  
322.021, 4504.021, or 5739.022 of the Revised Code, shall not be 35382  
considered an additional tax voted by the electorate. 35383

Subject to division (F) of section 5705.29 of the Revised 35384  
Code, money in a reserve balance account established by a 35385  
county, township, or municipal corporation under section 5705.13 35386  
of the Revised Code shall not be considered an unencumbered 35387  
balance or revenue under division (E)(3) or (4) of this section. 35388  
Money in a reserve balance account established by a township 35389  
under section 5705.132 of the Revised Code shall not be 35390  
considered an unencumbered balance or revenue under division (E) 35391  
(3) or (4) of this section. 35392

If a county, township, or municipal corporation has 35393  
created and maintains a nonexpendable trust fund under section 35394  
5705.131 of the Revised Code, the principal of the fund, and any 35395  
additions to the principal arising from sources other than the 35396  
reinvestment of investment earnings arising from such a fund, 35397  
shall not be considered an unencumbered balance or revenue under 35398  
division (E)(3) or (4) of this section. Only investment earnings 35399  
arising from investment of the principal or investment of such 35400  
additions to principal may be considered an unencumbered balance 35401  
or revenue under those divisions. 35402

(F) The total expenditures calculated pursuant to division 35403  
(C) of this section, less the deductions authorized in divisions 35404

(D) and (E) of this section, shall be known as the "relative  
need" of the subdivision, for the purposes of this section.

(G) The budget commission shall total the relative need of  
all participating subdivisions in the county, and shall compute  
a relative need factor by dividing the total estimate of the  
undivided local government fund by the total relative need of  
all participating subdivisions.

(H) The relative need of each subdivision shall be  
multiplied by the relative need factor to determine the  
proportionate share of the subdivision in the undivided local  
government fund of the county; provided, that the maximum  
proportionate share of a county shall not exceed the following  
maximum percentages of the total estimate of the undivided local  
government fund governed by the relationship of the percentage  
of the population of the county that resides within municipal  
corporations within the county to the total population of the  
county as reported in the reports on population in Ohio by the  
department of housing and development as of the twentieth day of  
July of the year in which the tax budget is filed with the  
budget commission:

1

2

A	Percentage of municipal population within the county:	Percentage share of the county shall not exceed:
B	Less than forty-one per cent	Sixty per cent
C	Forty-one per cent or more but less than eighty-one per cent	Fifty per cent

D      Eighty-one per cent or more                      Thirty per cent

Where the proportionate share of the county exceeds the 35426  
limitations established in this division, the budget commission 35427  
shall adjust the proportionate shares determined pursuant to 35428  
this division so that the proportionate share of the county does 35429  
not exceed these limitations, and it shall increase the 35430  
proportionate shares of all other subdivisions on a pro rata 35431  
basis. In counties having a population of less than one hundred 35432  
thousand, not less than ten per cent shall be distributed to the 35433  
townships therein. 35434

(I) The proportionate share of each subdivision in the 35435  
undivided local government fund determined pursuant to division 35436  
(H) of this section for any calendar year shall not be less than 35437  
the product of the average of the percentages of the undivided 35438  
local government fund of the county as apportioned to that 35439  
subdivision for the calendar years 1968, 1969, and 1970, 35440  
multiplied by the total amount of the undivided local government 35441  
fund of the county apportioned pursuant to former section 35442  
5739.23 of the Revised Code for the calendar year 1970. For the 35443  
purposes of this division, the total apportioned amount for the 35444  
calendar year 1970 shall be the amount actually allocated to the 35445  
county in 1970 from the state collected intangible tax as levied 35446  
by section 5707.03 of the Revised Code and distributed pursuant 35447  
to section 5725.24 of the Revised Code, plus the amount received 35448  
by the county in the calendar year 1970 pursuant to division (B) 35449  
(1) of former section 5739.21 of the Revised Code, and 35450  
distributed pursuant to former section 5739.22 of the Revised 35451  
Code. If the total amount of the undivided local government fund 35452  
for any calendar year is less than the amount of the undivided 35453  
local government fund apportioned pursuant to former section 35454

5739.23 of the Revised Code for the calendar year 1970, the 35455  
minimum amount guaranteed to each subdivision for that calendar 35456  
year pursuant to this division shall be reduced on a basis 35457  
proportionate to the amount by which the amount of the undivided 35458  
local government fund for that calendar year is less than the 35459  
amount of the undivided local government fund apportioned for 35460  
the calendar year 1970. 35461

(J) On the basis of such apportionment, the county auditor 35462  
shall compute the percentage share of each such subdivision in 35463  
the undivided local government fund and shall at the same time 35464  
certify to the tax commissioner the percentage share of the 35465  
county as a subdivision. No payment shall be made from the 35466  
undivided local government fund, except in accordance with such 35467  
percentage shares. 35468

Within ten days after the budget commission has made its 35469  
apportionment, whether conducted pursuant to section 5747.51 or 35470  
5747.53 of the Revised Code, the auditor shall publish a list of 35471  
the subdivisions and the amount each is to receive from the 35472  
undivided local government fund and the percentage share of each 35473  
subdivision, in a newspaper or newspapers of countywide 35474  
circulation, and send a copy of such allocation to the tax 35475  
commissioner. 35476

The county auditor shall also send a copy of such 35477  
allocation by ordinary or electronic mail to the fiscal officer 35478  
of each subdivision entitled to participate in the allocation of 35479  
the undivided local government fund of the county. This copy 35480  
shall constitute the official notice of the commission action 35481  
referred to in section 5705.37 of the Revised Code. 35482

All money received into the treasury of a subdivision from 35483  
the undivided local government fund in a county treasury shall 35484

be paid into the general fund and used for the current operating 35485  
expenses of the subdivision. 35486

If a municipal corporation maintains a municipal 35487  
university, such municipal university, when the board of 35488  
trustees so requests the legislative authority of the municipal 35489  
corporation, shall participate in the money apportioned to such 35490  
municipal corporation from the total local government fund, 35491  
however created and constituted, in such amount as requested by 35492  
the board of trustees, provided such sum does not exceed nine 35493  
per cent of the total amount paid to the municipal corporation. 35494

If any public official fails to maintain the records 35495  
required by sections 5747.50 to 5747.55 of the Revised Code or 35496  
by the rules issued by the tax commissioner, the auditor of 35497  
state, or the treasurer of state pursuant to such sections, or 35498  
fails to comply with any law relating to the enforcement of such 35499  
sections, the local government fund money allocated to the 35500  
county may be withheld until such time as the public official 35501  
has complied with such sections or such law or the rules issued 35502  
pursuant thereto. 35503

**Sec. 5747.66.** (A) Any term used in this section has the 35504  
same meaning as in section 122.85 of the Revised Code. 35505

(B) There is allowed a credit against a taxpayer's 35506  
aggregate tax liability under section 5747.02 of the Revised 35507  
Code for any individual who, on the last day of the individual's 35508  
taxable year, is the certificate owner of a tax credit 35509  
certificate issued under section 122.85 of the Revised Code. The 35510  
credit shall be claimed for the taxable year that includes the 35511  
date the certificate was issued by the director of housing and 35512  
development. The credit amount equals the amount stated in the 35513  
certificate. The credit shall be claimed in the order required 35514



under section 5747.98 of the Revised Code. If the credit amount 35515  
exceeds the aggregate amount of tax otherwise due under section 35516  
5747.02 of the Revised Code after deducting all other credits in 35517  
that order, the excess shall be refunded. 35518

Nothing in this section limits or disallows pass-through 35519  
treatment of the credit. 35520

**Sec. 5747.67.** (A) Any term used in this section has the 35521  
same meaning as in section 122.852 of the Revised Code. 35522

(B) There is allowed a credit against a taxpayer's 35523  
aggregate tax liability under section 5747.02 of the Revised 35524  
Code for any taxpayer who, on the last day of the taxpayer's 35525  
taxable year, is the certificate owner of a tax credit 35526  
certificate issued under section 122.852 of the Revised Code. 35527  
The credit shall be claimed for the taxpayer's taxable year that 35528  
includes the date the certificate was issued by the director of 35529  
housing and development. The credit amount equals the amount 35530  
stated in the certificate or the portion of that amount owned by 35531  
the certificate owner. The credit shall be claimed in the order 35532  
required under section 5747.98 of the Revised Code. If the 35533  
credit amount exceeds the aggregate amount of tax otherwise due 35534  
under section 5747.02 of the Revised Code after deducting all 35535  
other credits in that order, the excess shall be refunded. 35536

(C) Nothing in this section limits or disallows pass- 35537  
through treatment of the credit. 35538

**Sec. 5751.52.** (A) As used in this section: 35539

(1) "Borrower" means any person that receives a loan from 35540  
the director of housing and development under section 166.21 of 35541  
the Revised Code, regardless of whether the borrower is subject 35542  
to the tax imposed by this chapter. 35543

(2) "Qualified research and development loan payments" has 35544  
the same meaning as in section 166.21 of the Revised Code. 35545

(3) "Related member" has the same meaning as in section 35546  
5733.042 of the Revised Code. 35547

(B) For tax periods beginning on or after January 1, 2008, 35548  
a nonrefundable credit may be claimed under this chapter equal 35549  
to a borrower's qualified research and development loan payments 35550  
made during the calendar year immediately preceding the tax 35551  
period for which the credit is claimed. The amount of the credit 35552  
for a calendar year shall not exceed one hundred fifty thousand 35553  
dollars. No taxpayer is entitled to claim a credit under this 35554  
section unless the taxpayer has obtained a certificate issued by 35555  
the director of housing and development under division (D) of 35556  
section 166.21 of the Revised Code. The credit shall be claimed 35557  
in the order required under section 5751.98 of the Revised Code. 35558  
The credit, to the extent it exceeds the taxpayer's liability 35559  
for the tax imposed under this chapter for a tax period after 35560  
allowance for any other credits that precede the credit under 35561  
this section in that order, may either be carried forward to the 35562  
next succeeding tax period or periods or be claimed against the 35563  
tax imposed under section 5747.02 as authorized under section 35564  
5747.331 of the Revised Code, but the amount of the excess 35565  
credit claimed against either tax for any tax period or taxable 35566  
year shall be deducted from the balance carried forward to the 35567  
next tax period. 35568

(C) A borrower entitled to a credit under this section may 35569  
assign the credit, or a portion thereof, to any of the 35570  
following: 35571

(1) A related member of that borrower; 35572

(2) The owner or lessee of the eligible research and 35573  
development project; 35574

(3) A related member of the owner or lessee of the 35575  
eligible research and development project. 35576

A borrower making an assignment under this division shall 35577  
provide written notice of the assignment to the tax commissioner 35578  
and the director of housing and development, in such form as the 35579  
commissioner prescribes, before the credit that was assigned is 35580  
used. The assignor may not claim the credit to the extent it was 35581  
assigned to an assignee. The assignee may claim the credit only 35582  
to the extent the assignor has not claimed it. 35583

(D) If any taxpayer is a partner in a partnership or a 35584  
member in a limited liability company treated as a partnership 35585  
for federal income tax purposes, the taxpayer shall be allowed 35586  
the taxpayer's distributive or proportionate share of the credit 35587  
available through the partnership or limited liability company. 35588

(E) The aggregate credit against the taxes imposed by this 35589  
chapter and section 5747.02 of the Revised Code that may be 35590  
claimed under this section and section 5747.331 of the Revised 35591  
Code by a borrower as a result of qualified research and 35592  
development loan payments attributable during a calendar year to 35593  
any one loan shall not exceed one hundred fifty thousand 35594  
dollars. 35595

**Sec. 5751.54.** (A) Any term used in this section has the 35596  
same meaning as in section 122.85 of the Revised Code. 35597

(B) There is allowed a refundable credit against the tax 35598  
imposed by section 5751.02 of the Revised Code for any person 35599  
that is the certificate owner of a tax credit certificate issued 35600  
under section 122.85 of the Revised Code. The credit shall be 35601

claimed for the tax period in which the certificate is issued by 35602  
the director of housing and development~~services~~. The credit 35603  
amount equals the amount stated in the certificate. The credit 35604  
shall be claimed in the order required under section 5751.98 of 35605  
the Revised Code. If the credit amount exceeds the tax otherwise 35606  
due under section 5751.02 of the Revised Code after deducting 35607  
all other credits in that order, the excess shall be refunded. 35608

(C) Nothing in this section allows a person to claim more 35609  
than one credit per tax credit-eligible production. 35610

**Sec. 5751.55.** (A) Any term used in this section has the 35611  
same meaning as in section 122.852 of the Revised Code. 35612

(B) There is allowed a refundable credit against the tax 35613  
imposed by section 5751.02 of the Revised Code for any person 35614  
that is the certificate owner of a tax credit certificate issued 35615  
under section 122.852 of the Revised Code. The credit shall be 35616  
claimed for the tax period in which the certificate is issued by 35617  
the director of housing and development. The credit amount 35618  
equals the amount stated in the certificate or the portion of 35619  
that amount owned by the certificate owner. The credit shall be 35620  
claimed in the order required under section 5751.98 of the 35621  
Revised Code. If the credit amount exceeds the tax otherwise due 35622  
under section 5751.02 of the Revised Code after deducting all 35623  
other credits in that order, the excess shall be refunded. 35624

**Sec. 6111.12.** (A) The director of environmental protection 35625  
shall establish an antidegradation policy applicable to surface 35626  
waters of the state pursuant to applicable federal laws and 35627  
regulations. The purpose of the policy shall be to maintain 35628  
levels of water quality that are currently better than 35629  
prescribed by applicable standards except in situations when a 35630  
need to allow a lower level of water quality is demonstrated 35631

based on technical, social, and economic criteria. Not later 35632  
than March 31, 1994, the director shall revise the existing 35633  
antidegradation policy established in rules adopted under 35634  
section 6111.041 of the Revised Code and revise any necessary 35635  
implementation procedures to conform them to the following 35636  
principles and any mandatory regulations adopted under the 35637  
Federal Water Pollution Control Act: 35638

(1) The use of existing effluent quality as a method of 35639  
calculating antidegradation-based limits shall be imposed only 35640  
to the extent that the use is explicitly required by federal law 35641  
or regulation as the only means available to implement 35642  
antidegradation. 35643

(2) No degradation shall be allowed in waters for any 35644  
pollutant that currently does not meet applicable standards. For 35645  
all remaining waters, there shall be provisions requiring 35646  
federal antidegradation requirements to be met and provisions 35647  
ensuring that waters of exceptional recreational or ecological 35648  
value are maintained as high quality resources for future 35649  
generations. There shall be at least two categories of surface 35650  
waters identified in the state for that purpose and for the 35651  
purpose of establishing priorities for the administrative and 35652  
technical resources expended on antidegradation reviews. 35653

(3) Whenever current ambient water quality is determined 35654  
to be of a higher quality than prescribed in the standards, on a 35655  
pollutant-by-pollutant basis, and the water body lacks 35656  
exceptional recreational or ecological value, the director may 35657  
allocate to existing sources eighty per cent of the pollutant 35658  
assimilative capacity as determined by appropriate total maximum 35659  
daily load procedures without further antidegradation review. 35660  
The permittee for any existing source may receive an effluent 35661

limitation based on not more than one hundred per cent of the 35662  
mass or concentration levels necessary to meet applicable water 35663  
quality in the receiving water body as determined by appropriate 35664  
total maximum daily load procedures, provided that there has 35665  
been a satisfactory demonstration of the need to allow lower 35666  
water quality based on technical, social, and economic criteria 35667  
and the action is preceded by a public notice. Sources other 35668  
than existing sources that result in ten per cent or greater 35669  
change, that is, degradation, of ambient chemical water quality 35670  
shall require a demonstration of technical, social, and economic 35671  
need and shall be the subject of a public notice. 35672

(4) Degradation of waters identified as possessing 35673  
exceptional recreational or ecological value shall be determined 35674  
through an analysis of the expected perceptible change in 35675  
ambient concentrations of pollutant or alternatively through an 35676  
analysis of the expected change in the biological condition of 35677  
the water body. Either determination shall constitute a lowering 35678  
of water quality and shall require an antidegradation review. 35679  
The director shall establish, by rules adopted in accordance 35680  
with Chapter 119. of the Revised Code, a definition of 35681  
perceptible change that shall be applicable to those waters 35682  
identified in rule as possessing exceptional recreational or 35683  
ecological value. Antidegradation reviews shall be required for 35684  
any activity resulting in a perceptible change in ambient 35685  
chemical or biological quality on waters identified as 35686  
possessing exceptional recreational or ecological value. 35687  
Allowances shall be made for existing sources to retain their 35688  
current permit limits with no requirement to demonstrate 35689  
technical, social, and economic need. 35690

(5) The director shall establish reasonable protocols for 35691  
completing technical, social, and economic need demonstrations 35692

based on existing federal guidance and on input from the 35693  
department of housing and development, the regulated community, 35694  
and the general public. 35695

(B) Effluent limitations established by the director for 35696  
any existing source in any permit issued under division (J) of 35697  
section 6111.03 of the Revised Code prior to July 1, 1993, shall 35698  
continue in effect unless the permit is modified by the 35699  
director. A discharger seeking modification of antidegradation- 35700  
based limitations that were based on existing quality of 35701  
discharge when the permit was issued shall apply to the director 35702  
for modification of the permit, consistent with rules adopted 35703  
under division (A) of this section, not later than one hundred 35704  
eighty days after July 1, 1993. If the permittee has filed such 35705  
a timely application for modification, the director shall not 35706  
pursue administrative or judicial enforcement actions for 35707  
violations of antidegradation-based limitations based on the 35708  
existing quality of effluent that occur after July 1, 1993. 35709

(C) A historically channelized watercourse provides 35710  
technical, social, and economic benefits. Therefore, with regard 35711  
to a historically channelized watercourse, the director shall 35712  
not require further antidegradation review during the review of 35713  
an application for and the issuance or denial of a permit under 35714  
this chapter or a water quality certification under section 401 35715  
of the Federal Water Pollution Control Act if the director 35716  
finds, after public notice and opportunity for comment, and a 35717  
public hearing if significant public interest is shown, that all 35718  
of the following apply: 35719

(1) Work is necessary to restore or maintain a drainage or 35720  
other improvement provided by a historically channelized 35721  
watercourse. 35722

(2) The work is performed pursuant to section 940.06 of the Revised Code or a petition filed under section 6131.04 or 6133.02 of the Revised Code. 35723  
35724  
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(3) Without the work, flooding threatens public health and safety or may result in significant damage to public or private property. 35726  
35727  
35728

(4) The work will not result in the loss of designated or existing beneficial uses as those uses are described in rules adopted under section 6111.041 of the Revised Code. 35729  
35730  
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(5) The work will not harm or interfere with the protection of federal or state designated endangered or threatened species. 35732  
35733  
35734

(6) The historically channelized watercourse is not designated as coldwater habitat, exceptional warmwater habitat, or a state resource water in rules adopted under section 6111.041 of the Revised Code. 35735  
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(7) If information is available concerning resident fishery or macroinvertebrate communities, or both, in the historically channelized watercourse, the historically channelized watercourse does not support a particularly diverse or unique warmwater habitat as that term is defined in rules adopted under section 6111.041 of the Revised Code. 35739  
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(8) Plans for the work have been submitted to the applicable soil and water conservation district organized under Chapter 940. of the Revised Code. 35745  
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(9) A storm water runoff plan has been developed for the watershed prior to or during planning and design of the work and the work is consistent with the plan. 35748  
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35750



(D) As used in this section: 35751

(1) "Existing sources" means any treatment works that were 35752  
built and operational under the terms of an NPDES permit prior 35753  
to July 1, 1993, but does not include expansions or upgrades of 35754  
existing treatment works authorized in rules adopted under 35755  
section 6111.03 of the Revised Code after that date. 35756

(2) "Appropriate total maximum daily load procedures" 35757  
means the procedures, policies, and guidelines used by the 35758  
director prior to July 1, 1993, or subsequent revisions to those 35759  
procedures established in rules adopted in accordance with 35760  
Chapter 119. of the Revised Code. 35761

(3) "Antidegradation review" means the consideration by 35762  
the director of the technical, social, and economic need 35763  
demonstration completed by any person requesting to lower water 35764  
quality as provided in this section, including the public notice 35765  
of the application and, at the discretion of the director, a 35766  
public hearing on it. 35767

**Sec. 6121.02.** There is hereby created the Ohio water 35768  
development authority. Such authority is a body both corporate 35769  
and politic in this state, and the carrying out of its purposes 35770  
and the exercise by it of the powers conferred by this chapter 35771  
shall be held to be, and are hereby determined to be, essential 35772  
governmental functions and public purposes of the state, but the 35773  
authority is not immune from liability by reason thereof. The 35774  
authority is subject to all provisions of law generally 35775  
applicable to state agencies that do not conflict with this 35776  
chapter. 35777

The authority shall consist of eight members as follows: 35778  
five members appointed by the governor, with the advice and 35779

consent of the senate, no more than three of whom shall be 35780  
members of the same political party, and the directors of 35781  
natural resources, environmental protection, and development, 35782  
who shall be members ex officio without compensation. The 35783  
director of housing and development may designate a person in 35784  
the unclassified civil service to serve in the director's place 35785  
as a member of the authority notwithstanding section 121.05 of 35786  
the Revised Code. The appointive members shall be residents of 35787  
the state, and shall have been qualified electors therein for a 35788  
period of at least five years next preceding their appointment. 35789  
Appointed members' terms of office shall be for eight years, 35790  
commencing on the second day of July and ending on the first day 35791  
of July. Each member shall hold office from the date of 35792  
appointment until the end of the term for which the member was 35793  
appointed. Any member appointed to fill a vacancy occurring 35794  
prior to the expiration of the term for which the member's 35795  
predecessor was appointed shall hold office for the remainder of 35796  
such term. Any appointed member shall continue in office 35797  
subsequent to the expiration date of the member's term until the 35798  
member's successor takes office, or until a period of sixty days 35799  
has elapsed, whichever occurs first. A member of the authority 35800  
is eligible for reappointment. Each appointed member of the 35801  
authority, before entering upon the performance of the duties of 35802  
the office, shall take an oath as provided by Section 7 of 35803  
Article XV, Ohio Constitution. The governor may at any time 35804  
remove any member of the authority for misfeasance, nonfeasance, 35805  
or malfeasance in office. 35806

The authority shall elect one of its appointed members as 35807  
chairperson and another as vice-chairperson, and shall appoint a 35808  
secretary-treasurer who need not be a member of the authority. 35809  
Four members of the authority shall constitute a quorum, and the 35810

affirmative vote of four members shall be necessary for any 35811  
action taken by vote of the authority. No vacancy in the 35812  
membership of the authority shall impair the rights of a quorum 35813  
by such vote to exercise all the rights and perform all the 35814  
duties of the authority. 35815

Before the issuance of any water development revenue bonds 35816  
under this chapter, each appointed member of the authority shall 35817  
give a surety bond to the state in the penal sum of twenty-five 35818  
thousand dollars and the secretary-treasurer shall give such a 35819  
bond in the penal sum of fifty thousand dollars, each such 35820  
surety bond to be conditioned upon the faithful performance of 35821  
the duties of the office, to be executed by a surety company 35822  
authorized to transact business in this state, and to be 35823  
approved by the governor and filed in the office of the 35824  
secretary of state. Each appointed member of the authority shall 35825  
receive an annual salary of seven thousand five hundred dollars, 35826  
payable in monthly installments, and is entitled to health care 35827  
benefits comparable to those generally available to state 35828  
officers and employees under section 124.82 of the Revised Code. 35829  
If Section 20 of Article II, Ohio Constitution, prohibits the 35830  
Ohio water development authority from paying all or a part of 35831  
the cost of health care benefits on behalf of a member of the 35832  
authority for the remainder of an existing term, the member may 35833  
receive these benefits by paying their total cost from the 35834  
member's own financial resources, including paying by means of 35835  
deductions from the member's salary. Each member shall be 35836  
reimbursed for actual expenses necessarily incurred in the 35837  
performance of official duties. All expenses incurred in 35838  
carrying out this chapter shall be payable solely from funds 35839  
provided under this chapter, or appropriated for such purpose by 35840  
the general assembly and no liability or obligation shall be 35841

incurred by the authority beyond the extent to which moneys have 35842  
been provided under this chapter or such appropriations. 35843

**Sec. 6123.031.** To create or preserve jobs and employment 35844  
opportunities, to improve the economic welfare of the people of 35845  
the state, to control air, water, and thermal pollution, or to 35846  
dispose of solid waste, and pursuant to Section 13, Article 35847  
VIII, of the Ohio Constitution, the Ohio water development 35848  
authority may exercise the powers set forth in this chapter, 35849  
with the approval of a project by the director of housing and 35850  
development, for the purpose of constructing or providing 35851  
financial assistance for the construction of any energy resource 35852  
development facilities as defined in section 1551.01 of the 35853  
Revised Code. Determinations by resolution of the authority that 35854  
a facility is an energy resource development facility, as so 35855  
defined, and is consistent with the purposes of Section 13 of 35856  
Article VIII, Ohio Constitution and this chapter shall be 35857  
conclusive as to the validity and enforceability of the 35858  
development revenue bonds issued to finance such facility and of 35859  
the resolutions, trust agreements or indentures, leases, 35860  
subleases, sale agreements, loan agreements, and other 35861  
agreements made in connection therewith, all in accordance with 35862  
their terms. 35863

**Section 2.** That existing sections 9.47, 9.66, 107.03, 35864  
107.21, 117.55, 121.02, 121.03, 121.35, 122.01, 122.011, 35865  
122.012, 122.013, 122.014, 122.02, 122.03, 122.04, 122.041, 35866  
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5733.352, 5733.58, 5733.59, 5747.01, 5747.331, 5747.51, 5747.66, 35926  
5747.67, 5751.52, 5751.54, 5751.55, 6111.12, 6121.02, and 35927  
6123.031 of the Revised Code are hereby repealed. 35928

**Section 3.** The Speaker of the House of Representatives and 35929  
the President of the Senate shall appoint legislative members to 35930  
the Ohio housing finance agency, as required by this act, not 35931  
later than thirty days after the effective date of this section. 35932

Not later than ninety days after the effective date of 35933  
this section, the Ohio housing finance agency shall conduct at 35934  
least one public hearing to consider changes to the policies, 35935

guidelines, and scoring metrics used in the administration of 35936  
the agency's programs to resolve inequities and increase 35937  
participation in rural areas of the state. 35938

**Section 4.** The Speaker of the House of Representatives and 35939  
the President of the Senate shall appoint legislative members to 35940  
the Ohio housing trust fund advisory committee, as required by 35941  
this act, not later than thirty days after the effective date of 35942  
this section. 35943

**Section 5.** The General Assembly, applying the principle 35944  
stated in division (B) of section 1.52 of the Revised Code that 35945  
amendments are to be harmonized if reasonably capable of 35946  
simultaneous operation, finds that the following sections, 35947  
presented in this act as composites of the sections as amended 35948  
by the acts indicated, are the resulting versions of the 35949  
sections in effect prior to the effective date of the sections 35950  
as presented in this act: 35951

Section 122.073 of the Revised Code as amended by both 35952  
H.B. 487 and S.B. 314 of the 129th General Assembly. 35953

Section 140.01 of the Revised Code as amended by both H.B. 35954  
110 and H.B. 281 of the 134th General Assembly. 35955

Section 1551.20 of the Revised Code as amended by H.B. 35956  
632, S.B. 269, and S.B. 271, all of the 120th General Assembly. 35957

Section 4906.02 of the Revised Code as amended by both 35958  
H.B. 110 and S.B. 52 of the 134th General Assembly. 35959

Section 5117.07 of the Revised Code as amended by both 35960  
H.B. 283 and S.B. 3 of the 123rd General Assembly. 35961

Section 5117.09 of the Revised Code as amended by both 35962  
H.B. 283 and S.B. 3 of the 123rd General Assembly. 35963

Section 5747.01 of the Revised Code as amended by both	35964
H.B. 101 and S.B. 154 of the 135th General Assembly.	35965