As Reported by the Senate General Government and Agency Review Committee

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Sub. H. B. No. 46

Representative Greenspan

Cosponsors: Representatives Wiggam, Ginter, Arndt, Hambley, Smith, T., Antani, Blair, Blessing, Butler, Carfagna, Carruthers, Crossman, Denson, Edwards, Ghanbari, Green, Grendell, Hillyer, Holmes, A., Hood, Jones, Jordan, Keller, Koehler, Lanese, Leland, Lightbody, Manning, D., Manning, G., McClain, Merrin, Miller, A., O'Brien, Oelslager, Patterson, Perales, Reineke, Richardson, Riedel, Roemer, Rogers, Romanchuk, Ryan, Sheehy, Skindell, Sobecki, Stoltzfus, Strahorn, Swearingen, Upchurch, West

Senator Schuring

A BILL

To amend sections 122.85, 125.112, 5595.04, 5709.48, and 5709.50 and to enact sections 113.70, 113.71, 113.72, 113.73, 113.74, 113.75, 113.76, 113.77, 117.55, and 5709.481 of the Revised Code to require the Treasurer of State to establish the Ohio State and Local Government Expenditure Database, to modify the film and theater tax credit, to authorize a regional transportation improvement project to impose voluntary assessments on certain real property, and to require the Auditor of State to determine if an entity is in compliance with the terms and conditions of a state award for economic development.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:
Section 1. That sections 122.85, 125.112, 5595.04, 5709.48, and 5709.50 be amended and sections 113.70, 113.71, 113.72, 113.73, 113.74, 113.75, 113.76, 113.77, 117.55, and 5709.481 of the Revised Code be enacted to read as follows:

Sec. 113.70. As used in sections 113.70 to 113.77 of the Revised Code:

(A) "Expenditure" means a payment, distribution, loan, advance, reimbursement, deposit, or gift of money from a state entity to any supplier.

(B) "Political subdivision" means a county, city, village, public library, township, park district, school district, regional water and sewer district, or regional transit authority.

(C) "Public library" means a library that is created, maintained, and regulated under Chapter 3375. of the Revised Code.

(D) "School district" means a city, local, exempted village, or joint vocational school district; a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code; or an educational service center. "School district" does not mean a community school established under Chapter 3314. of the Revised Code.

(E) "State entity" means the general assembly, the supreme court, the court of claims, the office of an elected state officer, or a department, bureau, board, office, commission, agency, institution, instrumentality, or other governmental entity of this state established by the constitution or laws of this state for the exercise of any function of state government, but excludes a political subdivision, an institution of higher education, an institution of public higher education, or an institution of high education.
education, a state retirement system, and the city of Cincinnati retirement system. "State entity" does not include the nonprofit corporation formed under section 187.01 of the Revised Code. 

(F) "State retirement system" means the public employees retirement system, the Ohio police and fire pension fund, the state teachers retirement system, the school employees retirement system, and the state highway patrol retirement system.

(G) "Supplier" means any person, partnership, corporation, association, organization, state entity, or other party, including any executive officer, legislative officer, judicial officer, or member or employee of a state entity, that does either of the following:

(1) Sells, leases, or otherwise provides equipment, materials, goods, supplies, or services to a state entity pursuant to a contract between the supplier and a state entity; 

(2) Receives reimbursement from a state entity for any expense.

Sec. 113.71. (A) The treasurer of state, in collaboration with the directors of budget and management and administrative services, shall establish and maintain the Ohio state and local government expenditure database. The database shall be accessible on the web site of the treasurer of state and the web site of the office of budget and management. 

(B) The database shall include information about expenditures made in each fiscal year that commences after the effective date of this section. 

(C) The database shall be accessible by members of the public without charge.
(D) State entities shall assist in the development, establishment, operation, storage, hosting, and support of the database. State entities shall comply with sections 113.70 to 113.77 of the Revised Code using existing resources.

(E) The treasurer of state shall enter into an annual agreement with the directors of budget and management and administrative services to define data storage, data handling, user interface requirements, and other provisions considered necessary to ensure the proper maintenance and operation of the database.

(F) Nothing in this section shall be construed to prohibit the treasurer of state from including any information in the database that is not required to be included under sections 113.70 to 113.77 of the Revised Code and that is available to the public.

Sec. 113.72. For each expenditure, the Ohio state and local government expenditure database shall include the following information:

(A) The amount of the expenditure;

(B) The date the expenditure was paid;

(C) The supplier to which the expenditure was paid;

(D) The state entity that made the expenditure or requested the expenditure be made.

Sec. 113.73. (A) The Ohio state and local government expenditure database shall include the following features:

(1) A searchable database of all expenditures;

(2) The ability to filter expenditures by the following
categories:

(a) The category of expense;

(b) The Ohio administrative knowledge system accounting code for a specific good or service.

3) The ability to search and filter by any of the factors listed in section 113.72 of the Revised Code;

4) The ability to aggregate data contained in the database;

5) The ability to determine the total amount of expenditures awarded to a supplier by a state entity;

6) The ability to download information obtained through the database;

7) A searchable database of state and school district employee salary and employment information.

B) The information required under division (A)(7) of this section shall be provided by the department of administrative services or the department of education, as applicable.

Sec. 113.74. Not later than one year after the Ohio state and local government expenditure database is implemented, the treasurer of state shall coordinate with the director of budget and management to provide an opportunity for public comment as to the utility of the database.

Sec. 113.75. The Ohio state and local government expenditure database shall not include any information that is determined to be confidential or is not a public record under the laws of this state. All of the following are not liable for the disclosure of a record contained in the Ohio state and local
government expenditure database that is determined to be confidential or is not a public record under the laws of this state:

(A) The treasurer of state;

(B) Employees of the treasurer of state;

(C) A state entity;

(D) Any employee of a state entity that provides information to the database.

Sec. 113.76. Each state entity shall display on its website a prominent internet link to the Ohio state and local government expenditure database.

Sec. 113.77. A political subdivision or state retirement system may agree to have information on expenditures made by the political subdivision or state retirement system included in the Ohio state and local government expenditure database. If a political subdivision or state retirement system agrees to include the information in the database, the political subdivision or state retirement system shall provide the information to the treasurer of state and comply with sections 113.70 to 113.77 of the Revised Code in the same manner as a state entity.

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

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

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

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

(C) The auditor of state shall publish a report of its reviews and determinations not later than ninety days after receipt of the list of state awards from the development services agency.

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

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

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 development services under division (B) of this section as qualifying the production company and its production contractors 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 or production contractor 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 or for postproduction activities, or for advertising and promotion of the production.

"Eligible expenditures" includes, but is not limited to, expenditures for cast and crew wages, accommodations, costs of set construction and operations, editing and related services, photography, sound synchronization, lighting, wardrobe, makeup and accessories, film processing, transfer, sound mixing,
special and visual effects, music, location fees, and the purchase or rental of facilities and equipment.

(5) "Motion picture" means entertainment content created in whole or in part within this state for distribution or exhibition to the general public, including, but not limited to, feature-length films; documentaries; long-form, specials, miniseries, series, and interstitial television programming; interactive web sites; sound recordings; videos; music videos; interactive television; interactive games; video games; commercials; any format of digital media; and any trailer, pilot, video teaser, or demo created primarily to stimulate the sale, marketing, promotion, or exploitation of future investment in either a product or a motion picture by any means and media in any digital media format, film, or videotape, provided the motion picture qualifies as a motion picture. "Motion picture" does not include any television program created primarily as news, weather, or financial market reports, a production featuring current events or sporting events, an awards show or other gala event, a production whose sole purpose is fundraising, a long-form production that primarily markets a product or service or in-house corporate advertising or other similar productions, a production for purposes of political advocacy, or any production for which records are required to be maintained under 18 U.S.C. 2257 with respect to sexually explicit content.

(6) "Broadway theatrical production" means a prebroadway production, long run production, or tour launch that is directed, managed, and performed by a professional cast and crew and that is directly associated with New York city's broadway theater district.
(7) "Prebroadway production" means a live stage production that is scheduled for presentation in New York city's broadway theater district after the original or adaptive version is performed in a qualified production facility.

(8) "Long run production" means a live stage production that is scheduled to be performed at a qualified production facility for more than five weeks, with an average of at least six performances per week.

(9) "Tour launch" means a live stage production for which the activities comprising the technical period are conducted at a qualified production facility before a tour of the original or adaptive version of the production begins.

(10) "Qualified production facility" means a facility located in this state that is used in the development or presentation to the public of theater productions.

(11) "Production contractor" means an individual, corporation, partnership, limited liability company, or other form of business association that is registered with the secretary of state and that, pursuant to a contract with a production company producing a motion picture in this state, provides any of the following services to the production company with respect to that production: editing, postproduction, photography, lighting, cinematography, sound design, catering, special effects, production coordination, hair styling or makeup, art design, or distribution.

(B) For the purpose of encouraging and developing strong film and theater industries in this state, the director of development services may certify a motion picture or broadway theatrical production produced by a production company as a tax
credit-eligible production. In the case of a television series, the director may certify the production of each episode of the series as a separate tax credit-eligible production. A production company shall apply for certification of a motion picture or broadway theatrical production as a tax credit-eligible production on a form and in the manner prescribed by the director. Each application shall include the following information:

(1) The name and telephone number of the production company;

(2) The name and telephone number of the company's contact person;

(3) A list of the first preproduction date through the last production and postproduction dates in Ohio and, in the case of a broadway theatrical production, a list of each scheduled performance in a qualified production facility;

(4) The Ohio production office or qualified production facility address and telephone number;

(5) The total production budget;

(6) The total budgeted eligible expenditures and the percentage that amount is of the total production budget of the motion picture or broadway theatrical production;

(7) In the case of a motion picture, the total percentage of the production being shot in Ohio;

(8) The level of employment of cast and crew who reside in Ohio;

(9) A synopsis of the script;
(10) In the case of a motion picture, the shooting script;

(11) A creative elements list that includes the names of the principal cast and crew and the producer and director;

(12) Documentation of financial ability to undertake and complete the motion picture or broadway theatrical production, including documentation that shows that the company has secured funding equal to at least fifty per cent of the total production budget;

(13) Estimated value of the tax credit based upon total budgeted eligible expenditures;

(14) Estimated amount of state and local taxes to be generated in this state from the production;

(15) Estimated economic impact of the production in this state;

(16) Any other information considered necessary by the director.

Within ninety days after certification of a motion picture or broadway theatrical production as a tax credit-eligible production, and any time thereafter upon the request of the director of development services, the production company shall present to the director sufficient evidence of reviewable progress. If the production company fails to present sufficient evidence, the director may rescind the certification. If the production of a motion picture or broadway theatrical production does not begin within ninety days after the date it is certified as a tax credit-eligible production, the director shall rescind the certification unless the director finds that the production company shows good cause for the delay, meaning that the production was delayed due to unforeseeable circumstances beyond
the production company's control or due to action or inaction by a government agency. Upon rescission, the director shall notify the applicant that the certification has been rescinded. Nothing in this section prohibits an applicant whose tax credit-eligible production certification has been rescinded from submitting a subsequent application for certification.

(C)(1) A production company whose motion picture or broadway theatrical production has been certified as a tax credit-eligible production may apply to the director of development services on or after July 1, 2009, for a refundable credit against the tax imposed by section 5726.02, 5733.06, 5747.02, or 5751.02 of the Revised Code. The director in consultation with the tax commissioner shall prescribe the form and manner of the application and the information or documentation required to be submitted with the application. The application shall state the name and address of each production contractor with which the production company contracted for services and the amount of eligible expenditures paid or incurred under the contract with respect to the production.

The credit is determined as follows:

(a) If the total budgeted eligible expenditures stated in the application submitted under division (B) of this section or the actual eligible expenditures as finally determined under division (D) of this section, whichever is least, is less than or equal to three hundred thousand dollars, no credit is allowed;

(b) If the total budgeted eligible expenditures stated in the application submitted under division (B) of this section or the actual eligible expenditures as finally determined under division (D) of this section, whichever is least, is greater
than three hundred thousand dollars, the credit for the
production company equals thirty per cent of the least of such
budgeted or actual eligible expenditure amounts and the credit
for each production contractor equals thirty per cent of the
amount of eligible expenditures paid or incurred under the
contract with respect to the production.

(2) Except as provided in division (C)(4) of this section,
if the director of development services approves a production
company’s application for a credit, the director shall issue a
tax credit certificate to the company and to each of the
company’s production contractors identified in the application.
The director in consultation with the tax commissioner shall
prescribe the form and manner of issuing certificates. The
director shall assign a unique identifying number to each tax
credit certificate and shall record the certificate in a
register devised and maintained by the director for that
purpose. The certificate 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 or contractor 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. Not more than forty million dollars of tax credit may be allowed per fiscal year provided that: (a) for any fiscal year in which the amount of tax credits allowed under this section is less than that maximum annual amount, the amount not allowed for that fiscal year shall be added to the maximum annual amount that may be allowed for the following fiscal year, and (b) the director may award all or a portion of the credit allocation for the following fiscal year in advance under division (C)(6) of this section. For each fiscal year beginning on or after July 1, 2021, the director shall reserve four million dollars of tax credit exclusively for broadway theatrical productions.

(5) Except as provided in division (C)(6) of this section, 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 twenty million dollars plus any credit allotment that was not awarded in the preceding fiscal year and carried over under division (C)(4) of this section minus any amount required to be subtracted under division (C)(6) of this section. 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 impact and workforce development effect to those with the least positive economic impact and workforce development effect.

(6) If the director determines that a tax credit-eligible production has had or will have a significant positive economic impact or workforce development effect on this state and that expedited approval of the production company's tax credit application is warranted, the director may approve the application at any time following completion of the production outside of the standard review, ranking, and approval process prescribed by division (C)(5) of this section.

Credits approved under this division shall be subtracted from the credit allotment that would otherwise be available for the next round of applications under division (C)(4) of this section. If the credits approved under this division exceed the credit allotment that would otherwise be available for the next round of applications, the excess shall be subtracted from the credit allotment for the next ensuing round of applications, and
so on, until the full amount of credits approved under this division are subtracted. If approving an application under this division would result in exceeding the maximum amount of credits that may be awarded in the fiscal year, as prescribed by division (C)(4) of this section, the director may award all or a portion of the credit allocation for the following year in advance. Credits awarded under this division shall be claimed in the taxable year or tax period in which the certificate was issued regardless of whether the credit was awarded out of the allotment for the next round of applications or in advance from a subsequent round or fiscal year.

(D) A production company whose motion picture or broadway theatrical production has been certified as a tax credit-eligible production shall engage, at the company's expense, an independent certified public accountant to examine the company's production, postproduction, and advertising and promotion expenditures to identify the expenditures that qualify as eligible expenditures. The certified public accountant shall issue a report to the company and to the director of development services certifying the company's eligible expenditures and any other information required by the director. Upon receiving and examining the report, the director may disallow any expenditure the director determines is not an eligible expenditure. If any expenditure disallowed under this division was included in the expenditure for a contract with a production contractor, the contractor's credit amount shall be reduced in proportion to such disallowed expenditure. If the director disallows an expenditure, the director shall issue a written notice to the production company or affected production contractor stating that the expenditure is disallowed and the reason for the disallowance. Upon examination of the report and disallowance of
any expenditures, the director shall determine finally the lesser of the total budgeted eligible expenditures stated in the application submitted under division (B) of this section or the actual eligible expenditures for the purpose of computing the amount of the credit.

(E) No credit shall be allowed under section 5726.55, 5733.59, 5747.66, or 5751.54 of the Revised Code unless the director has reviewed the report and made the determination prescribed by division (D) of this section.

(F) This state reserves the right to refuse the use of this state's name in the credits of any tax credit-eligible motion picture production or program of any broadway theatrical production.

(G)(1) The director of development services in consultation with the tax commissioner shall adopt rules for the administration of this section, including rules setting forth and governing the criteria for determining whether a motion picture or broadway theatrical production is a tax credit-eligible production; activities that constitute the production or postproduction of a motion picture or broadway theatrical production; reporting sufficient evidence of reviewable progress; expenditures that qualify as eligible expenditures; a schedule and deadlines for applications to be submitted and reviewed; a competitive process for approving credits based on likely economic impact in this state and development of a permanent workforce in motion picture or theatrical production industries in this state; consideration of geographic distribution of credits; and implementation of the program described in division (H) of this section. The rules shall be adopted under Chapter 119. of the Revised Code.
(2) To cover the administrative costs of the program, the director shall require each applicant to pay an application fee equal to the lesser of ten thousand dollars or one per cent of the estimated value of the tax credit as stated in the application. The fees collected shall be credited to the tax incentives operating fund created in section 122.174 of the Revised Code. All grants, gifts, fees, and contributions made to the director for marketing and promotion of the motion picture industry within this state shall also be credited to the fund.

(H) The director of development services shall establish a program for the training of Ohio residents who are or wish to be employed in the film or multimedia industry. Under the program, the director shall:

(1) Certify individuals as film and multimedia trainees. In order to receive such a certification, an individual must be an Ohio resident, have participated in relevant on-the-job training or have completed a relevant training course approved by the director, and have met any other requirements established by the director.

(2) Accept applications from production companies that intend to hire and provide on-the-job training to one or more certified film and multimedia trainees who will be employed in the company's tax credit-eligible production.

(3) Upon completion of a tax-credit eligible production, and upon the receipt of any salary information and other documentation required by the director, authorize a reimbursement payment to each production company whose application was approved under division (H)(2) of this section. The payment shall equal fifty per cent of the salaries paid to film and multimedia trainees employed in the production.
Sec. 125.112. (A) As used in this section:

(1) "Agency" means a department created under section 121.02 of the Revised Code.

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

(3)(a) "State award" means a contract awarded by the state costing over twenty-five thousand dollars.

(b) "State award" does not include compensation received as an employee of the state or any state financial assistance and expenditure received from the general assembly or any legislative agency, any court or judicial agency, the secretary of state, auditor of state, treasurer of state, or attorney general and their respective offices.

(B) The department of administrative services shall establish and maintain a single searchable web site, accessible by the public at no cost, that includes all of the following information for each state award:

(1) The name of the entity receiving the award;

(2) The amount of the award;

(3) Information on the award, the agency or other instrumentality of the state that is providing the award, and the commodity code;

(4) Any other relevant information determined by the department of administrative services.
(C) The department of administrative services may consult with other state agencies in the development, establishment, operation, and support of the web site required by division (B) of this section. State awards shall be posted on the web site within thirty days after being made. The department of administrative services shall provide an opportunity for public comment as to the utility of the web site required by division (B) of this section and any suggested improvements.

(D) The web site required by division (B) of this section shall be fully operational not later than one year after December 30, 2008, and shall include information on state awards made in fiscal year 2008 and thereafter. It shall also provide an electronic link to the daily journals of the senate and house of representatives.

(E) The director of administrative services shall submit to the general assembly an annual report regarding the implementation of the web site established pursuant to division (B) of this section. The report shall include data regarding the usage of the web site and any public comments on the utility of the site, including recommendations for improving data quality and collection. The director shall post each report on the web site.

(F) Each agency awarding a grant to an entity in fiscal year 2008 and thereafter shall establish and maintain a separate web site listing the name of the entity receiving each grant, the grant amount, information on each grant, and any other relevant information determined by the department of administrative services. Each agency shall provide the link to such a web site to the department of administrative services within a reasonable time after December 30, 2008, and shall
thereafter update its web site within thirty days of awarding a new grant. Not later than one year after December 30, 2008, the department of administrative services shall establish and maintain a separate web site, accessible to the public at no cost, which contains the links to the agency web sites required by this division.

(G) At the end of the closeout year, the attorney general shall determine the extent to which an entity has complied with the terms and conditions, including performance metrics, of a state award for economic development received by that entity. As necessary, the agency that makes and administers the state award for economic development shall assist the attorney general with that determination. The attorney general shall submit to the general assembly pursuant to section 101.68 of the Revised Code an annual report regarding the level of compliance of each such entity with the terms and conditions, including performance metrics, of their state awards for economic development. When the attorney general determines appropriate and to the extent that an entity that receives or has received a state award for economic development does not comply with a performance metric that is specified in the terms and conditions of the award, the attorney general shall pursue against and from that entity such remedies and recoveries as are available under law. For purposes of this division, "Closeout year" means the calendar year by which an entity that receives a state award for economic development must comply with a performance metric specified in the terms and conditions of the award. "State award for economic development" means state financial assistance and expenditure in any of the following forms: grants, subgrants, loans, awards, cooperative agreements, or other similar and related forms of financial assistance and contracts, subcontracts, purchase—
orders, task orders, delivery orders, or other similar and
related transactions. "State award for economic development"
does not include compensation received as an employee of the
state or any state financial assistance and expenditure received
from the general assembly or any legislative agency, any court
or judicial agency, the secretary of state, auditor of state,
treasurer of state, or attorney general and their respective
offices.

(H) Nothing in this section shall be construed as
requiring the disclosure of information that is not a public
record under section 149.43 of the Revised Code.

Sec. 5595.04. The governing board of a regional
transportation improvement project may do any of the following:

(A) Make and enter into all contracts and agreements
necessary or incidental to the performance of its functions and
the execution of its powers under this chapter and in accordance
with the cooperative agreement. The procuring of goods and
awarding of contracts with a cost in excess of fifty thousand
dollars shall be done in accordance with the competitive bidding
procedures established for boards of county commissioners by
sections 307.86 to 307.91 of the Revised Code.

(B) Sue and be sued in its own name, plead and be
impleaded, provided any actions against the governing board or
the regional transportation improvement project shall be brought
in the court of common pleas of a county that is a party to the
cooperative agreement or in the court of common pleas of the
county in which the cause of action arose, and all summonses,
exceptions, and notices shall be served on the governing board
by leaving a copy thereof at its principal office with a member
of the governing board or an employee or agent thereof;
(C) Employ or retain persons as are necessary in the judgment of the governing board to carry out the project, and fix their compensation;

(D) Acquire by purchase, lease, lease-purchase, lease with option to purchase, or otherwise any property necessary, convenient, or proper for the construction, maintenance, repair, or operation of one or more transportation improvements. The governing board may pledge net revenues, to the extent permitted by this chapter with respect to bonds, to secure payments to be paid by the governing board under such a lease, lease-purchase agreement, or lease with option to purchase. Title to real and personal property shall be held in the name of the governing board. The governing board is not authorized to acquire property by appropriation.

(E) Issue securities to pay for the costs of transportation improvements pursuant to section 5595.05 of the Revised Code;

(F) If the regional transportation project was undertaken pursuant to section 5595.02 of the Revised Code before March 23, 2018, the effective date of the amendment of this section by S.B. 8 of the 132nd general assembly, create:

1. Create a transportation financing district and declare improvements to parcels within the district to be a public purpose and exempt from taxation as provided under sections 5709.48 to 5709.50 of the Revised Code;

2. Negotiate and enter into voluntary agreements under section 5709.481 of the Revised Code that impose assessments on real property located in a transportation financing district.

Sec. 5709.48. (A) As used in this section and sections...
5709.481, 5709.49, and 5709.50 of the Revised Code:

(1) "Regional transportation improvement project" has the same meaning as in section 5595.01 of the Revised Code.

(2) "Improvements" means the increase in the assessed value of any real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of the resolution adopted under this section were it not for the exemption granted by that resolution.

(B) For the purposes described in division (A) of section 5595.06 of the Revised Code, the governing board of a regional transportation improvement project that was undertaken pursuant to section 5595.02 of the Revised Code before March 23, 2018, may, by resolution, create a transportation financing district and declare improvements to parcels within the district to be a public purpose and exempt from taxation.

(C) A transportation financing district may include territory in more than one county as long as each such county is a participant in the regional transportation improvement project funded by the district. A district shall not include parcels used primarily for residential purposes. A district shall not include any parcel that is currently exempt from taxation under this section or section 5709.40, 5709.41, 5709.45, 5709.73, or 5709.77 of the Revised Code. The governing board may designate parcels within the boundaries of a district that are not to be included in the district. The governing board may designate noncontiguous parcels located outside the boundaries of the district that are to be included in the district.

The governing board may adopt more than one resolution under division (B) of this section. A single such resolution may
create more than one transportation financing district.

(D) A resolution creating a transportation financing district shall specify all of the following:

(1) A description of the territory included in the district;

(2) The county treasurer's permanent parcel number associated with each parcel included in the district;

(3) The percentage of improvements to be exempted from taxation and the duration of the exemption, which shall not exceed the remaining number of years the cooperative agreement for the regional transportation improvement district, described under section 5595.03 of the Revised Code, is in effect;

(4) A plan for the district that describes the principal purposes and goals to be served by the district and explains how the use of service payments provided for by section 5709.49 of the Revised Code will economically benefit owners of property within the district.

(E)(1) Except as otherwise provided in divisions (E)(2) and (3) of this section, the governing board, before adopting a resolution under division (B) of this section, shall notify and obtain the approval of each subdivision and taxing unit that levies a property tax within the territory of the proposed transportation financing district. A subdivision or taxing unit's approval or disapproval of the proposed district shall be in the form of an ordinance or resolution. The governing board may negotiate an agreement with a subdivision or taxing unit providing for compensation equal in value to a percentage of the amount of taxes exempted or some other mutually agreeable compensation.
(2) A subdivision or taxing unit may adopt an ordinance or resolution waiving its right to approve or receive notice of transportation financing districts proposed under this section. If a subdivision or taxing unit has adopted such an ordinance or resolution, the terms of that ordinance or resolution supersede the requirements of division (E)(1) of this section. The governing board may negotiate an agreement with a subdivision or taxing unit providing for some mutually agreeable compensation in exchange for the subdivision or taxing unit adopting such an ordinance or resolution. If a subdivision or taxing unit has adopted such an ordinance or resolution, it shall certify a copy to the governing board. If the subdivision or taxing unit rescinds such an ordinance or resolution, it shall certify notice of the rescission to the governing board.

(3) The governing board need not obtain the approval of a subdivision or taxing unit if the governing board agrees to compensate that subdivision or unit for the full amount of taxes exempted under the resolution creating the district.

(F) After complying with division (E) of this section, the governing board shall notify and obtain the approval of every real property owner whose property is included in the proposed transportation financing district.

(G)(1) Upon adopting a resolution creating a transportation financing district, the governing board shall send a copy of the resolution and documentation sufficient to prove that the requirements of divisions (E) and (F) of this section have been met to the director of development services. The director shall evaluate the resolution and documentation to determine if the governing board has fully complied with the requirements of this section. If the director approves the
resolution, the director shall send notice of approval to the governing board. If the director does not approve the resolution, the director shall send a notice of denial to the governing board that includes the reason or reasons for the denial. If the director does not make a determination within ninety days after receiving a resolution under this section, the director is deemed to have approved the resolution. No resolution creating a transportation financing district is effective without actual or constructive approval by the director under this section.

(2) An exemption from taxation granted under this section commences with the tax year specified in the resolution so long as the year specified in the resolution commences after the effective date of the resolution. If the resolution specifies a year commencing before the effective date of the resolution or specifies no year whatsoever, the exemption commences with the tax year in which an exempted improvement first appears on the tax list and that commences after the effective date of the resolution.

(3) Except as otherwise provided in this division, the exemption ends on the date specified in the resolution as the date the improvement ceases to be a public purpose or the regional transportation improvement project funded by the service payments dissolves under section 5595.13 of the Revised Code, whichever occurs first. Exemptions shall be claimed and allowed in the same manner as in the case of other real property exemptions. If an exemption status changes during a year, the procedure for the apportionment of the taxes for that year is the same as in the case of other changes in tax exemption status during the year.
(H) 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 development services obtained in the same manner as approval of the original resolution.

Sec. 5709.481. (A) The governing board of a regional transportation improvement project may negotiate and enter into a voluntary agreement with the owner or owners of any parcel located in a transportation financing district created by the board whereby the owner or owners agree to subject the parcel to an assessment levied by the governing board and the governing board agrees to use the proceeds of that assessment for the purposes of the project as described in the resolution creating the district.

(B) The agreement shall specify the amount and duration of the assessment. The assessment may not be collected after the dissolution of the associated regional transportation improvement project under section 5595.13 of the Revised Code.

(C) The governing board shall annually compute the amount of each assessment imposed by an agreement under this section and certify the amount to the owner or owners of the parcel and to the county auditor of the county in which the parcel is located. The county auditor shall enter the assessment on the tax list of real property opposite against which it is charged, and certify the assessment to the county treasurer. The assessment shall be charged and collected in the same manner as real property taxes and shall be treated in the same manner as real property taxes for all purposes of the lien described in section 323.11 of the Revised Code, including the priority and enforcement of the lien. Money collected from the assessment
shall be paid immediately to the governing board. The county treasurer shall maintain a record of all payments of assessments under this section.

(D) The governing board may negotiate and enter into as many agreements under this section as are necessary or useful in serving the principal purposes and goals described in the resolution creating the district. One agreement may impose an assessment on more than one parcel only if the owner or owners of all such parcels have approved the agreement.

(E) An agreement may be amended for the purposes of subjecting additional parcels to the assessment by resolution adopted by the governing board and approved by the owner or owners of the additional parcels. An agreement may be rescinded or may be amended for any purpose other than subjecting additional parcels to the assessment by resolution adopted by the governing board and approved by the owner or owners of every parcel that is subject to the assessment imposed under the agreement.

(F) An agreement under this section is hereby deemed to be a covenant running with each parcel of land that is subject to the agreement. The covenant is fully binding on behalf of and enforceable by the governing board against any person who subsequently acquires an interest in the land and all of that person's successors and assigns. No purchase agreement for real estate or any interest in real estate that is subject to such an agreement shall be enforceable by the seller or binding upon the purchaser unless the purchase agreement specifically refers to the agreement. If a conveyance of such real estate or interest in such real estate is made pursuant to a purchase agreement that does not make such a reference, the agreement shall
continue to be a covenant running with the land fully binding on
behalf of and enforceable by the governing board against the
person accepting the conveyance pursuant to the purchase
agreement.

Sec. 5709.50. (A) The governing board of a regional
transportation improvement project that grants a tax exemption
under section 5709.48 of the Revised Code or enters into one or
more voluntary agreements imposing assessments under section
5709.481 of the Revised Code shall establish a regional
transportation improvement project fund into which shall be
deposited service payments in lieu of taxes distributed under
section 5709.49 of the Revised Code and assessments collected
pursuant to such agreements. Money in the regional
transportation improvement project fund shall be used by the
governing board for the purposes described in the resolution
creating the transportation financing district. Money in the
regional transportation improvement project fund shall be
administered by the governing board in accordance with the
requirements of section 5595.08 of the Revised Code and may be
invested as provided in section 5595.09 of the Revised Code.

(B) The regional transportation improvement project fund
is dissolved by operation of law upon the dissolution of the
associated regional transportation improvement project under
section 5595.13 of the Revised Code. Any incidental surplus
remaining in the fund, to the extent unencumbered, shall be
divided and distributed by the county treasurer of the most
populous county in which the district is located to as follows:

(1) To the general funds of the subdivisions and taxing
units in which the district is located, an amount equal to the
surplus revenue multiplied by a fraction, the numerator of which


is the amount of service payment revenue deposited to the fund after the most recent collection of property taxes and payments in lieu of taxes, and the denominator of which is the total amount deposited to the fund after the most recent collection of property taxes and payments in lieu of taxes. The surplus revenue shall be divided proportionally based on the property tax levy revenue foregone by each such subdivision and taxing unit due to the exemption of improvements to property within the district at the most recent collection of service payments in lieu of taxes. The division of revenue shall account for amounts returned to subdivisions and taxing units through compensation agreements entered into under division (E) of section 5709.48 of the Revised Code. The amount distributed to each subdivision or taxing unit shall be apportioned among its funds as if that amount had been levied and collected as taxes and distributed in the most recent settlement of taxes.

(2) To the owners of parcels subject to a special assessment under section 5709.481 of the Revised Code, all remaining surplus revenue. This amount shall be divided proportionally based on the amount of the assessment levied against each such parcel at the most recent collection of such assessments. Owners of parcels that are delinquent in paying an assessment imposed by an agreement under section 5709.481 of the Revised Code may not receive surplus revenue under this division. The share of surplus revenue that such owner or owners would have otherwise received shall be divided proportionally among the owners of nondelinquent parcels.

Section 2. That existing sections 122.85, 125.112, 5595.04, 5709.48, and 5709.50 of the Revised Code are hereby repealed.