

AN ACT

To amend sections 122.651, 122.657, 122.658, 151.01, 164.22, 164.23, 901.22, and 5301.691 of the Revised Code, and to amend Sections 4, 6, and 7 of Am. Sub. H.B. 3 of the 124th General Assembly to revise the procedures to be followed by park districts when applying for natural resources and parks and recreation grants, to create a revolving loan fund for repayments of loans made from the Clean Ohio Revitalization Fund, to provide that the Department of Agriculture is a coholder of and may share in enforcing local Clean Ohio Agricultural Easement Fund easements, and to make an appropriation.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 122.651, 122.657, 122.658, 151.01, 164.22, 164.23, 901.22, and 5301.691 of the Revised Code be amended to read as follows:

Sec. 122.651. (A) There is hereby created the clean Ohio council consisting of the director of development or the director's designee, the director of environmental protection or the director's designee, the director of the Ohio public works commission as a nonvoting, ex officio member, one member of the majority party of the senate and one member of the minority party of the senate to be appointed by the president of the senate, one member of the majority party of the house of representatives and one member of the minority party of the house of representatives to be appointed by the speaker of the house of representatives, and seven members to be appointed by the governor with the advice and consent of the senate. Of the members appointed by the governor, one shall represent the interests of counties, one shall represent the interests of townships, one shall represent the interests of municipal corporations, two shall represent the interests of business and development, and two shall represent statewide environmental

advocacy organizations. The members appointed by the governor shall reflect the demographic and economic diversity of the population of the state. Additionally, the governor's appointments shall represent all areas of the state. All appointments to the council shall be made not later than one hundred twenty days after ~~the effective date of this section~~ July 26, 2001.

(B) The members appointed by the president of the senate and speaker of the house of representatives shall serve at the pleasure of their appointing authorities. Of the initial members appointed by the governor to the clean Ohio council, four shall be appointed for two years and three shall be appointed for one year. Thereafter, terms of office for members appointed by the governor shall be for two years, with each term ending on the same day of the same month as did the term that it succeeds. Each of those members shall hold office from the date of appointment until the end of the term for which the member is appointed.

Members may be reappointed. Vacancies shall be filled in the same manner as provided for original appointments. Any member appointed to fill a vacancy occurring prior to the expiration date of the term for which the member was appointed shall hold office for the remainder of that term. A member shall continue in office after the expiration date of the member's term until the member's successor takes office or until a period of sixty days has elapsed, whichever occurs first. The governor may remove a member appointed by the governor for misfeasance, nonfeasance, or malfeasance in office.

(C) The director of development shall serve as the chairperson of the clean Ohio council. The council annually shall select from among its members a vice-chairperson and a secretary to keep a record of its proceedings. A majority vote of a quorum of the members of the council is necessary to take action on any matter. The council may adopt bylaws governing its operation, including bylaws that establish the frequency of meetings, procedures for reviewing eligible projects under sections 122.65 to 122.658 of the Revised Code and policies and requirements established under section 122.657 of the Revised Code, and other necessary procedures.

(D) Members of the clean Ohio council shall be deemed to be public officials or officers only for the purposes of section 9.86 and Chapters 102. and 2921. of the Revised Code. Serving as a member of the clean Ohio council does not constitute holding a public office or position of employment ~~under the laws of this state and does not so as to~~ constitute grounds for removal of public officers or employees serving as members of the council from their offices or positions of employment. Members of the council shall file with the Ohio ethics commission the disclosure statement

described in division (A) of section 102.02 of the Revised Code on the form prescribed by the commission and be subject to divisions (C) and (D) of that section. Members of the council shall serve without compensation for attending council meetings but shall receive their actual and necessary traveling and other expenses incurred in the performance of their official duties in accordance with the rules of the office of budget and management.

(E) Members appointed by the governor ~~shall to represent the interests of counties, townships, and municipal corporations do not have a conflict of interest with~~ by virtue of their service in the position. For the purposes of this division, "conflict of interest" means the taking of any action ~~that violates any provision of Chapter 102. or 2921. of the Revised Code as a member of the council that affects a public agency the person serves as an officer or employee.~~

(F) The department of development shall provide office space for the council. The council shall be assisted in its duties by the staff of the department of development and the environmental protection agency.

(G) Sections 101.82 to 101.87 of the Revised Code do not apply to the clean Ohio council.

Sec. 122.657. For the purposes of sections 122.65 to 122.658 of the Revised Code, the director of development shall establish policies and requirements regarding all of the following:

(A) The form and content of applications for grants or loans from the clean Ohio revitalization fund under section 122.652 of the Revised Code. The policies and requirements shall require that each application include, at a minimum, all of the following:

(1) The name, address, and telephone number of the applicant;

(2) The legal description of the property for which the grant or loan is requested;

(3) A summary description of the hazardous substances or petroleum present at the brownfield and a certified copy of the results of an assessment;

(4) A detailed explanation of the proposed cleanup or remediation of the brownfield, including an identification of the applicable cleanup standards, and a detailed description of the proposed use of the brownfield after completion of the cleanup or remediation;

(5) An estimate of the total cost to clean up or remediate the brownfield in order to comply with the applicable cleanup standards. The total cost shall include the cost of employing a certified professional under section 122.654 of the Revised Code.

(6) A detailed explanation of the portion of the estimated total cost of

the cleanup or remediation of the brownfield that the applicant proposes to provide as required under sections 122.653 and 122.658 of the Revised Code and financial records supporting the proposal;

(7) A certified copy of a resolution or ordinance approving the project that the applicant shall obtain from the board of township trustees of the township or the legislative authority of the municipal corporation in which the property is located, whichever is applicable;

(8) A description of the estimated economic benefit that will result from a cleanup or remediation of the brownfield;

(9) An application summary for purposes of review by an integrating committee or, if applicable, the executive committee of an integrating committee under division (B) of section 122.652 of the Revised Code;

(10) With respect to applications for loans, information demonstrating that the applicant will implement a financial management plan that includes, without limitation, provisions for the satisfactory repayment of the loan;

(11) Any other provisions that the director determines should be included in an application.

(B) Procedures for conducting public meetings and providing public notice under division (A) of section 122.652 of the Revised Code;

(C) Criteria to be used by integrating committees or, if required under division (C) of section 122.652 of the Revised Code, executive committees of integrating committees when prioritizing projects under division (B) of section 122.652 of the Revised Code. The policies and requirements also shall establish procedures that integrating committees or, if required under division (C) of section 122.652 of the Revised Code, executive committees of integrating committees shall use in applying the criteria.

(D) A selection process that provides for the prioritization of brownfield cleanup or remediation projects for which grant or loan applications are submitted under section 122.652 of the Revised Code. The policies and requirements shall require the selection process to give priority to projects in which the post-cleanup or remediation use will be for a combination of residential, commercial, or industrial purposes, which may include the conversion of a portion of a brownfield to a recreation, park, or natural area that is integrated with the residential, commercial, or industrial use of the brownfield after cleanup or remediation, or will incorporate projects that are funded by grants awarded under sections 164.20 to 164.27 of the Revised Code. The policies and requirements shall require the selection process to incorporate and emphasize all of the following factors:

(1) The potential economic benefit that will result from the cleanup or remediation of a brownfield;

(2) The potential environmental improvement that will result from the cleanup or remediation of a brownfield;

(3) The amount and nature of the match provided by an applicant as required under sections 122.653 and 122.658 of the Revised Code;

(4) Funding priorities recommended by integrating committees or, if required under division (C) of section 122.652 of the Revised Code, executive committees of integrating committees under division (B) of section 122.652 of the Revised Code;

(5) The potential benefit to low-income communities, including minority communities, that will result from the cleanup or remediation of a brownfield;

(6) Any other factors that the director considers appropriate.

(E) The development of criteria that the director shall use when awarding grants under section 122.656 of the Revised Code. The criteria shall give priority to public health projects. In addition, the director, in consultation with the director of environmental protection, shall establish policies and requirements that require the criteria to include a public health project selection process that incorporates and emphasizes all of the following factors:

(1) The potential environmental improvement that will result from the cleanup or remediation;

(2) The ability of an applicant to access the property for purposes of the cleanup or remediation;

(3) The name and qualifications of the cleanup or remediation contractor;

(4) Any other factors that the director of development considers appropriate.

The director of development may develop any other policies and requirements that the director determines are necessary for the administration of section 122.656 of the Revised Code.

(F) The development of a brownfield cleanup and remediation oversight program to ensure compliance with sections 122.65 to 122.658 of the Revised Code and policies and requirements established under this section. The policies and requirements shall require the program to include, at a minimum, both of the following:

(1) Procedures for the accounting of invoices and receipts and any other documents that are necessary to demonstrate that a cleanup or remediation was properly performed;

(2) Procedures that are necessary to provide a detailed explanation of the status of the property five years after the completed cleanup or

remediation.

(G) A delineation of what constitutes administrative costs for purposes of divisions ~~(C)~~(D) and ~~(E)~~(F) of section 122.658 of the Revised Code;

(H) Procedures and requirements for making loans and loan agreements that include at least all of the following:

(1) Not more than fifteen per cent of moneys annually allocated to the clean Ohio revitalization fund shall be used for loans.

(2) The loans shall be made at or below market rates of interest, including, without limitation, interest-free loans.

(3) The recipient of a loan shall identify a source of security and a source of repayment of the loan.

(4) All payments of principal and interest on a loan shall be deposited in the state treasury and credited to the clean Ohio revitalization revolving loan fund.

(5) The clean Ohio council may accept notes and other forms of obligation to evidence indebtedness, accept mortgages, liens, pledges, assignments, and other security interests to secure such indebtedness, and take any actions that are considered by the council to be appropriate to protect such security and safeguard against losses, including, without limitation, foreclosure and bidding on the purchase of property upon foreclosure or other sale.

(I) Any other policies and requirements that the director determines are necessary for the administration of sections 122.65 to 122.658 of the Revised Code.

Sec. 122.658. (A) The clean Ohio revitalization fund is hereby created in the state treasury. The fund shall consist of moneys credited to it pursuant to section 151.40 of the Revised Code ~~and of payments of principal and interest on loans that are made from the fund in accordance with policies and requirements established under section 122.657 of the Revised Code.~~ Moneys in the fund shall be used to make grants or loans for projects that have been approved by the clean Ohio council in accordance with section 122.653 of the Revised Code, except that the council annually shall devote twenty per cent of the net proceeds of obligations deposited in the clean Ohio revitalization fund for the purposes of section 122.656 of the Revised Code.

Moneys in the clean Ohio revitalization fund may be used to pay reasonable costs incurred by the department of development and the environmental protection agency in administering sections 122.65 to 122.658 of the Revised Code. All investment earnings of the fund shall be credited to the fund. For two years after ~~the effective date of this section~~

uly 26, 2001, investment earnings credited to the clean Ohio revitalization fund may be used to pay costs incurred by the department of development and the environmental protection agency pursuant to sections 122.65 to 122.658 of the Revised Code.

The department of development shall administer the clean Ohio revitalization fund in accordance with this section, policies and requirements established under section 122.657 of the Revised Code, and the terms of agreements entered into by the council under section 122.653 of the Revised Code.

(B) Grants awarded and loans made under section 122.653 of the Revised Code shall provide not more than seventy-five per cent of the estimated total cost of a project. A grant or loan to any one project shall not exceed three million dollars. An applicant shall provide at least twenty-five per cent of the estimated total cost of a project. The applicant's share may consist of one or a combination of any of the following:

(1) Payment of the cost of acquiring the property for the purposes of sections 122.65 to 122.658 of the Revised Code;

(2) Payment of the reasonable cost of an assessment at the property;

(3) The reasonable value, as determined by the council, of labor and materials that will be contributed by the applicant in performing the cleanup or remediation;

(4) Moneys received by the applicant in any form for use in performing the cleanup or remediation;

(5) Loans secured by the applicant for the purpose of the cleanup or remediation of the brownfield.

Costs that were incurred more than two years prior to the submission of an application to the clean Ohio council for the acquisition of property, assessments, and labor and materials shall not be used as part of the applicant's matching share.

(C) The department of development shall not make any payment to an applicant from the clean Ohio revitalization fund to pay costs of the applicant that were not included in an application for a grant or loan under section 122.653 of the Revised Code or that exceed the amount of the estimated total cost of the project included in the application. If, upon completion of a project, the costs of the project are less than the amounts included in the application, the amounts included in the application less the amounts of the actual costs of the project shall be credited to the clean Ohio revitalization fund. However, the amounts credited shall be equivalent in percentage to the percentage of the costs of the project that were to be funded by the grant or loan from the fund.

(D) Grants awarded or loans made under section 122.653 of the Revised Code from the clean Ohio revitalization fund shall be used by an applicant only to pay the costs of the actual cleanup or remediation of a brownfield and shall not be used by an applicant to pay any administrative costs incurred by the applicant. Costs related to the use of a certified professional for purposes of section 122.654 of the Revised Code are not administrative costs and may be paid with moneys from grants awarded or loans made under section 122.653 of the Revised Code.

(E) The portion of net proceeds of obligations devoted under division (A) of this section for the purposes of section 122.656 of the Revised Code shall be used to make grants for assessments, cleanup or remediation of brownfields, and public health projects that have been approved by the director of development under that section. The department of development shall administer section 122.656 of the Revised Code in accordance with this section, policies and requirements established under section 122.657 of the Revised Code, and the terms of agreements entered into by the director under section 122.656 of the Revised Code. The director shall not grant more than twenty-five million dollars for public health projects under section 122.656 of the Revised Code.

(F) Grants awarded under section 122.656 of the Revised Code shall be used by an applicant only to pay the costs of actually conducting an assessment, a cleanup or remediation of a brownfield, or a public health project and shall not be used by an applicant to pay any administrative costs incurred by the applicant. Costs related to the use of a certified professional for purposes of section 122.654 of the Revised Code are not administrative costs and may be paid with moneys from grants awarded under section 122.656 of the Revised Code.

(G)(1) The clean Ohio revitalization revolving loan fund is hereby created in the state treasury. Payments of principal and interest on loans made from the clean Ohio revitalization fund shall be credited to this revolving loan fund, as shall payments of principal and interest on loans made from the revolving loan fund itself. The revolving loan fund's investment earnings shall be credited to it.

(2) The clean Ohio revitalization revolving loan fund shall be used to make loans for the same purposes and subject to the same policies, requirements, criteria, and application procedures as loans made from the clean Ohio revitalization fund.

Sec. 151.01. (A) As used in sections 151.01 to 151.09 and 151.40 of the Revised Code and in the applicable bond proceedings unless otherwise provided:

(1) "Bond proceedings" means the resolutions, orders, agreements, and credit enhancement facilities, and amendments and supplements to them, or any one or more or combination of them, authorizing, awarding, or providing for the terms and conditions applicable to or providing for the security or liquidity of, the particular obligations, and the provisions contained in those obligations.

(2) "Bond service fund" means the respective bond service fund created by section 151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, or 151.40 of the Revised Code, and any accounts in that fund, including all moneys and investments, and earnings from investments, credited and to be credited to that fund and accounts as and to the extent provided in the applicable bond proceedings.

(3) "Capital facilities" means capital facilities or projects as referred to in section 151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, or 151.40 of the Revised Code.

(4) "Costs of capital facilities" means the costs of acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, improving, equipping, or furnishing capital facilities, and of the financing of those costs. "Costs of capital facilities" includes, without limitation, and in addition to costs referred to in section 151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, or 151.40 of the Revised Code, the cost of clearance and preparation of the site and of any land to be used in connection with capital facilities, the cost of any indemnity and surety bonds and premiums on insurance, all related direct administrative expenses and allocable portions of direct costs of the issuing authority, costs of engineering and architectural services, designs, plans, specifications, surveys, and estimates of cost, financing costs, interest on obligations from their date to the time when interest is to be paid from sources other than proceeds of obligations, amounts necessary to establish any reserves as required by the bond proceedings, the reimbursement of all moneys advanced or applied by or borrowed from any person or governmental agency or entity for the payment of any item of costs of capital facilities, and all other expenses necessary or incident to planning or determining feasibility or practicability with respect to capital facilities, and such other expenses as may be necessary or incident to the acquisition, construction, reconstruction, rehabilitation, remodeling, renovation, enlargement, improvement, equipment, and furnishing of capital facilities, the financing of those costs, and the placing of the capital facilities in use and operation, including any one, part of, or combination of those classes of costs and expenses.

(5) "Credit enhancement facilities," "financing costs," and "interest" or "interest equivalent" have the same meanings as in section 133.01 of the Revised Code.

(6) "Debt service" means principal, including any mandatory sinking fund or redemption requirements for retirement of obligations, interest and other accreted amounts, interest equivalent, and any redemption premium, payable on obligations. If not prohibited by the applicable bond proceedings, debt service includes costs relating to credit enhancement facilities that are related to and represent, or are intended to provide a source of payment of or limitation on, other debt service.

(7) "Issuing authority" means the Ohio public facilities commission created in section 151.02 of the Revised Code for obligations issued under section 151.03, 151.04, 151.05, 151.07, or 151.09 of the Revised Code, or the treasurer of state, or the officer who by law performs the functions of that office, for obligations issued under section 151.06, 151.08, or 151.40 of the Revised Code.

(8) "Net proceeds" means amounts received from the sale of obligations, excluding amounts used to refund or retire outstanding obligations, amounts required to be deposited into special funds pursuant to the applicable bond proceedings, and amounts to be used to pay financing costs.

(9) "Obligations" means bonds, notes, or other evidences of obligation of the state, including any appertaining interest coupons, issued pursuant to sections 151.01 to 151.09 or 151.40 of the Revised Code.

(10) "Principal amount" means the aggregate of the amount as stated or provided for in the applicable bond proceedings as the amount on which interest or interest equivalent on particular obligations is initially calculated. Principal amount does not include any premium paid to the state by the initial purchaser of the obligations. "Principal amount" of a capital appreciation bond, as defined in division (C) of section 3334.01 of the Revised Code, means its face amount, and "principal amount" of a zero coupon bond, as defined in division (J) of section 3334.01 of the Revised Code, means the discounted offering price at which the bond is initially sold to the public, disregarding any purchase price discount to the original purchaser, if provided for pursuant to the bond proceedings.

(11) "Special funds" or "funds," unless the context indicates otherwise, means the bond service fund, and any other funds, including any reserve funds, created under the bond proceedings and stated to be special funds in those proceedings, including moneys and investments, and earnings from investments, credited and to be credited to the particular fund. Special funds do not include the school building program assistance fund created by

section 3318.25 of the Revised Code, the higher education improvement fund created by division (F) of section 154.21 of the Revised Code, the highway capital improvement bond fund created by section 5528.53 of the Revised Code, the state parks and natural resources fund created by section 1557.02 of the Revised Code, the coal research and development fund created by section 1555.15 of the Revised Code, the clean Ohio conservation fund created by section 164.27 of the Revised Code, the clean Ohio revitalization fund created by section 122.658 of the Revised Code, or other funds created by the bond proceedings that are not stated by those proceedings to be special funds.

(B) Subject to Section 2l, 2m, 2n, 2o, or 15, and Section 17, of Article VIII, Ohio Constitution, the state, by the issuing authority, is authorized to issue and sell, as provided in sections 151.03 to 151.09 or 151.40 of the Revised Code, and in respective aggregate principal amounts as from time to time provided or authorized by the general assembly, general obligations of this state for the purpose of paying costs of capital facilities or projects identified by or pursuant to general assembly action.

(C) Each issue of obligations shall be authorized by resolution or order of the issuing authority. The bond proceedings shall provide for or authorize the manner for determining the principal amount or maximum principal amount of obligations of an issue, the principal maturity or maturities, the interest rate or rates, the date of and the dates of payment of interest on the obligations, their denominations, and the place or places of payment of debt service which may be within or outside the state. Unless otherwise provided by law, the latest principal maturity may not be later than the earlier of the thirty-first day of December of the twenty-fifth calendar year after the year of issuance of the particular obligations or of the twenty-fifth calendar year after the year in which the original obligation to pay was issued or entered into. Sections 9.96, 9.98, 9.981, 9.982, and 9.983 of the Revised Code apply to obligations. The purpose of the obligations may be stated in the bond proceedings in general terms, such as, as applicable, "financing or assisting in the financing of projects as provided in Section 2l of Article VIII, Ohio Constitution," "financing or assisting in the financing of highway capital improvement projects as provided in Section 2m of Article VIII, Ohio Constitution," "paying costs of capital facilities for a system of common schools throughout the state as authorized by Section 2n of Article VIII, Ohio Constitution," "paying costs of capital facilities for state-supported and state-assisted institutions of higher education as authorized by Section 2n of Article VIII, Ohio Constitution," "paying costs of coal research and development as authorized by Section 15 of Article VIII, Ohio

," "financing or assisting in the financing of local subdivision capital improvement projects as authorized by Section 2m of Article VIII, Ohio Constitution," "paying costs of conservation projects as authorized by Section 2o of Article VIII, Ohio Constitution," or "paying costs of revitalization projects as authorized by Section 2o of Article VIII, Ohio Constitution."

(D) The issuing authority may appoint or provide for the appointment of paying agents, bond registrars, securities depositories, clearing corporations, and transfer agents, and may without need for any other approval retain or contract for the services of underwriters, investment bankers, financial advisers, accounting experts, marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the judgment of the issuing authority to carry out the issuing authority's functions under this chapter. When the issuing authority is the Ohio public facilities commission, the issuing authority also may without need for any other approval retain or contract for the services of attorneys and other professionals for that purpose. Financing costs are payable, as may be provided in the bond proceedings, from the proceeds of the obligations, from special funds, or from other moneys available for the purpose.

(E) The bond proceedings may contain additional provisions customary or appropriate to the financing or to the obligations or to particular obligations including, but not limited to, provisions for:

(1) The redemption of obligations prior to maturity at the option of the state or of the holder or upon the occurrence of certain conditions, and at particular price or prices and under particular terms and conditions;

(2) The form of and other terms of the obligations;

(3) The establishment, deposit, investment, and application of special funds, and the safeguarding of moneys on hand or on deposit, in lieu of the applicability of provisions of Chapter 131. or 135. of the Revised Code, but subject to any special provisions of sections 151.01 to 151.09 or 151.40 of the Revised Code with respect to the application of particular funds or moneys. Any financial institution that acts as a depository of any moneys in special funds or other funds under the bond proceedings may furnish indemnifying bonds or pledge securities as required by the issuing authority.

(4) Any or every provision of the bond proceedings being binding upon the issuing authority and upon such governmental agency or entity, officer, board, commission, authority, agency, department, institution, district, or other person or body as may from time to time be authorized to take actions as may be necessary to perform all or any part of the duty required by the

provision;

(5) The maintenance of each pledge or instrument comprising part of the bond proceedings until the state has fully paid or provided for the payment of the debt service on the obligations or met other stated conditions;

(6) In the event of default in any payments required to be made by the bond proceedings, or by any other agreement of the issuing authority made as part of a contract under which the obligations were issued or secured, including a credit enhancement facility, the enforcement of those payments by mandamus, a suit in equity, an action at law, or any combination of those remedial actions;

(7) The rights and remedies of the holders or owners of obligations or of book-entry interests in them, and of third parties under any credit enhancement facility, and provisions for protecting and enforcing those rights and remedies, including limitations on rights of individual holders or owners;

(8) The replacement of mutilated, destroyed, lost, or stolen obligations;

(9) The funding, refunding, or advance refunding, or other provision for payment, of obligations that will then no longer be outstanding for purposes of this section or of the applicable bond proceedings;

(10) Amendment of the bond proceedings;

(11) Any other or additional agreements with the owners of obligations, and such other provisions as the issuing authority determines, including limitations, conditions, or qualifications, relating to any of the foregoing.

(F) The great seal of the state or a facsimile of it may be affixed to or printed on the obligations. The obligations requiring execution by or for the issuing authority shall be signed as provided in the bond proceedings. Any obligations may be signed by the individual who on the date of execution is the authorized signer although on the date of these obligations that individual is not an authorized signer. In case the individual whose signature or facsimile signature appears on any obligation ceases to be an authorized signer before delivery of the obligation, that signature or facsimile is nevertheless valid and sufficient for all purposes as if that individual had remained the authorized signer until delivery.

(G) Obligations are investment securities under Chapter 1308. of the Revised Code. Obligations may be issued in bearer or in registered form, registrable as to principal alone or as to both principal and interest, or both, or in certificated or uncertificated form, as the issuing authority determines. Provision may be made for the exchange, conversion, or transfer of obligations and for reasonable charges for registration, exchange, conversion, and transfer. Pending preparation of final obligations, the

issuing authority may provide for the issuance of interim instruments to be exchanged for the final obligations.

(H) Obligations may be sold at public sale or at private sale, in such manner, and at such price at, above or below par, all as determined by and provided by the issuing authority in the bond proceedings.

(I) Except to the extent that rights are restricted by the bond proceedings, any owner of obligations or provider of a credit enhancement facility may by any suitable form of legal proceedings protect and enforce any rights relating to obligations or that facility under the laws of this state or granted by the bond proceedings. Those rights include the right to compel the performance of all applicable duties of the issuing authority and the state. Each duty of the issuing authority and that authority's officers, staff, and employees, and of each state entity or agency, or using district or using institution, and its officers, members, staff, or employees, undertaken pursuant to the bond proceedings, is hereby established as a duty of the entity or individual having authority to perform that duty, specifically enjoined by law and resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code. The individuals who are from time to time the issuing authority, members or officers of the issuing authority, or those members' designees acting pursuant to section 154.02 of the Revised Code, or the issuing authority's officers, staff, or employees, are not liable in their personal capacities on any obligations or otherwise under the bond proceedings.

(J)(1) Subject to Section 2l, 2m, 2n, 2o, or 15, and Section 17, of Article VIII, Ohio Constitution and sections 151.01 to 151.09 or 151.40 of the Revised Code, the issuing authority may, in addition to the authority referred to in division (B) of this section, authorize and provide for the issuance of:

(a) Obligations in the form of bond anticipation notes, and may provide for the renewal of those notes from time to time by the issuance of new notes. The holders of notes or appertaining interest coupons have the right to have debt service on those notes paid solely from the moneys and special funds that are or may be pledged to that payment, including the proceeds of bonds or renewal notes or both, as the issuing authority provides in the bond proceedings authorizing the notes. Notes may be additionally secured by covenants of the issuing authority to the effect that the issuing authority and the state will do all things necessary for the issuance of bonds or renewal notes in such principal amount and upon such terms as may be necessary to provide moneys to pay when due the debt service on the notes, and apply their proceeds to the extent necessary, to make full and timely payment of

debt service on the notes as provided in the applicable bond proceedings. In the bond proceedings authorizing the issuance of bond anticipation notes the issuing authority shall set forth for the bonds anticipated an estimated schedule of annual principal payments the latest of which shall be no later than provided in division (C) of this section. While the notes are outstanding there shall be deposited, as shall be provided in the bond proceedings for those notes, from the sources authorized for payment of debt service on the bonds, amounts sufficient to pay the principal of the bonds anticipated as set forth in that estimated schedule during the time the notes are outstanding, which amounts shall be used solely to pay the principal of those notes or of the bonds anticipated.

(b) Obligations for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of any obligations previously issued. Refunding obligations may be issued in amounts sufficient to pay or to provide for repayment of the principal amount, including principal amounts maturing prior to the redemption of the remaining prior obligations, any redemption premium, and interest accrued or to accrue to the maturity or redemption date or dates, payable on the prior obligations, and related financing costs and any expenses incurred or to be incurred in connection with that issuance and refunding. Subject to the applicable bond proceedings, the portion of the proceeds of the sale of refunding obligations issued under division (J)(1)(b) of this section to be applied to debt service on the prior obligations shall be credited to an appropriate separate account in the bond service fund and held in trust for the purpose by the issuing authority or by a corporate trustee. Obligations authorized under this division shall be considered to be issued for those purposes for which the prior obligations were issued.

(2) Except as otherwise provided in sections 151.01 to 151.09 or 151.40 of the Revised Code, bonds or notes authorized pursuant to division (J) of this section are subject to the provisions of those sections pertaining to obligations generally.

(3) The principal amount of refunding or renewal obligations issued pursuant to division (J) of this section shall be in addition to the amount authorized by the general assembly as referred to in division (B) of the following sections: section 151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, or 151.40 of the Revised Code.

(K) Obligations are lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and

bond retirement or other special funds of the state and political subdivisions and taxing districts of this state, the sinking fund, the administrator of workers' compensation subject to the approval of the workers' compensation board, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant to those provisions by any state agency with respect to investments by them, and are also acceptable as security for the repayment of the deposit of public moneys. The exemptions from taxation in Ohio as provided for in particular sections of the Ohio Constitution and section 5709.76 of the Revised Code apply to the obligations.

(L)(1) Unless otherwise provided or provided for in any applicable bond proceedings, moneys to the credit of or in a special fund shall be disbursed on the order of the issuing authority. No such order is required for the payment, from the bond service fund or other special fund, when due of debt service or required payments under credit enhancement facilities.

(2) Payments received by the state under interest rate hedges entered into as credit enhancement facilities under this chapter shall be deposited to the credit of the bond service fund for the obligations to which those credit enhancement facilities relate.

(M) The full faith and credit, revenue, and taxing power of the state are and shall be pledged to the timely payment of debt service on outstanding obligations as it comes due, all in accordance with Section 2l, 2m, 2n, 2o, or 15 of Article VIII, Ohio Constitution, and section 151.03, 151.04, 151.05, 151.06, 151.07, 151.08, or 151.09 of the Revised Code. Moneys referred to in Section 5a of Article XII, Ohio Constitution, may not be pledged or used for the payment of debt service except on obligations referred to in section 151.06 of the Revised Code. The state covenants, and that covenant shall be controlling notwithstanding any other provision of law, that the state and the applicable officers and agencies of the state, including the general assembly, shall, so long as any obligations are outstanding in accordance with their terms, maintain statutory authority for and cause to be levied, collected and applied sufficient pledged excises, taxes, and revenues of the state so that the revenues shall be sufficient in amounts to pay debt service when due, to establish and maintain any reserves and other requirements, and to pay financing costs, including costs of or relating to credit enhancement facilities, all as provided for in the bond proceedings. Those excises, taxes, and revenues are and shall be deemed to be levied and collected, in addition to the purposes otherwise provided for by law, to provide for the payment of debt service and financing costs in accordance with sections 151.01 to

~~151.08~~ 151.09 of the Revised Code and the bond proceedings.

(N) The general assembly may from time to time repeal or reduce any excise, tax, or other source of revenue pledged to the payment of the debt service pursuant to Section 2l, 2m, 2n, 2o, or 15 of Article VIII, Ohio Constitution, and sections 151.01 to 151.09 or 151.40 of the Revised Code, and may levy, collect and apply any new or increased excise, tax, or revenue to meet the pledge, to the payment of debt service on outstanding obligations, of the state's full faith and credit, revenue and taxing power, or of designated revenues and receipts, except fees, excises or taxes referred to in Section 5a of Article XII, Ohio Constitution, for other than obligations referred to in section 151.06 of the Revised Code and except net state lottery proceeds for other than obligations referred to in section 151.03 of the Revised Code. Nothing in division (N) of this section authorizes any impairment of the obligation of this state to levy and collect sufficient excises, taxes, and revenues to pay debt service on obligations outstanding in accordance with their terms.

(O) Each bond service fund is a trust fund and is hereby pledged to the payment of debt service on the applicable obligations. Payment of that debt service shall be made or provided for by the issuing authority in accordance with the bond proceedings without necessity for any act of appropriation. The bond proceedings may provide for the establishment of separate accounts in the bond service fund and for the application of those accounts only to debt service on specific obligations, and for other accounts in the bond service fund within the general purposes of that fund.

(P) Subject to the bond proceedings pertaining to any obligations then outstanding in accordance with their terms, the issuing authority may in the bond proceedings pledge all, or such portion as the issuing authority determines, of the moneys in the bond service fund to the payment of debt service on particular obligations, and for the establishment and maintenance of any reserves for payment of particular debt service.

(Q) ~~For obligations issued pursuant to sections 151.01 to 151.09 of the Revised Code, the~~ The issuing authority shall by the fifteenth day of ~~the~~ July of each fiscal year, certify or cause to be certified to the office of budget and management the total amount of moneys required during the current fiscal year to meet in full all debt service on the respective obligations and any related financing costs payable from the applicable bond service fund and not from the proceeds of refunding or renewal obligations. The issuing authority shall make or cause to be made supplemental certifications to the office of budget and management for each debt service payment date and at such other times during each fiscal year as may be provided in the bond

proceedings or requested by that office. Debt service, costs of credit enhancement facilities, and other financing costs shall be set forth separately in each certification. If and so long as the moneys to the credit of the bond service fund, together with any other moneys available for the purpose, are insufficient to meet in full all payments when due of the amount required as stated in the certificate or otherwise, the office of budget and management shall at the times as provided in the bond proceedings, and consistent with any particular provisions in sections 151.03 to 151.09 and 151.40 of the Revised Code, transfer a sufficient amount to the bond service fund from the pledged revenues in the case of obligations issued pursuant to section 151.40 of the Revised Code, and in the case of other obligations from the revenues derived from excises, taxes, and other revenues, including net state lottery proceeds in the case of obligations referred to in section 151.03 of the Revised Code.

(R) Unless otherwise provided in any applicable bond proceedings, moneys to the credit of special funds may be invested by or on behalf of the state only in one or more of the following:

(1) Notes, bond, or other direct obligations of the United States or of any agency or instrumentality of the United States, or in no-front-end-load money market mutual funds consisting exclusively of those obligations, or in repurchase agreements, including those issued by any fiduciary, secured by those obligations, or in collective investment funds consisting exclusively of those obligations;

(2) Obligations of this state or any political subdivision of this state;

(3) Certificates of deposit of any national bank located in this state and any bank, as defined in section 1101.01 of the Revised Code, subject to inspection by the superintendent of financial institutions;

(4) The treasurer of state's pooled investment program under section 135.45 of the Revised Code.

The income from investments referred to in division (R) of this section shall, unless otherwise provided in sections 151.01 to 151.09 or 151.40 of the Revised Code, be credited to special funds or otherwise as the issuing authority determines in the bond proceedings. Those investments may be sold or exchanged at times as the issuing authority determines, provides for, or authorizes.

(S) The treasurer of state shall have responsibility for keeping records, making reports, and making payments, relating to any arbitrage rebate requirements under the applicable bond proceedings.

Sec. 164.22. Natural resources assistance councils shall review and approve or disapprove applications in accordance with sections 164.20 to

164.27 of the Revised Code for grants for projects that propose to do either of the following:

(A) Provide for open space acquisition and related development of those open spaces, including the ~~acquisition~~ acquisition of easements. Open space acquisition projects include acquisition of land or rights in land for parks, forests, wetlands, natural areas that protect an endangered plant or animal population, other natural areas, and connecting corridors for natural areas. Related development projects include projects for the construction or enhancement of facilities that are necessary to make an open space area accessible and useable by the general public. Projects proposed pursuant to division (A) of this section shall emphasize the following:

(1) The support of comprehensive open space planning and incorporation of aesthetically pleasing and ecologically informed design;

(2) The enhancement of economic development that relies on recreation and ecotourism in areas with relatively high unemployment and lower incomes;

(3) The protection of habitat for rare, threatened, and endangered species or the preservation of high quality, viable habitat for plant and animal species;

(4) The preservation of existing high quality wetlands or other scarce natural resources within the geographical jurisdiction of the council;

~~(5) The inclusion of pedestrian or bicycle linkages to other open space preserves and population centers;~~

~~(6)~~ The enhancement of educational opportunities and provision of physical links to schools and after-school centers;

~~(7)~~(6) The preservation or restoration of water quality, natural stream channels, functioning floodplains, wetlands, streamside forests, and other natural features that contribute to the quality of life in this state and to the state's natural heritage. Projects shall not include hydromodification projects such as dams, dredging, sedimentation, and bank clearing and shall not accelerate untreated water runoff or encourage invasive nonnative species.

~~(8)~~(7) The reduction or elimination of nonnative, invasive species of plants or animals;

~~(9)~~(8) The proper management of areas where safe fishing, hunting, and trapping may take place in a manner that will preserve a balanced natural ecosystem.

(B) Protect and enhance riparian corridors or watersheds, including the protection and enhancement of streams, rivers, lakes, and other waters of the state. Such projects may include, without limitation, the reforestation of land or the planting of vegetation for filtration purposes; the fee simple

acquisition of lands for the purpose of providing access to riparian corridors or watersheds or for other purposes necessary for the protection and enhancement of riparian corridors or watersheds; and the acquisition of easements for the purpose of protecting and enhancing riparian corridors or watersheds. Projects proposed pursuant to division (B) of this section shall emphasize the following:

- (1) The increase of habitat protection;
- (2) Inclusion as part of a stream corridor-wide or watershed-wide plan;
- (3) The provision of multiple recreational, economic, and aesthetic preservation benefits;
- (4) The preservation or restoration of floodplain and streamside forest functions;
- (5) The preservation of headwater streams;
- (6) The restoration and preservation of aquatic biological communities.

Projects shall not initiate or perpetuate hydromodification projects such as dams, ditch development, or channelization.

Grant moneys may be used for preliminary costs related to projects that are eligible for funding under this section, including planning costs, design costs, engineering costs, costs of appraisals, environmental assessments, and archaeological surveys.

Sec. 164.23. (A) An entity seeking a grant for a project that is eligible for funding under section 164.22 of the Revised Code shall submit an application to the natural resources assistance council with geographical jurisdiction over the proposed project area. Entities that are eligible for funding are limited to local political subdivisions and nonprofit organizations. The director of the Ohio public works commission shall develop the form of the application and shall provide application forms to each council. The application shall require at least all of the following:

- (1) An identification of the local political subdivision or nonprofit organization that is responsible for the execution and completion of the proposed project;
- (2) A detailed description of the proposed project;
- (3) An identification of the areas that are proposed to be protected, restored, preserved, or constructed;
- (4) Detailed information concerning the practices and procedures that will be undertaken to complete the project;
- (5) A formal detailed estimate of the project's cost;
- (6) The amount and nature of the moneys or resources to be used as matching funds for the project. Matching funds shall constitute not less than twenty-five per cent of the total cost of the project and may consist of

contributions of money by any person, any local political subdivision, or the federal government or of contributions in-kind by such parties through the purchase or donation of equipment, land, easements, labor, or materials necessary to complete the project.

(7) An identification of any participation by state agencies that may have expertise regarding the particular project and that may provide assistance with respect to the project;

(8) Information concerning the coordination of the project among local political subdivisions, state agencies, federal agencies, community organizations, conservation organizations, and local business groups;

(9) Information about any coordination that the project will have with projects being undertaken under the jurisdiction of other natural resources assistance councils throughout the state under sections 164.20 to 164.27 of the Revised Code or with projects being undertaken under sections 122.65 to 122.658 of the Revised Code;

(10) Information about public participation in the planning and execution of the project;

(11) Information about whether the general public will be given access to the project area upon the completion of the project;

(12) A timetable for completion of the proposed project.

(B) In addition to the application required under division (A) of this section, an applicant for a grant for a project shall include with the application all of the following:

(1) Except as otherwise provided in division (C) of this section, a copy of a resolution supporting the project from each county in which the proposed project is to be conducted and whichever of the following is applicable:

(a) If the proposed project is to be conducted wholly within the geographical boundaries of one township, a copy of a resolution supporting the project from the township;

(b) If the proposed project is to be conducted wholly within the geographical boundaries of one municipal corporation, a copy of a resolution supporting the project from the municipal corporation;

(c) If the proposed project is to be conducted in more than one, but fewer than five townships or municipal corporations, a copy of a resolution supporting the project from at least one-half of the total number of townships and municipal corporations in which the proposed project is to be conducted;

(d) If the proposed project is to be conducted in five or more townships or municipal corporations, a copy of a resolution supporting the project from

at least three-fifths of the total number of townships and municipal corporations in which the proposed project is to be conducted.

However, if the applicant is a county and the proposed project is to be located wholly within the geographical boundaries of the county, the applicant shall not be required to include a copy of a resolution from any township or municipal corporation. If the applicant is a municipal corporation and the proposed project is to be located wholly within the geographical boundaries of the municipal corporation, the applicant shall not be required to include a copy of a resolution from the county in which it is located. If the applicant is a township and the proposed project is to be located wholly within the geographical boundaries of the township, the applicant shall not be required to include a copy of a resolution from the county in which it is located.

(2) Documentation that demonstrates that the applicant has the capacity, financial or otherwise, to complete the project for which the grant is sought and to provide any necessary ongoing maintenance of the project;

(3) Documentation that indicates compliance with division (A) of section 164.26 of the Revised Code related to the long-term ownership or control of the property that is the subject of the grant application.

~~(C)(4) Prior to submitting an application for a grant for a project under this section, an applicant that is a park district or other similar park authority shall submit a copy of the application to consult with the legislative authority of each county, township, and municipal corporation in which the proposed project will be located. Not later than twenty one days after receipt of the copy of the application, the legislative authority may adopt a resolution objecting to the proposed project.~~

~~If a legislative authority adopts a resolution by the end of the twenty one day period objecting to the proposed project, the legislative authority immediately shall send a copy of the resolution to the applicant and to the appropriate natural resources assistance council. If a legislative authority fails to adopt a resolution by the end of that period objecting to the proposed project, it shall be conclusively presumed that the legislative authority does not object to the proposed project.~~

~~(2) Except as otherwise provided in division (C)(3) of this section, if the applicant receives a copy of a resolution from any legislative authority objecting to the proposed project that was adopted by the end of the twenty one day period, the applicant shall not submit the application to the appropriate natural resources assistance council. If the applicant does not receive any such resolutions, the applicant may proceed to submit the application to the appropriate natural resources assistance council and shall~~

~~include with it an affidavit stating that the applicant notified all affected counties, townships, and municipal corporations as required under division (C)(1) of this section and that the applicant did not receive any timely resolutions objecting to the proposed project.~~

~~The affidavit required under division (C)(2) of this section is in lieu of the copies of resolutions required under division (B)(1) of this section.~~

~~If an applicant submits a false affidavit required under division (C)(2) of this section, the appropriate natural resources assistance council shall deny the application for a grant. If an applicant has received a grant at the time that a false affidavit is discovered, the applicant shall return all of the money awarded in the grant.~~

~~(3) If an applicant that is subject to division (C) of this section proposes a project that will be located in more than one county, township, or municipal corporation and receives a timely resolution objecting to the proposed project from at least one, but not all, of the legislative authorities of those counties, townships, and municipal corporations, the applicant may submit an application for, and be awarded a grant for, the portion of the proposed project that will be located in the counties, townships, and municipal corporations whose legislative authorities did not adopt resolutions objecting to the proposed project.~~

(D) Upon receipt of an application under division (A) of this section and the information required under division (B) of this section, a council may request additional information concerning the proposed project to which the application and information apply. Upon receiving such a request, the entity proposing the project shall provide the additional information requested.

Sec. 901.22. (A) The director of agriculture, in accordance with Chapter 119. of the Revised Code, shall adopt rules that do all of the following:

(1) Establish procedures and eligibility criteria for making matching grants to municipal corporations, counties, townships, and charitable organizations described in division (B) of section 5301.69 of the Revised Code for the purchase of agricultural easements. With respect to agricultural easements that are purchased or proposed to be purchased with such matching grants that consist in whole or in part of moneys from the clean Ohio agricultural easement fund created in section 901.21 of the Revised Code, the rules shall establish all of the following:

- (a) Procedures for all of the following:
 - (i) Soliciting and accepting applications for matching grants;
 - (ii) Participation by local governments and by the public in the process of making matching grants to charitable organizations;
 - (iii) Notifying local governments, charitable organizations, and

organizations that represent the interests of farmers of the ranking system established in rules adopted under division (A)(1)(b) of this section.

(b) A ranking system for applications for the matching grants that is based on the soil type, proximity of the land or other land that is conducive to agriculture as defined by rules adopted under this section and that is the subject of an application to other agricultural land or other land that is conducive to agriculture as defined by rules adopted under this section and that is already or is in the process of becoming permanently protected from development, farm stewardship, development pressure, and, if applicable, a local comprehensive land use plan involved with a proposed agricultural easement. The rules shall require that preference be given to proposed agricultural easements that involve the greatest proportion of all of the following:

(i) Prime soils, unique or locally important soils, microclimates, or similar features;

(ii) Land that is adjacent to or that is in close proximity to other agricultural land or other land that is conducive to agriculture as defined by rules adopted under this section and that is already or is in the process of becoming permanently protected from development, by agricultural easement or otherwise, so that a buffer would exist between the land involving the proposed agricultural easement and areas that have been developed or likely will be developed for purposes other than agriculture;

(iii) The use of best management practices, including federally or state approved conservation plans, and a history of substantial compliance with applicable federal and state laws;

(iv) Development pressure that is imminent, but not a result of current location in the direct path of urban development;

(v) Areas identified for agricultural protection in local comprehensive land use plans.

(c) Any other criteria that the director determines are necessary for selecting applications for matching grants;

(d) Requirements regarding the information that must be included in the annual monitoring report that must be prepared for an agricultural easement under division (D)(2) of section 5301.691 of the Revised Code, procedures for submitting a copy of the report to the office of farmland preservation in the department of agriculture, and requirements and procedures governing corrective actions that may be necessary to enforce the terms of the agricultural easement.

(2) Establish provisions that shall be included in the instrument conveying to a municipal corporation, county, township, or charitable

rganization any agricultural easement purchased with matching grant funds provided by the director under this section, including, without limitation, all of the following provisions:

(a) A provision stating that an easement so purchased may be extinguished only if an unexpected change in the conditions of or surrounding the land that is subject to the easement makes impossible or impractical the continued use of the land for the purposes described in the easement, or if the requirements of the easement are extinguished by judicial proceedings;

(b) A provision requiring that, upon the sale, exchange, or involuntary conversion of the land subject to the easement, the holder of the easement shall be paid an amount of money that is at least equal to the proportionate value of the easement compared to the total value of the land at the time the easement was acquired;

(c) A provision requiring that, upon receipt of the portion of the proceeds of a sale, exchange, or involuntary conversion described in division (A)(2)(b) of this section, the municipal corporation, county, township, or charitable organization remit to the director an amount of money equal to the percentage of the cost of purchasing the easement it received as a matching grant under this section.

Moneys received by the director pursuant to rules adopted under division (A)(2)(c) of this section shall be credited to the agricultural easement purchase fund created in section 901.21 of the Revised Code.

(3) Establish a provision that provides a charitable organization described in division (B) of section 5301.69 of the Revised Code, municipal corporation, township, or county with the option of purchasing agricultural easements either in installments or with a lump sum payment. The rules shall include a requirement that a charitable organization, municipal corporation, township, or county negotiate with the seller of the agricultural easement concerning any installment payment terms, including the dates and amounts of payments and the interest rate on the outstanding balance. The rules also shall require the director to approve any method of payment that is undertaken in accordance with the rules adopted under division (A)(3) of this section.

(4) Establish any other requirements that the director considers to be necessary or appropriate to implement or administer a program to make matching grants under this section and monitor those grants.

(B) The director may develop guidelines regarding the acquisition of agricultural easements by the department of agriculture and the provisions of instruments conveying those easements. The director may make the

lines available to public and private entities authorized to acquire and hold agricultural easements.

(C) The director may provide technical assistance in developing a program for the acquisition and monitoring of agricultural easements to public and private entities authorized to hold agricultural easements. The technical assistance may include, without limitation, reviewing and providing advisory recommendations regarding draft instruments conveying agricultural easements.

(D) The director may make matching grants from the agricultural easement purchase fund and the clean Ohio agricultural easement fund to municipal corporations, counties, townships, and charitable organizations described in division (B) of section 5301.69 of the Revised Code, to assist those political subdivisions and charitable organizations in purchasing agricultural easements. Application for a matching grant shall be made on forms prescribed and provided by the director. The matching grants shall be made in compliance with the criteria and procedures established in rules adopted under this section. Instruments conveying agricultural easements purchased with matching grant funds provided under this section, at a minimum, shall include the mandatory provisions set forth in those rules.

Matching grants made under this division using moneys from the clean Ohio agricultural easement fund created in section 901.21 of the Revised Code may provide up to seventy-five per cent of the value of an agricultural easement as determined by a general real estate appraiser who is certified under Chapter 4763. of the Revised Code. Not less than twenty-five per cent of the value of the agricultural easement shall be provided by the recipient of the matching grant or donated by the person who is transferring the easement to the grant recipient. The amount of such a matching grant used for the purchase of a single agricultural easement shall not exceed one million dollars.

(E) For any agricultural easement purchased with a matching grant that consists in whole or in part of moneys from the clean Ohio agricultural easement fund, the director shall be named as a grantee on the instrument conveying the easement, as shall the municipal corporation, county, township, or charitable organization that receives the grant.

(F)(1) The director shall monitor and evaluate the effectiveness and efficiency of the agricultural easement program as a farmland preservation tool. On or before July 1, 1999, and the first day of July of each year thereafter, the director shall prepare and submit a report to the chairpersons of the standing committees of the senate and the house of representatives that consider legislation regarding agriculture. The report shall consider and

address the following criteria to determine the program's effectiveness:

- (a) The number of agricultural easements purchased during the preceding year;
- (b) The location of those easements;
- (c) The number of acres of land preserved for agricultural use;
- (d) The amount of money used by a municipal corporation, township, or county from its general fund or special fund to purchase the agricultural easements;
- (e) The number of state matching grants given to purchase the agricultural easements;
- (f) The amount of state matching grant moneys used to purchase the agricultural easements.

(2) The report also shall consider and include, at a minimum, the following information for each county to determine the program's efficiency:

- (a) The total number of acres in the county;
- (b) The total number of acres in current agricultural use;
- (c) The total number of acres preserved for agricultural use in the preceding year;
- (d) The average cost, per acre, of land preserved for agricultural use in the preceding year.

Sec. 5301.691. (A)(1) Subject to divisions (A)(2) and (E) of this section, the director of agriculture, with moneys credited to the agricultural easement purchase fund created in section 901.21 of the Revised Code, may purchase agricultural easements in the name of the state.

(2) Not less than thirty days prior to the acquisition of an agricultural easement under division (A)(1) of this section or the extinguishment of such an easement purchased under that division, the director shall provide written notice of the intention to do so to the board of county commissioners of the county in which the land that is or is proposed to be subject to the easement or extinguishment is located, and either to the legislative authority of the municipal corporation in which the land is located, if it is located in an incorporated area, or to the board of township trustees of the township in which the land is located, if it is located in an unincorporated area. If, within thirty days after the director provides the notice, the board of county commissioners, legislative authority, or board of township trustees requests an informational meeting with the director regarding the proposed acquisition or extinguishment, the director shall meet with the legislative authority or board to respond to the board's or authority's questions and concerns. If a meeting is timely requested under division (A)(2) of this

section, the director shall not undertake the proposed acquisition or extinguishment until after the meeting has been concluded.

The director, upon the director's own initiative and prior to the purchase of an agricultural easement under division (A)(1) of this section or the extinguishment of such an easement, may hold an informational meeting with the board of county commissioners and the legislative authority of the municipal corporation or board of township trustees in which land that would be affected by the proposed acquisition or extinguishment is located, to respond to any questions and concerns of the board or authority regarding the proposed acquisition or extinguishment.

(B)(1) Subject to division (E) of this section, the legislative authority of a municipal corporation, board of county commissioners of a county, or board of trustees of a township, with moneys in the political subdivision's general fund not required by law or charter to be used for other specified purposes or with moneys in a special fund of the political subdivision to be used for the purchase of agricultural easements, may purchase agricultural easements in the name of the municipal corporation, county, or township.

(2) Subject to division (E) of this section, the legislative authority of a municipal corporation, board of county commissioners of a county, or board of township trustees of a township may acquire agricultural easements by gift, devise, or bequest. Any terms may be included in an agricultural easement so acquired that are necessary or appropriate to preserve on behalf of the grantor of the easement the favorable tax consequences of the gift, devise, or bequest under the "Internal Revenue Act of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.

(C)(1) The term of an agricultural easement purchased wholly or in part with money from the agricultural easement purchase fund shall be perpetual and shall run with the land.

(2) The term of an agricultural easement purchased by such a legislative authority or board without the use of any money from the agricultural easement purchase fund may be perpetual or for a specified period. The agricultural easement shall run with the land. The instrument conveying an agricultural easement for a specified period shall include provisions specifying, at a minimum, all of the following:

(a) The consideration to be paid for the easement and manner of payment;

(b) Whether the easement is renewable and, if so, procedures for its renewal;

(c) The circumstances under which the easement may be extinguished;

(d) The method for determining the amount of money, if any, due the

holder of the easement upon extinguishment and for payment of that amount to the holder.

(D)(1) The director and each legislative authority of a municipal corporation, board of county commissioners, or board of township trustees, upon acquiring an agricultural easement by purchase, gift, devise, or bequest under this section or section 901.21 of the Revised Code, shall name an appropriate administrative officer, department, or division to supervise and enforce the easement. A legislative authority or board may enter into a contract with the board of park commissioners of a park district established under Chapter 1545. of the Revised Code, the board of park commissioners of a township park district established under section 511.18 of the Revised Code, or the board of supervisors of a soil and water conservation district established under Chapter 1515. of the Revised Code having territorial jurisdiction within the municipal corporation, county, or township, or with a charitable organization described in division (B) of section 5301.69 of the Revised Code, to supervise on behalf of the legislative authority or board an agricultural easement so acquired. The contract may be entered into on such terms as are agreeable to the parties and shall specify or prescribe a method for determining the amounts of any payments to be made by the legislative authority or board of county commissioners or township trustees for the performance of the contract.

(2) With respect to an agricultural easement purchased with a matching grant that is made under division (D) of section 901.22 of the Revised Code and that consists in whole or in part of moneys from the clean Ohio agricultural easement fund created in section 901.21 of the Revised Code, the recipient of the matching grant shall make an annual monitoring visit to the land that is the subject of the easement. The purpose of the visit is to ensure that no development that is prohibited by the terms of the easement has occurred or is occurring. In accordance with rules adopted under division (A)(1)(d) of section 901.22 of the Revised Code, the grant recipient shall prepare a written annual monitoring report and submit it to the office of farmland preservation in the department of agriculture. If necessary to enforce the terms of the easement, the grant recipient shall take corrective action in accordance with those rules. The director may agree to share these monitoring and enforcement responsibilities with the grant recipient.

(E) The director; a municipal corporation, county, or township; or a charitable organization described in division (B) of section 5301.69 of the Revised Code, may acquire agricultural easements by purchase, gift, devise, or bequest only on land that is valued for purposes of real property taxation at its current value for agricultural use under section 5713.31 of the Revised

Code or that constitutes a homestead when the easement is granted.

(F) An agricultural easement acquired by the director under division (A) of this section may be extinguished if an unexpected change in the conditions of or surrounding the land that is subject to the easement makes impossible or impractical the continued use of the land for the purposes described in the agricultural easement, or if the requirements of the easement are extinguished by judicial proceedings. Upon the sale, exchange, or involuntary conversion of the land subject to the easement, the director shall be paid an amount of money that is at least equal to the proportionate value of the easement compared to the total value of the land at the time the easement was acquired. Moneys so received shall be credited to the agricultural easement purchase fund.

An agricultural easement acquired by a municipal corporation, county, or township under division (B) of this section may be extinguished under the circumstances prescribed, and in accordance with the terms and conditions set forth, in the instrument conveying the agricultural easement. An agricultural easement acquired by a charitable organization described in division (B) of section 5301.69 of the Revised Code may be extinguished under the circumstances prescribed, and in accordance with the terms and conditions set forth, in the instrument conveying the agricultural easement.

Any instrument extinguishing an agricultural easement shall be executed and recorded in the same manner as other instruments conveying or terminating interests in real property.

(G) Promptly after the recording and indexing of an instrument conveying an agricultural easement to any person or to a municipal corporation, county, or township or of an instrument extinguishing an agricultural easement held by any person or such a political subdivision, the county recorder shall mail, by regular mail, a photocopy of the instrument to the office of farmland preservation in the department of agriculture. The photocopy shall be accompanied by an invoice for the applicable fee established in section 317.32 of the Revised Code. Promptly after receiving the photocopy and invoice, the office of farmland preservation shall remit the fee to the county recorder.

(H) The director, the legislative authority of a municipal corporation, a board of county commissioners, or a board of township trustees may receive and expend grants from any public or private source for the purpose of purchasing agricultural easements and supervising and enforcing them.

SECTION 2. That existing sections 122.651, 122.657, 122.658, 151.01, 164.22, 164.23, 901.22, and 5301.691 of the Revised Code are hereby

repealed.

SECTION 3. That Sections 4, 6, and 7 of Am. Sub. H.B. 3 of the 124th General Assembly be amended to read as follows:

" Sec. 4. All items in this section are hereby appropriated as designated out of any moneys in the state treasury to the credit of the Clean Ohio Conservation Fund (Fund 056). The appropriations made in ~~this act~~ Am. Sub. H.B. 3 of the 124th General Assembly are in addition to any other capital appropriations made for the 2000-2002 biennium.

PWC PUBLIC WORKS COMMISSION

Clean Ohio Conservation Fund

056	CAP-152	Clean Ohio Conservation	\$	37,500,000
TOTAL 056 Clean Ohio Conservation Fund			\$	37,500,000
TOTAL ALL BUDGET FUND GROUPS			\$	37,500,000

CLEAN OHIO CONSERVATION

The foregoing appropriation item CAP-152, Clean Ohio Conservation, shall be used in accordance with sections 164.20 to 164.27 of the Revised Code. The Director of the Public Works Commission may certify to the Director of Budget and Management that a need exists to appropriate investment earnings to be used in accordance with sections 164.20 to 164.27 of the Revised Code. If the Director of Budget and Management determines pursuant to sections 164.12 and 164.27 of the Revised Code that investment earnings are available to support additional appropriations, such amounts are hereby appropriated.

Within the limits set forth in ~~this act~~ Am. Sub. H.B. 3 of the 124th General Assembly, the Director of Budget and Management shall establish accounts indicating source and amount of funds for each appropriation made in ~~this act~~ Am. Sub. H.B. 3 of the 124th General Assembly, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from appropriations contained in ~~this act~~ Am. Sub. H.B. 3 of the 124th General Assembly shall be accounted for as though made in Am. Sub. H.B. 640 of the 123rd General Assembly.

The appropriations made in ~~this act~~ Am. Sub. H.B. 3 of the 124th General Assembly are subject to all provisions of Am. Sub. H.B. 640 of the 123rd General Assembly that are general applicable to such appropriations.

Notwithstanding section 126.14 of the Revised Code, appropriations from the Clean Ohio Conservation Fund (Fund 056) to the Public Works Commission shall be released upon presentation of a request to release the funds, by the Public Works Commission, to the Director of Budget and Management.

Sec. 6. All items in this section are hereby appropriated as designated out of any moneys in the state treasury to the credit of the Clean Ohio Trail Fund (Fund ~~058~~ 061). The appropriations made in this act are in addition to any other capital appropriations made for the 2000-2002 biennium.

DNR DEPARTMENT OF NATURAL RESOURCES

Clean Ohio Trail Fund

058	CAP-014	Clean Ohio Trail	\$	6,250,000
<u>061</u>				
TOTAL 058 <u>061</u>		Clean Ohio Trail Fund	\$	6,250,000
TOTAL ALL BUDGET FUND GROUPS			\$	6,250,000

CLEAN OHIO TRAIL

The foregoing appropriation item CAP-014, Clean Ohio Trail, shall be used in accordance with section 1519.05 of the Revised Code. The Director of the Department of Natural Resources may certify to the Director of Budget and Management that a need exists to appropriate investment earnings to be used in accordance with section 1519.05 of the Revised Code. If the Director of Budget and Management determines pursuant to section 1519.05 of the Revised Code that investment earnings are available to support additional appropriations, such amounts are hereby appropriated.

Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from appropriations contained in this act shall be accounted for as though made in Am. Sub. H.B. 640 of the 123rd General Assembly.

The appropriations made in this act are subject to all provisions of Am. Sub. H.B. 640 of the 123rd General Assembly that are generally applicable to such appropriations.

Sec. 7. All items in this section are hereby appropriated as designated out of any moneys in the state treasury to the credit of the Clean Ohio Trail Fund (Fund ~~058~~ 061). For all appropriations made in this act, those in the first column are for fiscal year 2002 and those in the second column are for fiscal year 2003. The appropriations made in this act are in addition to any other appropriations made for the 2001-2003 biennium.

DNR DEPARTMENT OF NATURAL RESOURCES

Clean Ohio Trail Fund

058	725-405	Clean Ohio - Operating	\$	150,000	\$	155,000
<u>061</u>						
TOTAL 058 <u>061</u>		Clean Ohio Trail Fund	\$	150,000	\$	155,000
TOTAL ALL BUDGET FUND GROUPS			\$	150,000	\$	155,000

CLEAN OHIO - OPERATING

The foregoing appropriations item 725-405, Clean Ohio - Operating,

shall be used by the Ohio Department of Natural Resources in administering section 1519.05 of the Revised Code.

Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from appropriations contained in this act shall be accounted for as though made in Am. Sub. H.B. 94 of the 124th General Assembly.

The appropriations made in this act are subject to all provisions of Am. Sub. H.B. 94 of the 124th General Assembly that are generally applicable to such appropriations."

SECTION 4. That existing Sections 4, 6, and 7 of Am. Sub. H.B. 3 of the 124th General Assembly are hereby repealed.

SECTION 5. On the effective date of this section or as soon as possible thereafter, the Director of Budget and Management shall transfer \$9,812.73 in cash from the State Accounting Fund (Fund 105) to the Traffic Safety Fund (Fund 832). The transfer will reimburse the Traffic Safety Fund for cash intercepted by the Internal Revenue Service for an assessment unrelated to the Traffic Safety Fund or the Department of Public Safety.

SECTION 6. Notwithstanding any other provision of law to the contrary, not later than June 30, 2002, the Director of Budget and Management shall transfer up to \$3,000,000 in cash from General Revenue Fund appropriation item 035-407, Legislative Task Force on Redistricting, under the budget of the Legislative Service Commission to General Services Fund 106, appropriation item 055-612, General Reimbursement, under the budget of the Office of the Attorney General. The amount transferred is hereby appropriated.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the
____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____