

**As Reported by the House Finance and Appropriations
Committee**

**124th General Assembly
Regular Session
2001-2002**

Sub. H. B. No. 385

**REPRESENTATIVES Blasdel, Carey, Grendell, Faber, Gilb, Schmidt,
Widowfield, Evans, Webster, Barrett**

A B I L L

To amend sections 122.657, 122.658, 164.27, 901.22, 1
and 5301.691, to enact section 126.141 of the 2
Revised Code, and to amend Sections 6 and 7 of Am. 3
Sub. H.B. 3 of the 124th General Assembly to 4
specify that the release of appropriations to the 5
Public Works Commission for purposes of certain 6
projects involving natural resources and parks and 7
recreation does not require the approval of the 8
Controlling Board, to create a revolving loan fund 9
for repayments of loans made from the Clean Ohio 10
Revitalization Fund, to provide that the Department 11
of Agriculture is a coholder of and may share in 12
enforcing local Clean Ohio Agricultural Easement 13
Fund easements, and to provide that Clean Ohio 14
Conservation Fund money cannot be used for 15
recreational trails. 16

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

Section 1. That sections 122.657, 122.658, 164.27, 901.22, 17
and 5301.691 be amended and section 126.141 of the Revised Code be 18
enacted to read as follows: 19

Sec. 122.657. For the purposes of sections 122.65 to 122.658 20
of the Revised Code, the director of development shall establish 21
policies and requirements regarding all of the following: 22

(A) The form and content of applications for grants or loans 23
from the clean Ohio revitalization fund under section 122.652 of 24
the Revised Code. The policies and requirements shall require that 25
each application include, at a minimum, all of the following: 26

(1) The name, address, and telephone number of the applicant; 27

(2) The legal description of the property for which the grant 28
or loan is requested; 29

(3) A summary description of the hazardous substances or 30
petroleum present at the brownfield and a certified copy of the 31
results of an assessment; 32

(4) A detailed explanation of the proposed cleanup or 33
remediation of the brownfield, including an identification of the 34
applicable cleanup standards, and a detailed description of the 35
proposed use of the brownfield after completion of the cleanup or 36
remediation; 37

(5) An estimate of the total cost to clean up or remediate 38
the brownfield in order to comply with the applicable cleanup 39
standards. The total cost shall include the cost of employing a 40
certified professional under section 122.654 of the Revised Code. 41

(6) A detailed explanation of the portion of the estimated 42
total cost of the cleanup or remediation of the brownfield that 43
the applicant proposes to provide as required under sections 44
122.653 and 122.658 of the Revised Code and financial records 45
supporting the proposal; 46

(7) A certified copy of a resolution or ordinance approving 47
the project that the applicant shall obtain from the board of 48
township trustees of the township or the legislative authority of 49

the municipal corporation in which the property is located, 50
whichever is applicable; 51

(8) A description of the estimated economic benefit that will 52
result from a cleanup or remediation of the brownfield; 53

(9) An application summary for purposes of review by an 54
integrating committee or, if applicable, the executive committee 55
of an integrating committee under division (B) of section 122.652 56
of the Revised Code; 57

(10) With respect to applications for loans, information 58
demonstrating that the applicant will implement a financial 59
management plan that includes, without limitation, provisions for 60
the satisfactory repayment of the loan; 61

(11) Any other provisions that the director determines should 62
be included in an application. 63

(B) Procedures for conducting public meetings and providing 64
public notice under division (A) of section 122.652 of the Revised 65
Code; 66

(C) Criteria to be used by integrating committees or, if 67
required under division (C) of section 122.652 of the Revised 68
Code, executive committees of integrating committees when 69
prioritizing projects under division (B) of section 122.652 of the 70
Revised Code. The policies and requirements also shall establish 71
procedures that integrating committees or, if required under 72
division (C) of section 122.652 of the Revised Code, executive 73
committees of integrating committees shall use in applying the 74
criteria. 75

(D) A selection process that provides for the prioritization 76
of brownfield cleanup or remediation projects for which grant or 77
loan applications are submitted under section 122.652 of the 78
Revised Code. The policies and requirements shall require the 79
selection process to give priority to projects in which the 80

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

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project selection process that incorporates and emphasizes all of 112
the following factors: 113

(1) The potential environmental improvement that will result 114
from the cleanup or remediation; 115

(2) The ability of an applicant to access the property for 116
purposes of the cleanup or remediation; 117

(3) The name and qualifications of the cleanup or remediation 118
contractor; 119

(4) Any other factors that the director of development 120
considers appropriate. 121

The director of development may develop any other policies 122
and requirements that the director determines are necessary for 123
the administration of section 122.656 of the Revised Code. 124

(F) The development of a brownfield cleanup and remediation 125
oversight program to ensure compliance with sections 122.65 to 126
122.658 of the Revised Code and policies and requirements 127
established under this section. The policies and requirements 128
shall require the program to include, at a minimum, both of the 129
following: 130

(1) Procedures for the accounting of invoices and receipts 131
and any other documents that are necessary to demonstrate that a 132
cleanup or remediation was properly performed; 133

(2) Procedures that are necessary to provide a detailed 134
explanation of the status of the property five years after the 135
completed cleanup or remediation. 136

(G) A delineation of what constitutes administrative costs 137
for purposes of divisions (C) and (E) of section 122.658 of the 138
Revised Code; 139

(H) Procedures and requirements for making loans and loan 140
agreements that include at least all of the following: 141

(1) Not more than fifteen per cent of moneys annually 142
allocated to the clean Ohio revitalization fund shall be used for 143
loans. 144

(2) The loans shall be made at or below market rates of 145
interest, including, without limitation, interest-free loans. 146

(3) The recipient of a loan shall identify a source of 147
security and a source of repayment of the loan. 148

(4) All payments of principal and interest on a loan shall be 149
deposited in the state treasury and credited to the clean Ohio 150
revitalization revolving loan fund. 151

(5) The clean Ohio council may accept notes and other forms 152
of obligation to evidence indebtedness, accept mortgages, liens, 153
pledges, assignments, and other security interests to secure such 154
indebtedness, and take any actions that are considered by the 155
council to be appropriate to protect such security and safeguard 156
against losses, including, without limitation, foreclosure and 157
bidding on the purchase of property upon foreclosure or other 158
sale. 159

(I) Any other policies and requirements that the director 160
determines are necessary for the administration of sections 122.65 161
to 122.658 of the Revised Code. 162

Sec. 122.658. (A) The clean Ohio revitalization fund is 163
hereby created in the state treasury. The fund shall consist of 164
moneys credited to it pursuant to section 151.40 of the Revised 165
Code ~~and of payments of principal and interest on loans that are~~ 166
~~made from the fund in accordance with policies and requirements~~ 167
~~established under section 122.657 of the Revised Code.~~ Moneys in 168
the fund shall be used to make grants or loans for projects that 169
have been approved by the clean Ohio council in accordance with 170
section 122.653 of the Revised Code, except that the council 171

annually shall devote twenty per cent of the net proceeds of 172
obligations deposited in the clean Ohio revitalization fund for 173
the purposes of section 122.656 of the Revised Code. 174

Moneys in the clean Ohio revitalization fund may be used to 175
pay reasonable costs incurred by the department of development and 176
the environmental protection agency in administering sections 177
122.65 to 122.658 of the Revised Code. All investment earnings of 178
the fund shall be credited to the fund. For two years after ~~the~~ 179
~~effective date of this section~~ July 26, 2001, investment earnings 180
credited to the clean Ohio revitalization fund may be used to pay 181
costs incurred by the department of development and the 182
environmental protection agency pursuant to sections 122.65 to 183
122.658 of the Revised Code. 184

The department of development shall administer the clean Ohio 185
revitalization fund in accordance with this section, policies and 186
requirements established under section 122.657 of the Revised 187
Code, and the terms of agreements entered into by the council 188
under section 122.653 of the Revised Code. 189

(B) Grants awarded and loans made under section 122.653 of 190
the Revised Code shall provide not more than seventy-five per cent 191
of the estimated total cost of a project. A grant or loan to any 192
one project shall not exceed three million dollars. An applicant 193
shall provide at least twenty-five per cent of the estimated total 194
cost of a project. The applicant's share may consist of one or a 195
combination of any of the following: 196

(1) Payment of the cost of acquiring the property for the 197
purposes of sections 122.65 to 122.658 of the Revised Code; 198

(2) Payment of the reasonable cost of an assessment at the 199
property; 200

(3) The reasonable value, as determined by the council, of 201
labor and materials that will be contributed by the applicant in 202

performing the cleanup or remediation;	203
(4) Moneys received by the applicant in any form for use in performing the cleanup or remediation;	204 205
(5) Loans secured by the applicant for the purpose of the cleanup or remediation of the brownfield.	206 207
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.	208 209 210 211
(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.	212 213 214 215 216 217 218 219 220 221 222 223 224
(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.	225 226 227 228 229 230 231 232 233

(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. 266

Sec. 126.141. Notwithstanding section 126.14 of the Revised Code, appropriations from the clean Ohio conservation fund created in section 164.27 of the Revised Code to the public works commission for the purpose of projects that have been approved for grants under sections 164.20 to 164.27 of the Revised Code shall be released upon the presentation of a request to release the moneys that is made by the commission to the director of budget and management. Such a release does not require the approval of the controlling board. 267
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Sec. 164.27. (A) The clean Ohio conservation fund is hereby created in the state treasury. Seventy-five per cent of the net proceeds of obligations issued and sold by the issuing authority pursuant to sections 151.01 and 151.09 of the Revised Code shall be deposited into the fund. Investment earnings of the fund shall be credited to the fund. For two years after the effective date of this section, investment earnings credited to the fund may be used to pay costs incurred by the Ohio public works commission in administering sections 164.20 to 164.27 of the Revised Code. Moneys in the clean Ohio conservation fund shall be used to make grants to local political subdivisions and nonprofit organizations for projects that have been approved for grants under sections 164.20 to 164.27 of the Revised Code. 276
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The clean Ohio conservation fund shall be administered by the Ohio public works commission. 289
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(B) For the purpose of grants issued under sections 164.20 to 164.27 of the Revised Code, moneys shall be allocated on an annual basis from the clean Ohio conservation fund to districts represented by natural resources assistance councils as follows: 291
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(1) Each district shall receive an amount that is equal to 295

one-fourth of one per cent of the total annual amount allocated to 296
all districts each year for each county that is represented by the 297
district. 298

(2) The remaining moneys shall be allocated to each district 299
annually on a per capita basis. 300

(C) A grant that is awarded under sections 164.20 to 164.27 301
of the Revised Code may provide up to seventy-five per cent of the 302
estimated cost of a project. Matching funds from a grant recipient 303
may consist of contributions of money by any person, any local 304
political subdivision, or the federal government or of 305
contributions in-kind by such entities through the purchase or 306
donation of equipment, land, easements, interest in land, labor, 307
or materials necessary to complete the project. 308

(D) The director of the Ohio public works commission shall 309
notify the director of budget and management of the amounts 310
allocated pursuant to this section, and that information shall be 311
entered in the state accounting system. The director of budget and 312
management may establish appropriate line items or other 313
mechanisms that are needed to track the allocations. 314

(E) Grants awarded under sections 164.20 to 164.27 of the 315
Revised Code from the clean Ohio conservation fund shall be used 316
by a local political subdivision or nonprofit organization only to 317
pay the costs related to the purposes for which grants may be 318
issued under section 164.22 of the Revised Code and shall not be 319
used by a local political subdivision or nonprofit organization to 320
pay any administrative costs incurred by the local political 321
subdivision or nonprofit organization. 322

(F) No money from the clean Ohio conservation fund shall be 323
used for recreational trails, as the term "recreational trail" is 324
used in Chapter 1519. of the Revised Code. 325

Sec. 901.22. (A) The director of agriculture, in accordance 326
with Chapter 119. of the Revised Code, shall adopt rules that do 327
all of the following: 328

(1) Establish procedures and eligibility criteria for making 329
matching grants to municipal corporations, counties, townships, 330
and charitable organizations described in division (B) of section 331
5301.69 of the Revised Code for the purchase of agricultural 332
easements. With respect to agricultural easements that are 333
purchased or proposed to be purchased with such matching grants 334
that consist in whole or in part of moneys from the clean Ohio 335
agricultural easement fund created in section 901.21 of the 336
Revised Code, the rules shall establish all of the following: 337

(a) Procedures for all of the following: 338

(i) Soliciting and accepting applications for matching 339
grants; 340

(ii) Participation by local governments and by the public in 341
the process of making matching grants to charitable organizations; 342

(iii) Notifying local governments, charitable organizations, 343
and organizations that represent the interests of farmers of the 344
ranking system established in rules adopted under division 345
(A)(1)(b) of this section. 346

(b) A ranking system for applications for the matching grants 347
that is based on the soil type, proximity of the land or other 348
land that is conducive to agriculture as defined by rules adopted 349
under this section and that is the subject of an application to 350
other agricultural land or other land that is conducive to 351
agriculture as defined by rules adopted under this section and 352
that is already or is in the process of becoming permanently 353
protected from development, farm stewardship, development 354
pressure, and, if applicable, a local comprehensive land use plan 355
involved with a proposed agricultural easement. The rules shall 356

require that preference be given to proposed agricultural 357
easements that involve the greatest proportion of all of the 358
following: 359

(i) Prime soils, unique or locally important soils, 360
microclimates, or similar features; 361

(ii) Land that is adjacent to or that is in close proximity 362
to other agricultural land or other land that is conducive to 363
agriculture as defined by rules adopted under this section and 364
that is already or is in the process of becoming permanently 365
protected from development, by agricultural easement or otherwise, 366
so that a buffer would exist between the land involving the 367
proposed agricultural easement and areas that have been developed 368
or likely will be developed for purposes other than agriculture; 369

(iii) The use of best management practices, including 370
federally or state approved conservation plans, and a history of 371
substantial compliance with applicable federal and state laws; 372

(iv) Development pressure that is imminent, but not a result 373
of current location in the direct path of urban development; 374

(v) Areas identified for agricultural protection in local 375
comprehensive land use plans. 376

(c) Any other criteria that the director determines are 377
necessary for selecting applications for matching grants; 378

(d) Requirements regarding the information that must be 379
included in the annual monitoring report that must be prepared for 380
an agricultural easement under division (D)(2) of section 5301.691 381
of the Revised Code, procedures for submitting a copy of the 382
report to the office of farmland preservation in the department of 383
agriculture, and requirements and procedures governing corrective 384
actions that may be necessary to enforce the terms of the 385
agricultural easement. 386

(2) Establish provisions that shall be included in the instrument conveying to a municipal corporation, county, township, or charitable organization 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 418
or with a lump sum payment. The rules shall include a requirement 419
that a charitable organization, municipal corporation, township, 420
or county negotiate with the seller of the agricultural easement 421
concerning any installment payment terms, including the dates and 422
amounts of payments and the interest rate on the outstanding 423
balance. The rules also shall require the director to approve any 424
method of payment that is undertaken in accordance with the rules 425
adopted under division (A)(3) of this section. 426

(4) Establish any other requirements that the director 427
considers to be necessary or appropriate to implement or 428
administer a program to make matching grants under this section 429
and monitor those grants. 430

(B) The director may develop guidelines regarding the 431
acquisition of agricultural easements by the department of 432
agriculture and the provisions of instruments conveying those 433
easements. The director may make the guidelines available to 434
public and private entities authorized to acquire and hold 435
agricultural easements. 436

(C) The director may provide technical assistance in 437
developing a program for the acquisition and monitoring of 438
agricultural easements to public and private entities authorized 439
to hold agricultural easements. The technical assistance may 440
include, without limitation, reviewing and providing advisory 441
recommendations regarding draft instruments conveying agricultural 442
easements. 443

(D) The director may make matching grants from the 444
agricultural easement purchase fund and the clean Ohio 445
agricultural easement fund to municipal corporations, counties, 446
townships, and charitable organizations described in division (B) 447
of section 5301.69 of the Revised Code, to assist those political 448
subdivisions and charitable organizations in purchasing 449

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

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program's effectiveness:	482
(a) The number of agricultural easements purchased during the preceding year;	483 484
(b) The location of those easements;	485
(c) The number of acres of land preserved for agricultural use;	486 487
(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;	488 489 490
(e) The number of state matching grants given to purchase the agricultural easements;	491 492
(f) The amount of state matching grant moneys used to purchase the agricultural easements.	493 494
(2) The report also shall consider and include, at a minimum, the following information for each county to determine the program's efficiency:	495 496 497
(a) The total number of acres in the county;	498
(b) The total number of acres in current agricultural use;	499
(c) The total number of acres preserved for agricultural use in the preceding year;	500 501
(d) The average cost, per acre, of land preserved for agricultural use in the preceding year.	502 503
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.	504 505 506 507 508
(2) Not less than thirty days prior to the acquisition of an	509

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 542
or with moneys in a special fund of the political subdivision to 543
be used for the purchase of agricultural easements, may purchase 544
agricultural easements in the name of the municipal corporation, 545
county, or township. 546

(2) Subject to division (E) of this section, the legislative 547
authority of a municipal corporation, board of county 548
commissioners of a county, or board of township trustees of a 549
township may acquire agricultural easements by gift, devise, or 550
bequest. Any terms may be included in an agricultural easement so 551
acquired that are necessary or appropriate to preserve on behalf 552
of the grantor of the easement the favorable tax consequences of 553
the gift, devise, or bequest under the "Internal Revenue Act of 554
1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended. 555

(C)(1) The term of an agricultural easement purchased wholly 556
or in part with money from the agricultural easement purchase fund 557
shall be perpetual and shall run with the land. 558

(2) The term of an agricultural easement purchased by such a 559
legislative authority or board without the use of any money from 560
the agricultural easement purchase fund may be perpetual or for a 561
specified period. The agricultural easement shall run with the 562
land. The instrument conveying an agricultural easement for a 563
specified period shall include provisions specifying, at a 564
minimum, all of the following: 565

(a) The consideration to be paid for the easement and manner 566
of payment; 567

(b) Whether the easement is renewable and, if so, procedures 568
for its renewal; 569

(c) The circumstances under which the easement may be 570
extinguished; 571

(d) The method for determining the amount of money, if any, 572

due the holder of the easement upon extinguishment and for payment 573
of that amount to the holder. 574

(D)(1) The director and each legislative authority of a 575
municipal corporation, board of county commissioners, or board of 576
township trustees, upon acquiring an agricultural easement by 577
purchase, gift, devise, or bequest under this section or section 578
901.21 of the Revised Code, shall name an appropriate 579
administrative officer, department, or division to supervise and 580
enforce the easement. A legislative authority or board may enter 581
into a contract with the board of park commissioners of a park 582
district established under Chapter 1545. of the Revised Code, the 583
board of park commissioners of a township park district 584
established under section 511.18 of the Revised Code, or the board 585
of supervisors of a soil and water conservation district 586
established under Chapter 1515. of the Revised Code having 587
territorial jurisdiction within the municipal corporation, county, 588
or township, or with a charitable organization described in 589
division (B) of section 5301.69 of the Revised Code, to supervise 590
on behalf of the legislative authority or board an agricultural 591
easement so acquired. The contract may be entered into on such 592
terms as are agreeable to the parties and shall specify or 593
prescribe a method for determining the amounts of any payments to 594
be made by the legislative authority or board of county 595
commissioners or township trustees for the performance of the 596
contract. 597

(2) With respect to an agricultural easement purchased with a 598
matching grant that is made under division (D) of section 901.22 599
of the Revised Code and that consists in whole or in part of 600
moneys from the clean Ohio agricultural easement fund created in 601
section 901.21 of the Revised Code, the recipient of the matching 602
grant shall make an annual monitoring visit to the land that is 603
the subject of the easement. The purpose of the visit is to ensure 604

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

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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.

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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.

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(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.

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(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.

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Section 2. That existing sections 122.657, 122.658, 164.27,
901.22, and 5301.691 of the Revised Code are hereby repealed.

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Section 3. That Sections 6 and 7 of Am. Sub. H.B. 3 of the

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124th General Assembly be amended to read as follows: 667

"Sec. 6. All items in this section are hereby appropriated as 668
designated out of any moneys in the state treasury to the credit 669
of the Clean Ohio Trail Fund (Fund ~~058~~ 061). The appropriations 670
made in this act are in addition to any other capital 671
appropriations made for the 2000-2002 biennium. 672

DNR DEPARTMENT OF NATURAL RESOURCES 673

Clean Ohio Trail Fund 674

058	CAP-014	Clean Ohio Trail	\$	6,250,000	675
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TOTAL 058 <u>061</u>	Clean Ohio Trail Fund	\$	6,250,000	676
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TOTAL ALL BUDGET FUND GROUPS	\$	6,250,000	677
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CLEAN OHIO TRAIL 678

The foregoing appropriation item CAP-014, Clean Ohio Trail, 679
shall be used in accordance with section 1519.05 of the Revised 680
Code. The Director of the Department of Natural Resources may 681
certify to the Director of Budget and Management that a need 682
exists to appropriate investment earnings to be used in accordance 683
with section 1519.05 of the Revised Code. If the Director of 684
Budget and Management determines pursuant to section 1519.05 of 685
the Revised Code that investment earnings are available to support 686
additional appropriations, such amounts are hereby appropriated. 687

Within the limits set forth in this act, the Director of 688
Budget and Management shall establish accounts indicating source 689
and amount of funds for each appropriation made in this act, and 690
shall determine the form and manner in which appropriation 691
accounts shall be maintained. Expenditures from appropriations 692
contained in this act shall be accounted for as though made in Am. 693
Sub. H.B. 640 of the 123rd General Assembly. 694

The appropriations made in this act are subject to all 695
provisions of Am. Sub. H.B. 640 of the 123rd General Assembly that 696

are generally applicable to such appropriations.

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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.

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DNR DEPARTMENT OF NATURAL RESOURCES

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Clean Ohio Trail Fund

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~~058~~ 725-405 Clean Ohio - Operating \$ 150,000 \$ 155,000
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TOTAL ~~058~~ 061 Clean Ohio Trail Fund \$ 150,000 \$ 155,000

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TOTAL ALL BUDGET FUND GROUPS \$ 150,000 \$ 155,000

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CLEAN OHIO - OPERATING

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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.

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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.

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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."

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Section 4. That existing Sections 6 and 7 of Am. Sub. H.B. 3

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As Reported by the House Finance and Appropriations Committee

of the 124th General Assembly are hereby repealed.