

As Introduced

124th General Assembly
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H. B. No. 649

REPRESENTATIVES Manning, Collier, Hagan, Damschroder, Schaffer,
Kearns, Clancy, DeWine, Patton

A BILL

To amend sections 166.01, 166.02, 166.03, 166.04, 1
166.05, 166.07, 166.08, 166.09, and 166.11 and to 2
enact sections 166.12 to 166.16 of the Revised Code 3
to establish the Innovation Ohio Loan Program. 4

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

Section 1. That sections 166.01, 166.02, 166.03, 166.04, 5
166.05, 166.07, 166.08, 166.09, and 166.11 be amended and sections 6
166.12, 166.13, 166.14, 166.15, and 166.16 of the Revised Code be 7
enacted to read as follows: 8

Sec. 166.01. As used in this chapter: 9

(A) "Allowable costs" means all or part of the costs of 10
project facilities or eligible innovation projects, including 11
costs of acquiring, constructing, reconstructing, rehabilitating, 12
renovating, enlarging, improving, equipping, or furnishing project 13
facilities or eligible innovation projects, site clearance and 14
preparation, supplementing and relocating public capital 15
improvements or utility facilities, designs, plans, 16
specifications, surveys, studies, and estimates of costs, expenses 17
necessary or incident to determining the feasibility or 18
practicability of assisting an eligible project or an eligible 19

innovation project or providing project facilities or facilities 20
related to an eligible innovation project, architectural, 21
engineering, and legal services fees and expenses, the costs of 22
conducting any other activities as part of a voluntary action, and 23
such other expenses as may be necessary or incidental to the 24
establishment or development of an eligible project or an eligible 25
innovation project, and reimbursement of moneys advanced or 26
applied by any governmental agency or other person for allowable 27
costs. 28

(B) "Allowable innovation costs" includes allowable costs of 29
eligible innovation projects and, in addition, includes the costs 30
of research and development of eligible innovation projects; 31
obtaining or creating any requisite software or computer hardware 32
related to an eligible innovation project or the products or 33
services associated therewith; testing (including, without 34
limitation, quality control activities necessary for initial 35
production), perfecting, and marketing of such products and 36
services; creating and protecting intellectual property related to 37
an eligible innovation project or any products or services related 38
thereto, including costs of securing appropriate patent, 39
trademark, trade secret, trade dress, copyright, or other form of 40
intellectual property protection for an eligible innovation 41
project or related products and services; all to the extent that 42
such expenditures could be capitalized under then-applicable 43
generally accepted accounting principles; and the reimbursement of 44
moneys advanced or applied by any governmental agency or other 45
person for allowable innovation costs. 46

(C) "Eligible innovation project" includes an eligible 47
project, including any project facilities associated with an 48
eligible innovation project and, in addition, includes all 49
tangible and intangible property related to a new product or 50
process based on new technology or the creative application of 51

existing technology, including research and development, product or process testing, quality control, market research, and related activities, which is to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination thereof, the operation of which, alone or in conjunction with other eligible projects, eligible innovation projects, or innovation property, will create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of the people of the state.

(D) "Eligible project" means project facilities to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination thereof, the operation of which, alone or in conjunction with other facilities, will create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of the people of the state. "Eligible project" includes, without limitation, a voluntary action. For purposes of this division, "new jobs" does not include existing jobs transferred from another facility within the state, and "existing jobs" includes only those existing jobs with work places within the municipal corporation or unincorporated area of the county in which the eligible project is located.

"Eligible project" does not include project facilities to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination of industry, commerce, distribution, or research, if the project facilities consist solely of point-of-final-purchase retail facilities. If the project facilities consist of both point-of-final-purchase retail facilities and nonretail facilities, only the portion of the project facilities consisting of nonretail facilities is an

eligible project. If a warehouse facility is part of a
point-of-final-purchase retail facility and supplies only that
facility, the warehouse facility is not an eligible project.
Catalog distribution facilities are not considered
point-of-final-purchase retail facilities for purposes of this
paragraph, and are eligible projects.

~~(C)~~(E) "Financial assistance" means inducements under
division (B) of section 166.02 of the Revised Code, loan
guarantees under section 166.06 of the Revised Code, and direct
loans under section 166.07 of the Revised Code.

~~(D)~~(F) "Governmental action" means any action by a
governmental agency relating to the establishment, development, or
operation of an eligible project or eligible innovation project
and project facilities that the governmental agency acting has
authority to take or provide for the purpose under law, including,
but not limited to, actions relating to contracts and agreements,
zoning, building, permits, acquisition and disposition of
property, public capital improvements, utility and transportation
service, taxation, employee recruitment and training, and liaison
and coordination with and among governmental agencies.

~~(E)~~(G) "Governmental agency" means the state and any state
department, division, commission, institution or authority; a
municipal corporation, county, or township, and any agency
thereof, and any other political subdivision or public corporation
or the United States or any agency thereof; any agency,
commission, or authority established pursuant to an interstate
compact or agreement; and any combination of the above.

(H) "Innovation financial assistance" means inducements under
division (B) of section 166.12 of the Revised Code, innovation
Ohio loan guarantees under section 166.15 of the Revised Code, and
innovation Ohio loans under section 166.16 of the Revised Code.

(I) "Innovation property" includes property and also includes 116
software, inventory, licenses, contract rights, goodwill, 117
intellectual property, including without limitation, patents, 118
patent applications, trademarks and service marks, and trade 119
secrets, and other tangible and intangible property, and any 120
rights and interests in or connected to the foregoing. 121

~~(F)~~(J) "Person" means any individual, firm, partnership, 122
association, corporation, or governmental agency, and any 123
combination thereof. 124

~~(G)~~(K) "Project facilities" means buildings, structures, and 125
other improvements, and equipment and other property, excluding 126
small tools, supplies, and inventory, and any one, part of, or 127
combination of the above, comprising all or part of, or serving or 128
being incidental to, an eligible project or an eligible innovation 129
project, including, but not limited to, public capital 130
improvements. 131

~~(H)~~(L) "Property" means real and personal property and 132
interests therein. 133

~~(I)~~(M) "Public capital improvements" means capital 134
improvements or facilities that any governmental agency has 135
authority to acquire, pay the costs of, own, maintain, or operate, 136
or to contract with other persons to have the same done, 137
including, but not limited to, highways, roads, streets, water and 138
sewer facilities, railroad and other transportation facilities, 139
and air and water pollution control and solid waste disposal 140
facilities. 141

(N) "Targeted innovation industry sectors" means industry 142
sectors involving the production or use of advanced materials, 143
instruments, controls and electronics, power and propulsion, 144
biosciences, and information technology, or such other sectors as 145
may be designated by the director of development. 146

~~(J)~~(O) "Voluntary action" means a voluntary action, as 147
defined in section 3746.01 of the Revised Code, that is conducted 148
under the voluntary action program established in Chapter 3746. of 149
the Revised Code. 150

~~(K)~~(P) "Project financing obligations" means obligations 151
issued pursuant to section 166.08 of the Revised Code other than 152
obligations for which the bond proceedings provide that bond 153
service charges shall be paid from receipts of the state 154
representing gross profit on the sale of spirituous liquor as 155
referred to in division (B)(4) of section 4310.10 of the Revised 156
Code. 157

~~(L)~~(Q) "Regional economic development entity" means an entity 158
that is under contract with the director of development to 159
administer a loan program under this chapter in a particular area 160
of this state. 161

Sec. 166.02. (A) The general assembly finds that many local 162
areas throughout the state are experiencing economic stagnation or 163
decline, and that the economic development program provided for ~~by~~ 164
~~Chapter 166.~~ in sections 166.01 to 166.11 of the Revised Code will 165
constitute a deserved, necessary reinvestment by the state in 166
those areas, materially contribute to their economic 167
revitalization, and result in improving the economic welfare of 168
all the people of the state. Accordingly, it is declared to be the 169
public policy of the state, through the operations under ~~Chapter~~ 170
~~166.~~ sections 166.01 to 166.11 of the Revised Code and other 171
applicable laws adopted pursuant to Section 13 of Article VIII, 172
Ohio Constitution, and other authority vested in the general 173
assembly, to assist in and facilitate the establishment or 174
development of eligible projects or assist and cooperate with any 175
governmental agency in achieving such purpose. 176

(B) In furtherance of such public policy and to implement 177

such purpose, the director of development may: 178

(1) After consultation with appropriate governmental 179
agencies, enter into agreements with persons engaged in industry, 180
commerce, distribution, or research and with governmental agencies 181
to induce such persons to acquire, construct, reconstruct, 182
rehabilitate, renovate, enlarge, improve, equip, or furnish, or 183
otherwise develop, eligible projects and make provision therein 184
for project facilities and governmental actions, as authorized by 185
this chapter and other applicable laws, subject to any required 186
actions by the general assembly or the controlling board and 187
subject to applicable local government laws and regulations; 188

(2) Provide for the guarantees and loans as provided for in 189
sections 166.06 and 166.07 of the Revised Code; 190

(3) Subject to release of such moneys by the controlling 191
board, contract for labor and materials needed for, or contract 192
with others, including governmental agencies, to provide, project 193
facilities the allowable costs of which are to be paid for or 194
reimbursed from moneys in the facilities establishment fund, and 195
contract for the operation of such project facilities; 196

(4) Subject to release thereof by the controlling board, from 197
moneys in the facilities establishment fund acquire or contract to 198
acquire by gift, exchange, or purchase, including the obtaining 199
and exercise of purchase options, property, and convey or 200
otherwise dispose of, or provide for the conveyance or disposition 201
of, property so acquired or contracted to be acquired by sale, 202
exchange, lease, lease purchase, conditional or installment sale, 203
transfer, or other disposition, including the grant of an option 204
to purchase, to any governmental agency or to any other person 205
without necessity for competitive bidding and upon such terms and 206
conditions and manner of consideration pursuant to and as the 207
director determines to be appropriate to satisfy the objectives of 208
~~Chapter 166.~~ sections 166.01 to 166.11 of the Revised Code; 209

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(5) Retain the services of or employ financial consultants, 211
appraisers, consulting engineers, superintendents, managers, 212
construction and accounting experts, attorneys, and employees, 213
agents, and independent contractors as are necessary in ~~his~~ the 214
director's judgment and fix the compensation for their services; 215

(6) Receive and accept from any person grants, gifts, and 216
contributions of money, property, labor, and other things of 217
value, to be held, used and applied only for the purpose for which 218
such grants, gifts, and contributions are made; 219

(7) Enter into appropriate arrangements and agreements with 220
any governmental agency for the taking or provision by that 221
governmental agency of any governmental action; 222

(8) Do all other acts and enter into contracts and execute 223
all instruments necessary or appropriate to carry out the 224
provisions of Chapter 166. of the Revised Code; 225

(9) Adopt rules to implement any of the provisions of Chapter 226
166. of the Revised Code applicable to the director. 227

(C) The determinations by the director that facilities 228
constitute eligible projects, that facilities are project 229
facilities, that costs of such facilities are allowable costs, and 230
all other determinations relevant thereto or to an action taken or 231
agreement entered into shall be conclusive for purposes of the 232
validity and enforceability of rights of parties arising from 233
actions taken and agreements entered into under this chapter. 234

(D) Except as otherwise prescribed in Chapter 166. of the 235
Revised Code, all expenses and obligations incurred by the 236
director in carrying out ~~his or her~~ the director's powers and in 237
exercising ~~his or her~~ the director's duties under Chapter 166. of 238
the Revised Code, shall be payable solely from, as appropriate, 239
moneys in the facilities establishment fund, the loan guarantee 240

fund, the innovation Ohio loan guarantee fund, the innovation Ohio 241
loan fund, or moneys appropriated for such purpose by the general 242
assembly. Chapter 166. of the Revised Code does not authorize the 243
director or the issuing authority under section 166.08 of the 244
Revised Code to incur bonded indebtedness of the state or any 245
political subdivision thereof, or to obligate or pledge moneys 246
raised by taxation for the payment of any bonds or notes issued or 247
guarantees made pursuant to Chapter 166. of the Revised Code. 248

(E) ~~No~~ Except for financial assistance provided under section 249
166.12 to 166.16 of the Revised Code, no financial assistance for 250
project facilities shall be provided under this chapter unless the 251
provisions of the agreement providing for such assistance specify 252
that all wages paid to laborers and mechanics employed on such 253
project facilities for which the assistance is granted shall be 254
paid at the prevailing rates of wages of laborers and mechanics 255
for the class of work called for by such project facilities, which 256
wages shall be determined in accordance with the requirements of 257
Chapter 4115. of the Revised Code for determination of prevailing 258
wage rates, provided that the requirements of this division do not 259
apply where the federal government or any of its agencies provides 260
financing assistance as to all or any part of the funds used in 261
connection with such project facilities and prescribes 262
predetermined minimum wages to be paid to such laborers and 263
mechanics; and provided further that should a nonpublic user 264
beneficiary of the eligible project undertake, as part of the 265
eligible project, construction to be performed by its regular 266
bargaining unit employees who are covered under a collective 267
bargaining agreement which was in existence prior to the date of 268
the document authorizing such assistance then, in that event, the 269
rate of pay provided under the collective bargaining agreement may 270
be paid to such employees. 271

(F) Any governmental agency may enter into an agreement with 272

the director, any other governmental agency, or a person to be
assisted under this chapter, to take or provide for the purposes
of this chapter any governmental action it is authorized to take
or provide, and to undertake on behalf and at the request of the
director any action which the director is authorized to undertake
pursuant to divisions (B)(3), (4), and (5) of this section or
divisions (B)(3), (4), and (5) of section 166.12 of the Revised
Code. Governmental agencies of the state shall cooperate with and
provide assistance to the director of development and the
controlling board in the exercise of their respective functions
under this chapter.

Sec. 166.03. (A) There is hereby created the facilities
establishment fund within the state treasury, consisting of
proceeds from the issuance of obligations as specified under
section 166.08 of the Revised Code; the moneys received by the
state from the sources specified in section 166.09 of the Revised
Code; service charges imposed under sections 166.06 and 166.07 of
the Revised Code; any grants, gifts, or contributions of moneys
received by the director of development to be used for loans made
under section 166.07 of the Revised Code or for the payment of the
allowable costs of project facilities; and all other moneys
appropriated or transferred to the fund. Moneys in the loan
guarantee fund in excess of four per cent of the unpaid principal
amount of loan repayments guaranteed under section 166.06 of the
Revised Code, but subject to the provisions and requirements of
any guarantee contracts, may be transferred to the facilities
establishment fund by the treasurer of state upon the order of the
director of development. Moneys received by the state under
Chapter 122. of the Revised Code, to the extent allocable to the
utilization of moneys derived from proceeds of the sale of
obligations pursuant to section 166.08 of the Revised Code, shall
be credited to the facilities establishment fund.

(B) All moneys appropriated or transferred to the facilities establishment fund may be released at the request of the director of development for payment of allowable costs or the making of loans under ~~this chapter~~ section 166.07 of the Revised Code, for transfer to the loan guarantee fund established in section 166.06 of the Revised Code, or for use for the purpose of or transfer to the funds established by sections 122.35, 122.42, 122.54, 122.55, 122.56, 122.561, 122.57, 122.601, and 122.80 of the Revised Code and, until July 1, 2003, the fund established by section 166.031 of the Revised Code, and, until July 1, 2007, the fund established by section 122.26 of the Revised Code, but only for such of those purposes as are within the authorization of Section 13 of Article VIII, Ohio Constitution, in all cases subject to the approval of the controlling board.

(C) The department of development, in the administration of the facilities establishment fund, is encouraged to utilize and promote the utilization of, to the maximum practicable extent, the other existing programs, business incentives, and tax incentives that department is required or authorized to administer or supervise.

Sec. 166.04. (A) Prior to entering into each agreement to provide assistance under ~~this chapter~~ sections 166.02, 166.06, and 166.07 of the Revised Code, the director of development shall determine whether the assistance will conform to the requirements of ~~Chapter 166.~~ sections 166.01 to 166.11 of the Revised Code. Such determination, and the facts upon which it is based, shall be set forth by the director in submissions made to the controlling board for purposes of section 166.03 and, unless provision of the assistance has been recommended to the director by a regional economic development entity, to the development financing advisory council under section 166.05 of the Revised Code. An agreement to provide assistance under ~~this chapter~~ sections 166.02, 166.06, and

166.07 of the Revised Code shall set forth such determination, 337
which shall be conclusive for purposes of the validity and 338
enforceability of such agreement and any loan guarantees, loans, 339
or other agreements entered into pursuant to such agreement to 340
provide assistance. 341

(B) Whenever a person applies for financial assistance under 342
~~this chapter~~ sections 166.02, 166.06, and 166.07 of the Revised 343
Code and the project for which assistance is requested is to 344
relocate facilities that are currently being operated by the 345
person and that are located in another county, municipal 346
corporation, or township, the director shall provide written 347
notification to the appropriate local governmental bodies and 348
state officials. The notification shall contain the following 349
information: 350

(1) The name of the person applying for financial assistance 351
~~under this chapter;~~ 352

(2) The county, and the municipal corporation or township, in 353
which the project for which assistance is requested is located; 354
and 355

(3) The county, and the municipal corporation or township, in 356
which the facility to be replaced is located. 357

The director shall provide the written notification to the 358
appropriate local governmental bodies and state officials so that 359
they receive the notification at least five days before the 360
development financing advisory council meeting at which the 361
council considers the request for financial assistance pursuant to 362
section 166.05 of the Revised Code. 363

(C) As used in division (B) of this section: 364

(1) "Appropriate local governmental bodies" means: 365

(a) The boards of county commissioners or legislative 366
authorities of the county in which the project for which 367

assistance is requested is located and of the county in which the 368
facility to be replaced is located; 369

(b) The legislative authority of the municipal corporation or 370
the board of township trustees of the township in which the 371
project for which assistance is requested is located; and 372

(c) The legislative authority of the municipal corporation or 373
the board of township trustees of the township in which the 374
facility to be replaced is located. 375

(2) "State officials" means: 376

(a) The state representative and state senator in whose 377
districts the project for which assistance is requested is 378
located; 379

(b) The state representative and state senator in whose 380
districts the facility to be replaced is located. 381

Sec. 166.05. (A) In determining the projects to be assisted 382
and the nature, amount, and terms of assistance to be provided for 383
an eligible project under ~~this chapter~~ sections 166.02, 166.06, 384
and 166.07 of the Revised Code: 385

(1) Except as otherwise provided in division (A)(3) of this 386
section, the director of development shall take into consideration 387
all of the following: 388

(a) The number of jobs to be created or preserved, directly 389
or indirectly; 390

(b) Payrolls, and the taxes generated, at both state and 391
local levels, by the eligible project and by the employment 392
created or preserved by the eligible project; 393

(c) The size, nature, and cost of the eligible project, 394
including the prospect of the project for providing long-term jobs 395
in enterprises consistent with the changing economics of the state 396

and the nation; 397

(d) The needs, and degree of needs, of the area in which the 398
eligible project is to be located; 399

(e) The needs of any private sector enterprise to be 400
assisted; 401

(f) The competitive effect of the assistance on other 402
enterprises providing jobs for people of the state; 403

(g) The amount and kind of assistance, if any, to be provided 404
to the private sector enterprise by other governmental agencies 405
through tax exemption or abatement, financing assistance with 406
industrial development bonds, and otherwise, with respect to the 407
eligible project; 408

(h) The impact of the eligible project and its operations on 409
local government services, including school services, and on 410
public facilities; 411

(i) The effect of the assistance on the loss of or damage to 412
or destruction of prime farmland, or the removal from agricultural 413
production of prime farmland. As used in this section, "prime 414
farmland" means agricultural land that meets the criteria for this 415
classification as defined by the United States soil conservation 416
service. 417

(j) The length of time the operator of the project has been 418
operating facilities within the state; 419

(k) The reservation of financial assistance made by the 420
general assembly for small business concerns. 421

(2) The benefits to the local area, including taxes, jobs, 422
and reduced unemployment and reduced welfare costs, among others, 423
may be accorded value in the leasing or sales of project 424
facilities and in loan and guarantee arrangements. 425

(B) Prior to granting final approval of the assistance to be 426

provided, the director shall determine that the benefits to be
derived by the state and local area from the establishment or
development, and operation, of the eligible project will exceed
the cost of providing such assistance and, except as provided in
division (C)(2) of this section, shall submit to the development
financing advisory council and to the controlling board a copy of
that determination including the basis for the determination.

(C)(1) Except as provided in division (C)(2) of this section,
prior to the submission provided for in division (B) of this
section to the controlling board, the director shall submit to the
development financing advisory council data pertinent to the
considerations set forth in division (A) of this section, the
terms of the proposed assistance, and such other relevant
information as the development financing advisory council may
request.

(2) The director is not required to submit any determination,
data, terms, or other application materials or information to the
development financing advisory council when provision of the
assistance has been recommended to the director by a regional
economic development entity.

(D) The development financing advisory council, on the basis
of such data, shall make recommendations as to the appropriateness
of the assistance to be provided. The recommendations may be
revised to reflect any changes in the proposed assistance as the
director may submit to the council. The recommendations, as
amended, of the council as to the appropriateness of the proposed
assistance shall be submitted to the controlling board.

(E) Financial statements and other data submitted to the
director of development, the development financing advisory
council, or the controlling board by any private sector person in
connection with financial assistance under ~~this chapter~~ sections
166.02, 166.06, and 166.07 of the Revised Code, or any information

taken from such statements or data for any purpose, shall not be
open to public inspection. The development financing advisory
council in considering confidential information in connection with
financial assistance under this ~~chapter~~ sections 166.02, 166.06,
and 166.07 of the Revised Code may, only for consideration of the
confidential information referred to, and in the manner provided
in division (E) of section 121.22 of the Revised Code, close the
meeting during such consideration.

Sec. 166.07. (A) The director of development, with the
approval of the controlling board and subject to the other
applicable provisions of this chapter, may lend moneys in the
facilities establishment fund to persons for the purpose of paying
allowable costs of an eligible project if the director determines
that:

(1) The project is an eligible project and is economically
sound;

(2) The borrower is unable to finance the necessary allowable
costs through ordinary financial channels upon comparable terms;

(3) The amount to be lent from the facilities establishment
fund will not exceed seventy-five per cent of the total allowable
costs of the eligible project, except that if the entire amount to
be lent from the facilities establishment fund is derived from the
issuance and sale of project financing obligations the amount to
be lent will not exceed ninety per cent of the total allowable
costs of the eligible project;

(4) The eligible project could not be achieved in the local
area in which it is to be located if the portion of the project to
be financed by the loan instead were to be financed by a loan
guaranteed under section 166.06 of the Revised Code;

(5) ~~The amount~~ The repayment of the loan from the facilities

establishment fund ~~to be repaid~~ will be adequately secured by a 490
mortgage, lien, assignment, or pledge, at such level of priority 491
as the director may require; 492

(6) The borrower will hold at least a ten per cent equity 493
interest in the eligible project at the time the loan is made. 494

(B) The determinations of the director under division (A) of 495
this section shall be conclusive for purposes of the validity of a 496
loan commitment evidenced by a loan agreement signed by the 497
director. 498

(C) Fees, charges, rates of interest, times of payment of 499
interest and principal, and other terms, conditions, and 500
provisions of and security for loans made from the facilities 501
establishment fund pursuant to this section shall be such as the 502
director determines to be appropriate and in furtherance of the 503
purpose for which the loans are made. The moneys used in making 504
such loans shall be disbursed from the facilities establishment 505
fund upon order of the director. The director shall give special 506
consideration in setting the required job creation ratios and 507
interest rates for loans that are for voluntary actions. 508

(D) The director may take actions necessary or appropriate to 509
collect or otherwise deal with any loan made under this section. 510
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(E) The director may fix service charges for the making of a 512
loan. Such charges shall be payable at such times and place and in 513
such amounts and manner as may be prescribed by the director. 514

Sec. 166.08. (A) As used in this chapter: 515

(1) "Bond proceedings" means the resolution, order, trust 516
agreement, indenture, lease, and other agreements, amendments and 517
supplements to the foregoing, or any one or more or combination 518
thereof, authorizing or providing for the terms and conditions 519

applicable to, or providing for the security or liquidity of, 520
obligations issued pursuant to this section, and the provisions 521
contained in such obligations. 522

(2) "Bond service charges" means principal, including 523
mandatory sinking fund requirements for retirement of obligations, 524
and interest, and redemption premium, if any, required to be paid 525
by the state on obligations. 526

(3) "Bond service fund" means the applicable fund and 527
accounts therein created for and pledged to the payment of bond 528
service charges, which may be, or may be part of, the economic 529
development bond service fund created by division (S) of this 530
section including all moneys and investments, and earnings from 531
investments, credited and to be credited thereto. 532

(4) "Issuing authority" means the treasurer of state, or the 533
officer who by law performs the functions of such officer. 534

(5) "Obligations" means bonds, notes, or other evidence of 535
obligation including interest coupons pertaining thereto, issued 536
pursuant to this section. 537

(6) "Pledged receipts" means all receipts of the state 538
representing the gross profit on the sale of spirituous liquor, as 539
referred to in division (B)(4) of section 4301.10 of the Revised 540
Code, after paying all costs and expenses of the division of 541
liquor control and providing an adequate working capital reserve 542
for the division of liquor control as provided in that division, 543
but excluding the sum required by the second paragraph of section 544
4301.12 of the Revised Code, as in effect on May 2, 1980, to be 545
paid into the state treasury; moneys accruing to the state from 546
the lease, sale, or other disposition, or use, of project 547
facilities, and from the repayment, including interest, of loans 548
made from proceeds received from the sale of obligations; accrued 549
interest received from the sale of obligations; income from the 550

investment of the special funds; and any gifts, grants, donations,
and pledges, and receipts therefrom, available for the payment of
bond service charges.

(7) "Special funds" or "funds" means, except where the
context does not permit, the bond service fund, and any other
funds, including reserve funds, created under the bond
proceedings, and the economic development bond service fund
created by division (S) of this section to the extent provided in
the bond proceedings, including all moneys and investments, and
earnings from investment, credited and to be credited thereto.

(B) Subject to the limitations provided in section 166.11 of
the Revised Code, the issuing authority, upon the certification by
the director of development to the issuing authority of the amount
of moneys or additional moneys needed in the facilities
establishment fund ~~or, the loan guarantee fund, the innovation~~
Ohio loan fund, or the innovation Ohio loan guarantee fund for the
purpose of paying, or making loans for, allowable costs from the
facilities establishment fund or allowable innovation costs from
the innovation Ohio loan fund, or needed for capitalized interest,
for funding reserves, and for paying costs and expenses incurred
in connection with the issuance, carrying, securing, paying,
redeeming, or retirement of the obligations or any obligations
refunded thereby, including payment of costs and expenses relating
to letters of credit, lines of credit, insurance, put agreements,
standby purchase agreements, indexing, marketing, remarketing and
administrative arrangements, interest swap or hedging agreements,
and any other credit enhancement, liquidity, remarketing, renewal,
or refunding arrangements, all of which are authorized by this
section, or providing moneys for the loan guarantee fund ~~or the~~
innovation Ohio loan guarantee fund, as provided in this chapter
or needed for the purposes of funds established in accordance with
or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56,

122.561, 122.57, and 122.80 of the Revised Code which are within 583
the authorization of Section 13 of Article VIII, Ohio 584
Constitution, shall issue obligations of the state under this 585
section in the required amount; provided that such obligations may 586
be issued to the extent necessary to satisfy the covenants in 587
contracts of guarantee made under section 166.06 or 166.15 of the 588
Revised Code to issue obligations to meet such guarantees, 589
notwithstanding limitations otherwise applicable to the issuance 590
of obligations under this section. The proceeds of such 591
obligations, except for the portion to be deposited in special 592
funds, including reserve funds, as may be provided in the bond 593
proceedings, shall as provided in the bond proceedings be 594
deposited by the director of development to the facilities 595
establishment fund ~~or, the loan guarantee fund established by~~ 596
~~section 166.06 of the Revised Code, the innovation Ohio loan~~ 597
guarantee fund, or the innovation Ohio loan fund. Bond proceedings 598
for project financing obligations may provide that the proceeds 599
derived from the issuance of such obligations shall be deposited 600
into such fund or funds provided for in the bond proceedings and, 601
to the extent provided for in the bond proceedings, such proceeds 602
shall be deemed to have been deposited into the facilities 603
establishment fund and transferred to such fund or funds. The 604
issuing authority may appoint trustees, paying agents, and 605
transfer agents and may retain the services of financial advisors, 606
accounting experts, and attorneys, and retain or contract for the 607
services of marketing, remarketing, indexing, and administrative 608
agents, other consultants, and independent contractors, including 609
printing services, as are necessary in the issuing authority's 610
judgment to carry out this section. The costs of such services are 611
allowable costs payable from the facilities establishment fund or 612
allowable innovation costs payable from the innovation Ohio loan 613
fund. 614

(C) The holders or owners of such obligations shall have no 615

right to have moneys raised by taxation obligated or pledged, and
moneys raised by taxation shall not be obligated or pledged, for
the payment of bond service charges. Such holders or owners shall
have no rights to payment of bond service charges from any moneys
accruing to the state from the lease, sale, or other disposition,
or use, of project facilities, or from payment of the principal of
or interest on loans made, or fees charged for guarantees made, or
from any money or property received by the director, treasurer of
state, or the state under Chapter 122. of the Revised Code, or
from any other use of the proceeds of the sale of the obligations,
and no such moneys may be used for the payment of bond service
charges, except for accrued interest, capitalized interest, and
reserves funded from proceeds received upon the sale of the
obligations and except as otherwise expressly provided in the
applicable bond proceedings pursuant to written directions by the
director. The right of such holders and owners to payment of bond
service charges is limited to all or that portion of the pledged
receipts and those special funds pledged thereto pursuant to the
bond proceedings in accordance with this section, and each such
obligation shall bear on its face a statement to that effect.

(D) Obligations shall be authorized by resolution or order of
the issuing authority and the bond proceedings shall provide for
the purpose thereof and the principal amount or amounts, and shall
provide for or authorize the manner or agency for determining the
principal maturity or maturities, not exceeding twenty-five years
from the date of issuance, the interest rate or rates or the
maximum interest rate, the date of the obligations and the dates
of payment of interest thereon, their denomination, and the
establishment within or without the state of a place or places of
payment of bond service charges. Sections 9.98 to 9.983 of the
Revised Code are applicable to obligations issued under this
section, subject to any applicable limitation under section 166.11

of the Revised Code. The purpose of such obligations may be stated
in the bond proceedings in terms describing the general purpose or
purposes to be served. The bond proceedings also shall provide,
subject to the provisions of any other applicable bond
proceedings, for the pledge of all, or such part as the issuing
authority may determine, of the pledged receipts and the
applicable special fund or funds to the payment of bond service
charges, which pledges may be made either prior or subordinate to
other expenses, claims, or payments, and may be made to secure the
obligations on a parity with obligations theretofore or thereafter
issued, if and to the extent provided in the bond proceedings. The
pledged receipts and special funds so pledged and thereafter
received by the state are immediately subject to the lien of such
pledge without any physical delivery thereof or further act, and
the lien of any such pledges is valid and binding against all
parties having claims of any kind against the state or any
governmental agency of the state, irrespective of whether such
parties have notice thereof, and shall create a perfected security
interest for all purposes of Chapter 1309. of the Revised Code,
without the necessity for separation or delivery of funds or for
the filing or recording of the bond proceedings by which such
pledge is created or any certificate, statement or other document
with respect thereto; and the pledge of such pledged receipts and
special funds is effective and the money therefrom and thereof may
be applied to the purposes for which pledged without necessity for
any act of appropriation. Every pledge, and every covenant and
agreement made with respect thereto, made in the bond proceedings
may therein be extended to the benefit of the owners and holders
of obligations authorized by this section, and to any trustee
therefor, for the further security of the payment of the bond
service charges.

(E) The bond proceedings may contain additional provisions as

to: 680

(1) The redemption of obligations prior to maturity at the 681
option of the issuing authority at such price or prices and under 682
such terms and conditions as are provided in the bond proceedings; 683

(2) Other terms of the obligations; 684

(3) Limitations on the issuance of additional obligations; 685

(4) The terms of any trust agreement or indenture securing 686
the obligations or under which the same may be issued; 687

(5) The deposit, investment and application of special funds, 688
and the safeguarding of moneys on hand or on deposit, without 689
regard to Chapter 131. or 135. of the Revised Code, but subject to 690
any special provisions of this chapter, with respect to particular 691
funds or moneys, provided that any bank or trust company which 692
acts as depository of any moneys in the special funds may furnish 693
such indemnifying bonds or may pledge such securities as required 694
by the issuing authority; 695

(6) Any or every provision of the bond proceedings being 696
binding upon such officer, board, commission, authority, agency, 697
department, or other person or body as may from time to time have 698
the authority under law to take such actions as may be necessary 699
to perform all or any part of the duty required by such provision; 700

(7) Any provision that may be made in a trust agreement or 701
indenture; 702

(8) Any other or additional agreements with the holders of 703
the obligations, or the trustee therefor, relating to the 704
obligations or the security therefor, including the assignment of 705
mortgages or other security obtained or to be obtained for loans 706
under section 122.43 ~~or~~, 166.07, or 166.16 of the Revised Code. 707

(F) The obligations may have the great seal of the state or a 708
facsimile thereof affixed thereto or printed thereon. The 709

obligations and any coupons pertaining to obligations shall be
signed or bear the facsimile signature of the issuing authority.
Any obligations or coupons may be executed by the person who, on
the date of execution, is the proper issuing authority although on
the date of such bonds or coupons such person was not the issuing
authority. If the issuing authority whose signature or a facsimile
of whose signature appears on any such obligation or coupon ceases
to be the issuing authority before delivery thereof, such
signature or facsimile is nevertheless valid and sufficient for
all purposes as if the former issuing authority had remained the
issuing authority until such delivery; and if the seal to be
affixed to obligations has been changed after a facsimile of the
seal has been imprinted on such obligations, such facsimile seal
shall continue to be sufficient as to such obligations and
obligations issued in substitution or exchange therefor.

(G) All obligations are negotiable instruments and securities
under Chapter 1308. of the Revised Code, subject to the provisions
of the bond proceedings as to registration. The obligations may be
issued in coupon or in registered form, or both, as the issuing
authority determines. Provision may be made for the registration
of any obligations with coupons attached thereto as to principal
alone or as to both principal and interest, their exchange for
obligations so registered, and for the conversion or reconversion
into obligations with coupons attached thereto of any obligations
registered as to both principal and interest, and for reasonable
charges for such registration, exchange, conversion, and
reconversion.

(H) Obligations may be sold at public sale or at private
sale, as determined in the bond proceedings.

Obligations issued to provide moneys for the loan guarantee
fund or the innovation Ohio loan guarantee fund may, as determined
by the issuing authority, be sold at private sale, and without

publication of a notice of sale. 742

(I) Pending preparation of definitive obligations, the 743
issuing authority may issue interim receipts or certificates which 744
shall be exchanged for such definitive obligations. 745

(J) In the discretion of the issuing authority, obligations 746
may be secured additionally by a trust agreement or indenture 747
between the issuing authority and a corporate trustee which may be 748
any trust company or bank having its principal place of business 749
within the state. Any such agreement or indenture may contain the 750
resolution or order authorizing the issuance of the obligations, 751
any provisions that may be contained in any bond proceedings, and 752
other provisions which are customary or appropriate in an 753
agreement or indenture of such type, including, but not limited 754
to: 755

(1) Maintenance of each pledge, trust agreement, indenture, 756
or other instrument comprising part of the bond proceedings until 757
the state has fully paid the bond service charges on the 758
obligations secured thereby, or provision therefor has been made; 759

(2) In the event of default in any payments required to be 760
made by the bond proceedings, or any other agreement of the 761
issuing authority made as a part of the contract under which the 762
obligations were issued, enforcement of such payments or agreement 763
by mandamus, the appointment of a receiver, suit in equity, action 764
at law, or any combination of the foregoing; 765

(3) The rights and remedies of the holders of obligations and 766
of the trustee, and provisions for protecting and enforcing them, 767
including limitations on rights of individual holders of 768
obligations; 769

(4) The replacement of any obligations that become mutilated 770
or are destroyed, lost, or stolen; 771

(5) Such other provisions as the trustee and the issuing 772

authority agree upon, including limitations, conditions, or
qualifications relating to any of the foregoing.

(K) Any holders of obligations or trustees under the bond
proceedings, except to the extent that their rights are restricted
by the bond proceedings, may by any suitable form of legal
proceedings, protect and enforce any rights under the laws of this
state or granted by such bond proceedings. Such rights include the
right to compel the performance of all duties of the issuing
authority, the director of development, or the division of liquor
control required by this chapter or the bond proceedings; to
enjoin unlawful activities; and in the event of default with
respect to the payment of any bond service charges on any
obligations or in the performance of any covenant or agreement on
the part of the issuing authority, the director of development, or
the division of liquor control in the bond proceedings, to apply
to a court having jurisdiction of the cause to appoint a receiver
to receive and administer the pledged receipts and special funds,
other than those in the custody of the treasurer of state, which
are pledged to the payment of the bond service charges on such
obligations or which are the subject of the covenant or agreement,
with full power to pay, and to provide for payment of bond service
charges on, such obligations, and with such powers, subject to the
direction of the court, as are accorded receivers in general
equity cases, excluding any power to pledge additional revenues or
receipts or other income or moneys of the issuing authority or the
state or governmental agencies of the state to the payment of such
principal and interest and excluding the power to take possession
of, mortgage, or cause the sale or otherwise dispose of any
project facilities.

Each duty of the issuing authority and the issuing
authority's officers and employees, and of each governmental
agency and its officers, members, or employees, undertaken

pursuant to the bond proceedings or any agreement or lease,
lease-purchase agreement, or loan made under authority of this
chapter, and in every agreement by or with the issuing authority,
is hereby established as a duty of the issuing authority, and of
each such officer, member, or employee having authority to perform
such duty, specifically enjoined by the law resulting from an
office, trust, or station within the meaning of section 2731.01 of
the Revised Code.

The person who is at the time the issuing authority, or the
issuing authority's officers or employees, are not liable in their
personal capacities on any obligations issued by the issuing
authority or any agreements of or with the issuing authority.

(L) The issuing authority may authorize and issue 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 by the issuing authority.
Such obligations may be issued in amounts sufficient for payment
of the principal amount of the prior obligations, any redemption
premiums thereon, principal maturities of any such obligations
maturing prior to the redemption of the remaining obligations on a
parity therewith, interest accrued or to accrue to the maturity
dates or dates of redemption of such obligations, and any
allowable costs including expenses incurred or to be incurred in
connection with such issuance and such refunding, funding, and
retirement. Subject to the bond proceedings therefor, the portion
of proceeds of the sale of obligations issued under this division
to be applied to bond service charges on the prior obligations
shall be credited to an appropriate account held by the trustee
for such prior or new obligations or to the appropriate account in
the bond service fund for such obligations. Obligations authorized
under this division shall be deemed to be issued for those
purposes for which such prior obligations were issued and are

subject to the provisions of this section pertaining to other
obligations, except as otherwise provided in this section;
provided that, unless otherwise authorized by the general
assembly, any limitations imposed by the general assembly pursuant
to this section with respect to bond service charges applicable to
the prior obligations shall be applicable to the obligations
issued under this division to refund, fund, advance refund or
retire such prior obligations.

(M) The authority to issue obligations under this section
includes authority to issue obligations in the form of bond
anticipation notes and to renew the same from time to time by the
issuance of new notes. The holders of such notes or interest
coupons pertaining thereto shall have a right to be paid solely
from the pledged receipts and special funds that may be pledged to
the payment of the bonds anticipated, or from the proceeds of such
bonds or renewal notes, or both, as the issuing authority provides
in the resolution or order authorizing such notes. Such notes may
be additionally secured by covenants of the issuing authority to
the effect that the issuing authority and the state will do such
or all things necessary for the issuance of such bonds or renewal
notes in appropriate amount, and apply the proceeds thereof to the
extent necessary, to make full payment of the principal of and
interest on such notes at the time or times contemplated, as
provided in such resolution or order. For such purpose, the
issuing authority may issue bonds or renewal notes in such
principal amount and upon such terms as may be necessary to
provide funds to pay when required the principal of and interest
on such notes, notwithstanding any limitations prescribed by or
for purposes of this section. Subject to this division, all
provisions for and references to obligations in this section are
applicable to notes authorized under this division.

The issuing authority in the bond proceedings authorizing the

issuance of bond anticipation notes shall set forth for such bonds
an estimated interest rate and a schedule of principal payments
for such bonds and the annual maturity dates thereof, and for
purposes of any limitation on bond service charges prescribed
under division (A) of section 166.11 of the Revised Code, the
amount of bond service charges on such bond anticipation notes is
deemed to be the bond service charges for the bonds anticipated
thereby as set forth in the bond proceedings applicable to such
notes, but this provision does not modify any authority in this
section to pledge receipts and special funds to, and covenant to
issue bonds to fund, the payment of principal of and interest and
any premium on such notes.

(N) Obligations issued under this section are lawful
investments for banks, societies for savings, savings and loan
associations, deposit guarantee associations, 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
political subdivisions and taxing districts of this state, the
commissioners of the sinking fund of the state, the administrator
of workers' compensation, 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 thereto by any governmental agency of the state
with respect to investments by them, and are also acceptable as
security for the deposit of public moneys.

(O) Unless otherwise provided in any applicable bond
proceedings, moneys to the credit of or in the special funds
established by or pursuant to this section may be invested by or
on behalf of the issuing authority only in notes, bonds, or other
obligations of the United States, or of any agency or

instrumentality of the United States, obligations guaranteed as to 901
principal and interest by the United States, obligations of this 902
state or any political subdivision of this state, and certificates 903
of deposit of any national bank located in this state and any 904
bank, as defined in section 1101.01 of the Revised Code, subject 905
to inspection by the superintendent of banks. If the law or the 906
instrument creating a trust pursuant to division (J) of this 907
section expressly permits investment in direct obligations of the 908
United States or an agency of the United States, unless expressly 909
prohibited by the instrument, such moneys also may be invested in 910
no-front-end-load money market mutual funds consisting exclusively 911
of obligations of the United States or an agency of the United 912
States and in repurchase agreements, including those issued by the 913
fiduciary itself, secured by obligations of the United States or 914
an agency of the United States; and in common trust funds 915
established in accordance with section 1111.20 of the Revised Code 916
and consisting exclusively of any such securities, notwithstanding 917
division (A)(4) of that section. The income from such investments 918
shall be credited to such funds as the issuing authority 919
determines, and such investments may be sold at such times as the 920
issuing authority determines or authorizes. 921

(P) Provision may be made in the applicable bond proceedings 922
for the establishment of separate accounts in the bond service 923
fund and for the application of such accounts only to the 924
specified bond service charges on obligations pertinent to such 925
accounts and bond service fund and for other accounts therein 926
within the general purposes of such fund. Unless otherwise 927
provided in any applicable bond proceedings, moneys to the credit 928
of or in the several special funds established pursuant to this 929
section shall be disbursed on the order of the treasurer of state, 930
provided that no such order is required for the payment from the 931
bond service fund when due of bond service charges on obligations. 932

(Q) The issuing authority may pledge all, or such portion as 933
the issuing authority determines, of the pledged receipts to the 934
payment of bond service charges on obligations issued under this 935
section, and for the establishment and maintenance of any 936
reserves, as provided in the bond proceedings, and make other 937
provisions therein with respect to pledged receipts as authorized 938
by this chapter, which provisions are controlling notwithstanding 939
any other provisions of law pertaining thereto. 940

(R) The issuing authority may covenant in the bond 941
proceedings, and any such covenants are controlling 942
notwithstanding any other provision of law, that the state and 943
applicable officers and governmental agencies of the state, 944
including the general assembly, so long as any obligations are 945
outstanding, shall: 946

(1) Maintain statutory authority for and cause to be charged 947
and collected wholesale and retail prices for spirituous liquor 948
sold by the state or its agents so that the pledged receipts are 949
sufficient in amount to meet bond service charges, and the 950
establishment and maintenance of any reserves and other 951
requirements provided for in the bond proceedings, and, as 952
necessary, to meet covenants contained in contracts of guarantee 953
made under section 166.06 or 166.15 of the Revised Code; 954

(2) Take or permit no action, by statute or otherwise, that 955
would impair the exemption from federal income taxation of the 956
interest on the obligations. 957

(S) There is hereby created the economic development bond 958
service fund, which shall be in the custody of the treasurer of 959
state but shall be separate and apart from and not a part of the 960
state treasury. All moneys received by or on account of the 961
issuing authority or state agencies and required by the applicable 962
bond proceedings, consistent with this section, to be deposited, 963
transferred, or credited to a bond service fund or the economic 964

development bond service fund, and all other moneys transferred or
allocated to or received for the purposes of the fund, shall be
deposited and credited to such fund and to any separate accounts
therein, subject to applicable provisions of the bond proceedings,
but without necessity for any act of appropriation. During the
period beginning with the date of the first issuance of
obligations and continuing during such time as any such
obligations are outstanding, and so long as moneys in the
pertinent bond service funds are insufficient to pay all bond
services charges on such obligations becoming due in each year, a
sufficient amount of the gross profit on the sale of spirituous
liquor included in pledged receipts are committed and shall be
paid to the bond service fund or economic development bond service
fund in each year for the purpose of paying the bond service
charges becoming due in that year without necessity for further
act of appropriation for such purpose and notwithstanding anything
to the contrary in Chapter 4301. of the Revised Code. The economic
development bond service fund is a trust fund and is hereby
pledged to the payment of bond service charges to the extent
provided in the applicable bond proceedings, and payment thereof
from such fund shall be made or provided for by the treasurer of
state in accordance with such bond proceedings without necessity
for any act of appropriation.

(T) The obligations, the transfer thereof, and the income
therefrom, including any profit made on the sale thereof, shall at
all times be free from taxation within the state.

Sec. 166.09. There shall be credited to the facilities
establishment fund the moneys received by the state from the
repayment of loans and recovery on loan guarantees, including
interest thereon, made from the facilities establishment fund or
from the loan guarantee fund and from the sale, lease, or other
disposition of property acquired or constructed from moneys in the

facilities establishment fund with moneys derived from the 997
proceeds of the sale of obligations under section 166.08 of the 998
Revised Code. Such moneys shall be applied as provided in this 999
chapter pursuant to appropriations made by the general assembly. 1000
Notwithstanding the foregoing, any amounts recovered on loan 1001
guarantees made from the loan guarantee fund shall be deposited to 1002
the credit of the loan guarantee fund to the extent necessary to 1003
restore that fund to the level required by any guarantee contract, 1004
and the other moneys referred to in the first sentence of this 1005
section may be deposited to the credit of separate accounts within 1006
the facilities establishment fund or in the bond service fund and 1007
pledged to the security of obligations, applied to the payment of 1008
bond service charges without need for appropriation, released from 1009
any such pledge and transferred to the facilities establishment 1010
fund or other account therein, all as and to the extent provided 1011
in the bond proceedings pursuant to written directions by the 1012
director of development. Accounts may be established by the 1013
director in the facilities establishment fund for particular 1014
projects or otherwise. Income from the investment of moneys in the 1015
facilities establishment fund shall be credited to that fund and, 1016
as may be provided in bond proceedings, to particular accounts 1017
therein. The treasurer of state may withdraw from the facilities 1018
establishment fund or, subject to provisions of the applicable 1019
bond proceedings, from any special funds established pursuant to 1020
the bond proceedings, or from any accounts in such funds, any 1021
amounts of investment income required to be rebated and paid to 1022
the federal government in order to maintain the exemption from 1023
federal income taxation of interest on obligations issued under 1024
this chapter, which withdrawal and payment may be made without 1025
necessity for appropriation. 1026

Sec. 166.11. (A) The aggregate principal amount of project 1027
financing obligations that may be issued under section 166.08 of 1028

the Revised Code is three hundred million dollars, plus the 1029
principal amount of such project financing obligations retired by 1030
payments. The aggregate principal amount of obligations, exclusive 1031
of project financing obligations, that may be issued under section 1032
166.08 of the Revised Code is three hundred million dollars, plus 1033
the principal amount of any such obligations retired by payment, 1034
the amounts held for the payment of the principal amount of any 1035
such obligations outstanding, amounts in special funds held as 1036
reserves to meet bond service charges, and amounts of obligations 1037
issued to provide moneys required to meet payments from the loan 1038
guarantee fund created in section 166.06 of the Revised Code and 1039
the innovation Ohio loan guarantee fund created in section 166.15 1040
of the Revised Code, and minus the amount if any by which four per 1041
cent of the unpaid principal amount of loan repayments guaranteed 1042
under section 166.06 of the Revised Code exceeds the amount in the 1043
loan guarantee fund and minus the amount if any by which four per 1044
cent of the unpaid principal amount of loan repayments guaranteed 1045
under section 166.15 of the Revised Code exceeds the amount in the 1046
innovation Ohio loan guarantee fund. The terms of the obligations 1047
issued under section 166.08 of the Revised Code, other than 1048
obligations issued to meet guarantees that cannot be satisfied 1049
from amounts then held in the loan guarantee fund, shall be such 1050
that the aggregate amount of moneys used from profit from the sale 1051
of spirituous liquor, and not from other sources, in any fiscal 1052
year shall not exceed twenty-five million dollars. For purposes of 1053
the preceding sentence, "other sources" include the annual 1054
investment income on special funds to the extent it will be 1055
available for payment of any bond service charges in lieu of use 1056
of profit from the sale of spirituous liquor, and shall be 1057
estimated on the basis of the expected funding of those special 1058
funds and assumed investment earnings thereon at a rate equal to 1059
the weighted average yield on investments of those special funds 1060
determined as of any date within sixty days immediately preceding 1061

the date of issuance of the bonds in respect of which the
determination is being made. The determinations required by this
division shall be made by the treasurer of state at the time of
issuance of an issue of obligations and shall be conclusive for
purposes of such issue of obligations from and after their
issuance and delivery.

(B) The aggregate amount of the guaranteed portion of the
unpaid principal of loans guaranteed under ~~section~~ sections 166.06
and 166.15 of the Revised Code and the unpaid principal of loans
made under ~~section~~ sections 166.07 and 166.16 of the Revised Code
may not at any time exceed ~~five~~ seven hundred million dollars. Of
that seven hundred million dollars, the aggregate amount of the
guaranteed portion of the unpaid principal of loans guaranteed
under section 166.06 and 166.15 of the Revised Code shall not at
any time exceed two hundred million dollars. However, ~~this~~
~~limitation does~~ the limitations established under this division do
not apply to loans made with proceeds from the issuance and sale
of project financing obligations.

~~(C) At least fifty per cent of the original amounts~~
~~authorized by division (B) of this section shall be reserved for~~
~~and applied to assist small business concerns that have not more~~
~~than four hundred employees, not including new employment to be~~
~~generated by the eligible project to be assisted under this~~
~~chapter, but this requirement does not limit the portion of such~~
~~amounts which may be applied to assist such small business~~
~~concerns.~~

Sec. 166.12. (A) The general assembly finds that in order to
maintain and enhance the competitiveness of the Ohio economy and
to improve the economic welfare of all of the people of the state,
it is necessary to ensure that high-value jobs based on research,
technology, and innovation will be available to the people of this
state. Further, the general assembly finds that the attraction of

such jobs and their presence in this state will materially
contribute to the economic welfare of all of the people of the
state. Accordingly, it is declared to be the public policy of this
state, through the operations under sections 166.01 and 166.12 to
166.16 of the Revised Code, and the loan and loan guarantee
provisions contained in those sections, applicable laws adopted
pursuant to Section 13 of Article VIII, Ohio Constitution, and
other authority vested in the general assembly, to assist in and
facilitate the establishment or development of eligible innovation
projects or assist and cooperate with any governmental agency in
achieving that purpose.

(B) In furtherance of that public policy and to implement
that purpose, the director of development may:

(1) After consultation with appropriate governmental
agencies, enter into agreements with persons engaged in industry,
commerce, distribution, or research and with governmental agencies
to induce such persons to acquire, construct, reconstruct,
rehabilitate, renovate, enlarge, improve, equip, or furnish, or
otherwise develop, eligible innovation projects and make provision
therein for project facilities and governmental actions, as
authorized by sections 166.01 and 166.12 to 166.16 of the Revised
Code and other applicable laws;

(2) Provide for innovation Ohio loan guarantees and loans
under sections 166.15 and 166.16 of the Revised Code;

(3) Subject to the release of such moneys by the controlling
board, contract for labor and materials needed for, or contract
with others, including governmental agencies, to provide eligible
innovation projects the allowable innovation costs of which are to
be paid for or reimbursed from moneys in the innovation Ohio loan
fund, and contract for the operation of such eligible innovation
projects;

(4) Subject to release thereof by the controlling board, from 1125
moneys in the innovation Ohio loan fund, acquire or contract to 1126
acquire by gift, exchange, or purchase, including the obtaining 1127
and exercise of purchase options, innovation property, and convey 1128
or otherwise dispose of, or provide for the conveyance or 1129
disposition of, innovation property so acquired or contracted to 1130
be acquired by sale, exchange, lease, lease purchase, conditional 1131
or installment sale, transfer, or other disposition, including the 1132
grant of an option to purchase, to any governmental agency or to 1133
any other person without necessity for competitive bidding and 1134
upon such terms and conditions and manner of consideration 1135
pursuant to and as the director determines to be appropriate to 1136
satisfy the objectives of Chapter 166. of the Revised Code; 1137

(5) Retain the services of or employ financial consultants, 1138
appraisers, consulting engineers, superintendents, managers, 1139
construction and accounting experts, attorneys, and employees, 1140
agents, and independent contractors as are necessary in the 1141
director's judgment and fix the compensation for their services; 1142

(6) Receive and accept from any person grants, gifts, and 1143
contributions of money, property, labor, and other things of 1144
value, to be held, used, and applied only for the purpose for 1145
which such grants, gifts, and contributions are made; 1146

(7) Enter into appropriate arrangements and agreements with 1147
any governmental agency for the taking or provision by that 1148
governmental agency of any governmental action with respect to 1149
innovation projects; 1150

(8) Do all other acts and enter into contracts and execute 1151
all instruments necessary or appropriate to carry out the 1152
provisions of sections 166.01 and 166.12 to 166.16 of the Revised 1153
Code; 1154

(9) With respect to property, including but not limited to 1155

innovation property, take such interests, including but not 1156
limited to mortgages, security interests, assignments, and 1157
exclusive or non-exclusive licenses, as may be necessary or 1158
appropriate under the circumstances, to ensure that innovation 1159
property is used within this state and that products or services 1160
associated with that innovation property are produced or, in the 1161
case of services, delivered, by persons employed within this 1162
state; 1163

(10) Adopt rules necessary to implement any of the provisions 1164
of sections 166.01 and 166.12 to 166.16 of the Revised Code 1165
applicable to the director. 1166

(C) The determinations by the director that facilities or 1167
property constitute eligible innovation projects and that costs of 1168
such facilities or property are allowable innovation costs, and 1169
all other determinations relevant thereto or to an action taken or 1170
agreement entered into, shall be conclusive for purposes of the 1171
validity and enforceability of rights of parties arising from 1172
actions taken and agreements entered into under sections 166.01 1173
and 166.12 to 166.16 of the Revised Code. 1174

Sec. 166.13. (A) Prior to entering into each agreement to 1175
provide innovation financial assistance under sections 166.12, 1176
166.15, and 166.16 of the Revised Code, the director of 1177
development shall determine whether the assistance will conform to 1178
the requirements of sections 166.12 to 166.16 of the Revised Code. 1179
Such determination, and the facts upon which it is based, shall be 1180
set forth by the director in submissions made to the controlling 1181
board for purposes of section 166.16 of the Revised Code and to 1182
the development finance advisory council under section 166.14 of 1183
the Revised Code. An agreement to provide assistance under 1184
sections 166.12, 166.15, and 166.16 of the Revised Code shall set 1185
forth the determination, which shall be conclusive for purposes of 1186

the validity and enforceability of the agreement and any
innovation loan guarantees, innovation loans, or other agreements
entered into pursuant to the agreement to provide innovation
financial assistance.

(B) Whenever a person applies for innovation financial
assistance under sections 166.12, 166.15, and 166.16 of the
Revised Code and the eligible innovation project for which
innovation financial assistance is requested is to relocate an
eligible innovation project that is currently being operated by
the person and that is located in another county, municipal
corporation, or township, the director shall provide written
notification to the appropriate local governmental bodies and
state officials. The notification shall contain the following
information:

(1) The name of the person applying for innovation financial
assistance;

(2) The county, and the municipal corporation or township, in
which the eligible innovation project for which innovation
financial assistance is requested is located; and

(3) The county, and the municipal corporation or township, in
which the eligible innovation project to be replaced is located.

The director shall provide the written notification to the
appropriate local governmental bodies and state officials so that
they receive the notification at least five days before the
development finance advisory council meeting at which the council
considers the request for innovation financial assistance pursuant
to sections 166.12, 166.15, and 166.16 of the Revised Code.

(C) As used in division (B) of this section:

(1) "Appropriate local governmental bodies" means:

(a) The boards of county commissioners or legislative 1217
authorities of the county in which the project for which 1218
innovation financial assistance is requested is located and of the 1219
county in which the eligible innovation project to be replaced is 1220
located; 1221

(b) The legislative authority of the municipal corporation or 1222
the board of township trustees of the township in which the 1223
eligible innovation project for which innovation financial 1224
assistance is requested is located; and 1225

(c) The legislative authority of the municipal corporation or 1226
the board of township trustees of the township in which the 1227
innovation facility to be replaced is located. 1228

(2) "State officials" means: 1229

(a) The state representative and state senator in whose 1230
districts the project for which innovation financial assistance is 1231
requested is located; 1232

(b) The state representative and state senator in whose 1233
districts the innovation project to be replaced is located. 1234

Sec. 166.14. (A) In determining the eligible innovation 1235
projects to be assisted and the nature, amount, and terms of 1236
innovation financial assistance to be provided for an eligible 1237
innovation project under sections 166.12 to 166.16 of the Revised 1238
Code: 1239

(1) The director of development shall take into consideration 1240
all of the following: 1241

(a) The number of jobs to be created or preserved by the 1242
eligible innovation project, directly or indirectly; 1243

(b) Payrolls, and the taxes generated, at both state and 1244
local levels, by or in connection with the eligible innovation 1245

project and by the employment created or preserved by or in 1246
connection with the eligible innovation project; 1247

(c) The size, nature, and cost of the eligible innovation 1248
project, including the prospect of the eligible innovation project 1249
for providing long-term jobs in enterprises consistent with the 1250
changing economics of the state and the nation; 1251

(d) The needs of any private sector enterprise to be 1252
assisted; 1253

(e) The amount and kind of assistance, if any, to be provided 1254
to the private sector enterprise by other governmental agencies 1255
through tax exemption or abatement, financing assistance with 1256
industrial development bonds, and otherwise, with respect to the 1257
eligible innovation project or with respect to any providers of 1258
innovation property to be included as part of the eligible 1259
innovation project; 1260

(f) The likelihood of the successful implementation of the 1261
proposed eligible innovation project; 1262

(g) Whether the eligible innovation project involves the use 1263
of technology in a targeted innovation industry sector. 1264

(2) The benefits to the local area, including taxes, jobs, 1265
and reduced unemployment and reduced welfare costs, among others, 1266
may be accorded value in the leasing or sales of project 1267
facilities and in loan and guarantee arrangements. 1268

(3) In making determinations under division (A)(1) of this 1269
section, the director may consider the effect of an eligible 1270
innovation project upon any entity engaged to provide innovation 1271
property to be acquired, leased, or licensed in connection with 1272
such assistance. 1273

(B) The director shall submit to the development finance 1274
advisory council data pertinent to the considerations set forth in 1275

division (A) of this section, the terms of the proposed innovation 1276
financial assistance, and such other relevant information as the 1277
council may request. 1278

(C) The development finance advisory council, on the basis of 1279
such data, shall make recommendations as to the appropriateness of 1280
the innovation financial assistance to be provided. The 1281
recommendations may be revised to reflect any changes in the 1282
proposed innovation financial assistance as the director may 1283
submit to the council. The recommendations, as amended, of the 1284
council as to the appropriateness of the proposed innovation 1285
financial assistance shall be submitted to the controlling board. 1286

(D) Financial statements and other data submitted to the 1287
director of development, the development finance advisory council, 1288
or the controlling board by any private sector person in 1289
connection with innovation financial assistance under sections 1290
166.12, 166.15, and 166.16 of the Revised Code, or any information 1291
taken from such statements or data for any purpose, shall not be 1292
open to public inspection. The development finance advisory 1293
council in considering confidential information in connection with 1294
innovation financial assistance under this chapter may, only for 1295
consideration of the confidential information referred to, and in 1296
the manner provided in division (E) of section 121.22 of the 1297
Revised Code, close the meeting during such consideration. 1298

Sec. 166.15. (A) Subject to any limitations as to aggregate 1299
amounts thereof that may from time to time be prescribed by the 1300
general assembly and to other applicable provisions of this 1301
chapter, the director of development may, on behalf of the state, 1302
enter into contracts to guarantee the repayment or payment of the 1303
unpaid principal amount of loans made, including bonds, notes, or 1304
other certificates issued or given to provide funds, to pay 1305
allowable innovation costs of eligible innovation projects. The 1306

guarantees shall be secured solely by and payable solely from the
innovation Ohio loan guarantee fund and from the moneys
representing gross profits payable to this state from the sale of
spirituous liquor as included in the definition of "pledged
receipts" in division (A)(6) of section 166.08 of the Revised
Code, in the manner and to the extent provided in guarantee
contracts consistent with this section. The guarantees shall not
constitute general obligations of the state or of any political
subdivision, and moneys raised by taxation shall not be obligated
or pledged for the payment of the guarantees.

(B) Before guaranteeing any such repayments or payments the
director shall determine that:

(1) The project is an eligible innovation project and is
economically sound.

(2) The principal amount to be guaranteed does not exceed
ninety per cent of the allowable innovation costs of the eligible
innovation project as determined by the director. In making this
determination, the director may engage an independent engineer,
architect, appraiser, or other professional to make it, pursuant
to a contract to be paid solely from the innovation Ohio loan
fund, subject to approval of the controlling board.

(3) The principal amount to be guaranteed has a satisfactory
maturity date or dates, which in no case shall be later than
twenty-five years from the effective date of the guarantee.

(4) The principal obligor, or primary guarantor, is
responsible and is reasonably expected to be able to meet the
payments under the loan, bonds, notes, or other certificates.

(5) The loan or documents pertaining to the bonds, notes, or
other certificates to be guaranteed contains amortization
provisions satisfactory to the director requiring periodic

payments or sinking fund or similar deposits by the principal
obligor, and is in such form and contains such terms and
provisions for the protection of the lenders as are generally
consistent with commercial practice for the type of eligible
innovation project which is the subject of the assistance,
including, where applicable, provisions with respect to property
insurance, repairs, alterations, payment of taxes and assessments,
delinquency charges, default remedies, acceleration of maturity,
prior, additional, and secondary liens, and other matters as the
director may approve. The determinations of the director shall be
conclusive for purposes of the validity of a guarantee evidenced
by a contract signed by the director, and such guarantee shall be
incontestable as to moneys advanced under loans to which such
guarantees are by their terms applicable.

(C) The contract of guarantee may make provision for the
conditions of, time for, and manner of fulfillment of the
guarantee commitment, subrogation of this state to the rights of
the parties guaranteed and exercise of such parties' rights by
this state, giving this state the options of making payment of the
principal amount guaranteed in one or more installments and, if
deferred, to pay interest thereon from the innovation Ohio loan
guarantee fund and pledged receipts described in division (A)(6)
of section 166.08 of the Revised Code, any other terms or
conditions customary to such guarantees and as the director may
approve, and may contain provisions for securing the guarantee in
the manner consistent with this section, covenants on behalf of
this state for the maintenance of the loan guarantee fund created
by this section and of receipts to it permitted by this chapter,
including covenants on behalf of this state to issue obligations
under section 166.08 of the Revised Code to provide moneys to the
innovation Ohio loan guarantee fund to fulfill such guarantees and
covenants authorized by division (R)(1) of section 166.08 of the

Revised Code, and covenants restricting the aggregate amount of
guarantees that may be contracted under this section and
obligations that may be issued under section 166.08 of the Revised
Code, and terms pertinent to either, to better secure the parties
guaranteed.

(D) The innovation Ohio loan guarantee fund is hereby created
as a special revenue fund and a trust fund which shall be in the
custody of the treasurer of state but shall be separate and apart
from and not a part of the state treasury and shall consist of all
grants, gifts, and contributions of moneys or rights to moneys
lawfully designated for or deposited in such fund, all moneys and
rights to moneys lawfully appropriated and transferred to such
fund, including moneys received from the issuance of obligations
under section 166.08 of the Revised Code, and moneys deposited to
such fund pursuant to division (F) of this section. The innovation
Ohio loan guarantee fund shall not be comprised, in any part, of
moneys raised by taxation.

(E) The director may fix service charges for making a
guarantee. The charges shall be payable at such times and place
and in such amounts and manner as may be prescribed by the
director.

(F) The treasurer of state shall serve as agent for the
director in the making of deposits and withdrawals and maintenance
of records pertaining to the innovation Ohio loan guarantee fund.
Prior to the director's entry into a contract providing for the
making of a guarantee payable from the innovation Ohio loan
guarantee fund, the treasurer of state shall cause to be
transferred from the innovation Ohio loan fund to the innovation
Ohio loan guarantee fund an amount equal to ten per cent of the
principal amount of the indebtedness to be guaranteed. Thereafter,
the treasurer shall cause the balance in the innovation Ohio loan
guarantee fund to be at least equal to ten per cent of the

outstanding principal amount of all guarantees made. Funds from
the innovation Ohio loan guarantee fund shall be disbursed under a
guarantee made pursuant to this section to satisfy a guaranteed
repayment or payment which is in default. After withdrawing moneys
from the innovation Ohio loan guarantee fund, the treasurer of
state shall transfer moneys in the innovation Ohio loan fund to
the innovation Ohio loan guarantee fund to satisfy any repayment
obligations. Whenever these moneys are inadequate to meet the
requirements of a guarantee, the treasurer of state shall, without
need of appropriation or further action by the director, provide
for a withdrawal and transfer to the innovation Ohio loan
guarantee fund and then to the guaranteed party of moneys in such
amount as is necessary to meet the guarantee, from moneys
representing gross profits payable to the state from the sale of
spirituous liquor as are included in the definition of "pledged
receipts" in division (A)(6) of section 166.08 of the Revised
Code. The disbursements shall be made in the manner and at the
times provided in the guarantees.

(G) Any guaranteed parties under this section, except to the
extent that their rights are restricted by the guarantee
documents, may by any suitable form of legal proceedings, protect
and enforce any rights under the laws of this state or granted by
such guarantee or guarantee documents. Such rights include the
right to compel the performance of all duties of the director and
the treasurer of state required by this section or the guarantee
or guarantee documents; and in the event of default with respect
to the payment of any guarantees, to apply to a court having
jurisdiction of the cause to appoint a receiver to receive and
administer the moneys pledged to such guarantee with full power to
pay, and to provide for payment of, such guarantee, and with such
powers, subject to the direction of the court, as are accorded
receivers in general equity cases, excluding any power to pledge

1434 or apply additional revenues or receipts or other income or moneys
1435 of this state or governmental agencies of the state to the payment
1436 of such guarantee. Each duty of the director and the treasurer of
1437 state and their officers and employees, and of each governmental
1438 agency and its officers, members, or employees, required or
1439 undertaken pursuant to this section or a guarantee made under
1440 authority of this section, is hereby established as a duty of the
1441 director and the treasurer of state, and of each such officer,
1442 member, or employee having authority to perform such duty,
1443 specifically enjoined by the law resulting from an office, trust,
1444 or station within the meaning of section 2731.01 of the Revised
1445 Code. The persons who are at the time the director and treasurer
1446 of state, or their officers or employees, are not liable in their
1447 personal capacities on any guarantees or contracts to make
1448 guarantees by the director.

1449 **Sec. 166.16.** (A) The director of development, with the
1450 approval of the controlling board and subject to the other
1451 applicable provisions of this chapter, may lend moneys in the
1452 innovation Ohio loan fund to persons for the purpose of paying
1453 allowable innovation costs of an eligible innovation project if
1454 the director determines that:

1455 (1) The project is an eligible innovation project and is
1456 economically sound.

1457 (2) The borrower is unable to finance the necessary allowable
1458 costs through ordinary financial channels upon comparable terms.
1459

1460 (3) The amount to be lent from the innovation Ohio loan fund
1461 will not exceed ninety per cent of the total costs of the eligible
1462 innovation project.

1463 (4) The repayment of the loan from the innovation Ohio loan
1464 fund will be secured by a mortgage, lien, assignment, or pledge,

or other interest in property or innovation property at such level 1465
of priority and value as the director may determine necessary, 1466
provided that, in making such a determination, the director may 1467
take into account the value of any rights granted by the borrower 1468
to the director to control the use of any property or innovation 1469
property of the borrower under the circumstances described in the 1470
loan documents. 1471

(B) The determinations of the director under division (A) of 1472
this section shall be conclusive for purposes of the validity of a 1473
loan commitment evidenced by a loan agreement signed by the 1474
director. 1475

(C) Fees, charges, rates of interest, times of payment of 1476
interest and principal, and other terms, conditions, and 1477
provisions of and security for loans made from the innovation Ohio 1478
loan fund shall be such as the director determines to be 1479
appropriate and in furtherance of the purpose for which the loans 1480
are made. The moneys used in making the loans shall be disbursed 1481
from the innovation Ohio loan fund upon order of the director. 1482
Unless otherwise specified in any indenture or other instrument 1483
securing obligations under division (D) of section 166.08 of the 1484
Revised Code, any payments of principal and interest from loans 1485
made from the innovation Ohio loan fund shall be paid to the 1486
innovation Ohio loan fund and used for the purpose of making 1487
loans. 1488

(D) The innovation Ohio loan fund is hereby created as a 1489
special revenue fund and a trust fund which shall be in the 1490
custody of the treasurer of state but shall be separate and apart 1491
from and not a part of the state treasury. The fund shall consist 1492
of all grants, gifts, and contributions of moneys or rights to 1493
moneys lawfully designated for or deposited in such fund, all 1494
moneys and rights to moneys lawfully appropriated and transferred 1495
to such fund, including moneys received from the issuance of 1496

obligations under section 166.08 of the Revised Code, and moneys 1497
deposited to such fund pursuant to divisions (C) and (G) of this 1498
section. The innovation Ohio loan fund shall not be comprised, in 1499
any part, of moneys raised by taxation. 1500

(E) The director may take actions necessary or appropriate to 1501
collect or otherwise deal with any loan made under this section. 1502

(F) The director may fix service charges for the making of a 1504
loan. The charges shall be payable at such times and place and in 1505
such amounts and manner as may be prescribed by the director. 1506

(G) The treasurer of state shall serve as an agent for the 1507
director in the making of deposits and withdrawals and maintenance 1508
of records pertaining to the innovation Ohio loan fund. 1509

(H)(1) There shall be credited to the innovation Ohio loan 1510
fund the moneys received by this state from the repayment of 1511
innovation Ohio loans and recovery on loan guarantees, including 1512
interest thereon, made from the innovation Ohio loan fund or from 1513
the innovation Ohio loan guarantee fund and from the sale, lease, 1514
or other disposition of property acquired or constructed from 1515
moneys in the innovation Ohio loan fund with moneys derived from 1516
the proceeds of the sale of obligations under section 166.08 of 1517
the Revised Code. Such moneys shall be applied as provided in this 1518
chapter pursuant to appropriations made by the general assembly. 1519

(2) Notwithstanding division (H)(1) of this section, any 1521
amounts recovered on innovation Ohio loan guarantees shall be 1522
deposited to the credit of the innovation Ohio loan guarantee fund 1523
to the extent necessary to restore that fund to the level required 1524
by any guarantee contract or by section 166.15 of the Revised 1525
Code. 1526

(3) In addition to the requirements of division (H)(1) of 1527

this section, moneys referred to in that division may be deposited 1528
to the credit of separate accounts within the innovation Ohio loan 1529
fund or in the bond service fund and pledged to the security of 1530
obligations, applied to the payment of bond service charges 1531
without need for appropriation, released from any such pledge and 1532
transferred to the innovation Ohio loan fund, all as and to the 1533
extent provided in the bond proceedings pursuant to written 1534
directions by the director of development. Accounts may be 1535
established by the director in the innovation Ohio loan fund for 1536
particular projects or otherwise. Income from the investment of 1537
moneys in the innovation Ohio loan fund shall be credited to that 1538
fund and, as may be provided in bond proceedings, to particular 1539
accounts in that fund. The treasurer of state may withdraw from 1540
the innovation Ohio loan fund or, subject to provisions of the 1541
applicable bond proceedings, from any special funds established 1542
pursuant to the bond proceedings, or from any accounts in such 1543
funds, any amounts of investment income required to be rebated and 1544
paid to the federal government in order to maintain the exemption 1545
from federal income taxation of interest on obligations issued 1546
under this chapter, which withdrawal and payment may be made 1547
without necessity for appropriation. 1548

Section 2. That existing sections 166.01, 166.02, 166.03, 1549
166.04, 166.05, 166.07, 166.08, 166.09, and 166.11 of the Revised 1550
Code are hereby repealed. 1551