

As Passed by the House

125th General Assembly

Regular Session

2003-2004

Am. Sub. H. B. No. 427

Representatives Martin, Calvert, Hoops, C. Evans, D. Evans, Faber, Flowers,
Hughes, T. Patton, Schmidt, Schneider, Trakas, Aslanides, Collier, Domenick,
Gibbs, Gilb, Hagan, Oelslager, Reidelbach, Walcher

A BILL

To amend sections 122.18, 4928.62, 5709.62, 5709.63, 1
5709.631, and 5709.632 and to enact sections 2
4928.64 to 4928.644, 4928.65 to 4928.652, and 3
5709.91 of the Revised Code, to amend Sections 38, 4
38.18, and 38.20 of Am. Sub. H.B. 95 of the 125th 5
General Assembly, and to repeal Section 2 of Sub. 6
S.B. 186 of the 123rd General Assembly; to 7
increase from 10 to 15 the number of years 8
enterprise zones or urban jobs and enterprise zone 9
agreements may exempt property from taxation, 10
subject to school board approval; to authorize the 11
Director of Development to grant money for the 12
purpose of making loans to businesses located in 13
certain economically distressed counties and for 14
the purpose of improving commercial and industrial 15
areas within the counties; to create the Job 16
Development Initiatives Fund and transfer up to 17
\$25.8 million of unclaimed funds to it; to 18
authorize the conveyance of state-owned real 19
estate in Hamilton County to the Board of County 20
Commissioners of Hamilton County; to modify the 21
law authorizing payments to municipalities and 22
counties that attract federal jobs; to prevent the 23

repeal of the Employee Ownership Assistance 24
Program that is to take effect December 31, 2004; 25
and to make appropriations. 26

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

Section 1. That sections 122.18, 4928.62, 5709.62, 5709.63, 27
5709.631, and 5709.632 be amended and sections 4928.64, 4928.641, 28
4928.642, 4928.643, 4928.644, 4928.65, 4928.651, and 4928.652 of 29
the Revised Code be enacted to read as follows: 30

Sec. 122.18. (A) As used in this section: 31

(1) "Facility" means all real property and interests in real 32
property owned by a landlord and leased to a tenant pursuant to a 33
project that is the subject of an agreement under this section; 34

(2) "Full-time employee" has the same meaning as under 35
section 122.17 of the Revised Code; 36

(3) "Landlord" means a county or municipal corporation, or a 37
corporate entity that is an instrumentality of a county or 38
municipal corporation and that is not subject to the tax imposed 39
by section 5733.06 or 5747.02 of the Revised Code; 40

(4) "New employee" means a full-time employee first employed 41
by, or under or pursuant to a contract with, the tenant in the 42
project that is the subject of the agreement after a landlord 43
enters into an agreement with the tax credit authority under this 44
section; 45

(5) "New income tax revenue" means the total amount withheld 46
under section 5747.06 of the Revised Code by the tenant or tenants 47
at a facility during a year from the compensation of new employees 48
for the tax levied under Chapter 5747. of the Revised Code; 49

(6) "Tenant" means the United States ~~or~~ any department, 50

agency, or instrumentality ~~thereof~~ of the United States, or any 51
person under contract with the United States or any department, 52
agency, or instrumentality of the United States. 53

(B) The tax credit authority may enter into an agreement with 54
a landlord under which an annual payment equal to the new income 55
tax revenue or the amount called for under division (D)(3) or (4) 56
of this section shall be made to the landlord from moneys of this 57
state that were not raised by taxation, and shall be credited by 58
the landlord to the rental owing from the tenant to the landlord 59
for a facility. 60

(C) A landlord that proposes a project to create new jobs in 61
this state may apply to the tax credit authority to enter into an 62
agreement for annual payments under this section. The director of 63
development shall prescribe the form of the application. After 64
receipt of an application, the authority may enter into an 65
agreement with the landlord for annual payments under this section 66
if it determines all of the following: 67

(1) The project will create new jobs in this state; 68

(2) The project is economically sound and will benefit the 69
people of this state by increasing opportunities for employment 70
and strengthening the economy of this state; 71

(3) Receiving the annual payments will be a major factor in 72
the decision of the landlord and tenant to go forward with the 73
project. 74

(D) An agreement with a landlord for annual payments shall 75
include all of the following: 76

(1) A description of the project that is the subject of the 77
agreement; 78

(2) The term of the agreement, which shall ~~be the greater of~~ 79
not exceed twenty years ~~or until the date on which the bonds or~~ 80

~~other forms of financing referred to in division (D)(3) of this section are no longer outstanding;~~ 81
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(3) Based on the estimated new income tax revenue to be 83
derived from the facility at the time the agreement is entered 84
into, provision for a guaranteed ~~minimum~~ payment to the landlord 85
commencing with the issuance by the landlord of any bonds or other 86
forms of financing for the construction of the facility and 87
continuing for ~~so long as such bonds or other forms of financing~~ 88
~~or any bonds or other forms of financing issued to refund such~~ 89
~~bonds or other forms of financing are outstanding~~ the term 90
approved by the authority; 91

(4) Provision for offsets to this state of the annual payment 92
in years in which such annual payment is greater than the 93
guaranteed ~~minimum~~ payment of amounts previously paid by this 94
state to the landlord in excess of the new income tax revenue by 95
reason of the guaranteed ~~minimum~~ payment; 96

(5) A specific method for determining how many new employees 97
are employed during a year; 98

(6) A requirement that the landlord annually shall obtain 99
from the tenant and report to the director of development the 100
number of new employees, the new income tax revenue withheld in 101
connection with the new employees, and any other information the 102
director needs to perform the director's duties under this 103
section; 104

(7) A requirement that the director of development annually 105
shall verify the amounts reported under division (D)(6) of this 106
section, and after doing so shall issue a certificate to the 107
landlord stating that the amounts have been verified. 108

(E) The director of development, in accordance with Chapter 109
119. of the Revised Code, shall adopt rules necessary to implement 110
this section. 111

Sec. 4928.62. (A) Beginning on the starting date of 112
competitive retail electric service, there is hereby created the 113
energy efficiency revolving loan program, which shall be 114
administered by the director of development. Under the program, 115
the director may authorize the use of moneys in the energy 116
efficiency revolving loan fund for financial assistance for 117
projects in this state. To the extent feasible given approved 118
applications for assistance, the assistance shall be distributed 119
among the certified territories of electric distribution utilities 120
and participating electric cooperatives, and among the service 121
areas of participating municipal electric utilities, in amounts 122
proportionate to the remittances of each utility and cooperative 123
under divisions (B)(1) and (3) of section 4928.61 of the Revised 124
Code. ~~The~~ 125

(B) Financial assistance under the program may be provided by 126
the director ~~of development~~ in the form of direct loans or grants, 127
or through lending institutions in the form of loan participation 128
agreements at below market rates or linked deposits. The total of 129
all grants provided under this division in any one fiscal year 130
shall not exceed ten per cent of the revenues paid into the ~~energy~~ 131
~~efficiency revolving loan~~ fund during the previous fiscal year. 132

The director shall not authorize financial assistance under 133
~~the program~~ this division unless the director first determines all 134
of the following: 135

(1) The project will include an investment in products, 136
technologies, or services, including energy efficiency for 137
low-income housing, for residential, commercial and industrial 138
business, local government, educational institution, nonprofit 139
entity, or agricultural customers of an electric distribution 140
utility in this state or a participating municipal electric 141
utility or electric cooperative in this state. 142

(2) The project will improve energy efficiency in a 143
cost-efficient manner by using both the most appropriate national, 144
federal, or other standards for products as determined by the 145
director, and the best practices for use of technology, products, 146
or services in the context of the total facility or building. 147

(3) The project will benefit the economic and environmental 148
welfare of the citizens of this state. 149

(4) The receipt of financial assistance is a major factor in 150
the applicant's decision to proceed with or invest in the project. 151

~~(B)~~(C) In addition to the financial assistance authorized 152
under division (B) of this section, financial assistance may be 153
provided by the director in accordance with sections 4928.64 to 154
4928.644 and sections 4928.65 to 4928.652 of the Revised Code. 155

(D) In carrying out sections 4928.61 to 4928.63 of the 156
Revised Code, the director may do all of the following for the 157
purpose of the ~~energy efficiency revolving loan~~ program: 158

(1) Acquire in the name of the director any property of any 159
kind or character in accordance with this section, by purchase, 160
purchase at foreclosure, or exchange, on such terms and in such 161
manner as the director considers proper; 162

(2) Make and enter into all contracts and agreements 163
necessary or incidental to the performance of the director's 164
duties and the exercise of the director's powers under those 165
sections; 166

(3) Employ or enter into contracts with financial 167
consultants, marketing consultants, consulting engineers, 168
architects, managers, construction experts, attorneys, technical 169
monitors, energy evaluators, or other employees or agents as the 170
director considers necessary, and fix their compensation; 171

(4) Adopt rules prescribing the application procedures for 172

financial assistance under the program; the terms and conditions 173
of any loans, grants, loan participation agreements, linked 174
deposits, and contracts; criteria pertaining to the eligibility of 175
participating lending institutions; and any other matters 176
necessary for the implementation of the program; 177

(5) Do all things necessary and appropriate for the operation 178
of the program. 179

~~(C)~~(E) Financial statements, financial data, and trade 180
secrets submitted to or received by the director from an applicant 181
or recipient of financial assistance under sections 4928.61 to 182
4928.63 of the Revised Code, or any information taken from those 183
statements, data, or trade secrets for any purpose, are not public 184
records for the purpose of section 149.43 of the Revised Code. 185

Sec. 4928.64. As used in sections 4928.64 to 4928.644 of the 186
Revised Code: 187

(A) "Business" means any form of business organization, 188
including, but not limited to, a sole proprietorship, partnership, 189
limited liability company, or corporation, including an S 190
corporation as defined in section 1361 of the Internal Revenue 191
Code. 192

(B) "Business facilities" means a business's place of 193
business in an eligible county, including land, buildings, 194
machinery, equipment, and other materials, except inventory, used 195
in business. 196

(C) "Eligible business" means a business that establishes, 197
acquires, maintains, expands, remodels, rehabilitates, or 198
modernizes business facilities in an eligible county, thereby 199
creating new jobs or preserving existing jobs and employment 200
opportunities in, and improving the economic welfare of the people 201
of, the eligible county. 202

(D) "Eligible county" means a county designated as being in 203
the "Appalachian region" under the "Appalachian Regional 204
Development Act of 1965," 40 U.S.C. 14102. 205

(E) "Local development district" has the same meaning as in 206
the "Appalachian Regional Development Act of 1965," 40 U.S.C. 207
14102. 208

Sec. 4928.641. The director of development shall disburse 209
money in the business incubator grant fund to each local 210
development district in the state so that an equal share is made 211
available to each eligible county from the fund. Money disbursed 212
from the fund to local development districts shall be used 213
exclusively for the purpose of making loans in eligible counties 214
as described in section 4928.642 of the Revised Code. Each local 215
development district shall ensure that an equal amount of money is 216
made available for such loans in each eligible county represented 217
by the district. 218

Sec. 4928.642. (A)(1) An eligible business may apply for a 219
loan from the business incubator loan fund of a local development 220
district by submitting an application to the district. The 221
eligible business shall file the application in the form and 222
manner prescribed by the district. The application shall contain 223
all information required by the district. The application shall 224
require an applicant to provide a detailed description of the 225
applicant's business facilities and business activities in the 226
eligible county and to specify how a loan from the district 227
incubator loan fund will create new jobs or preserve existing jobs 228
and employment opportunities in, and improve the economic welfare 229
of the people of, the eligible county. The application shall 230
require an applicant to specify the amount of the loan for which 231
the applicant is applying. The district shall review each 232

application.

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(2) The district may approve an application for a loan from the district business incubator loan fund if it determines that the loan will create new jobs or preserve existing jobs and employment opportunities in, and improve the economic welfare of the people of, the eligible county. The district may approve a loan in an amount other than the amount specified in the application. A loan may not exceed thirty thousand dollars. Upon approving the application, the district shall forward a copy of the application to the director of development. If the district has approved a loan in an amount other than the amount specified in the application, the district shall inform the director of the amount of the loan it has approved. If the director consents to the loan, the district may make a loan to the applicant in the amount approved by the district.

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(B) Interest shall not accrue on a loan from a district business incubator loan fund until seven years following the date on which the loan was made, at which time interest shall begin to accrue on the unpaid principal balance of the loan at a rate equal to two-thirds of the average prime fixed rate of interest on the date interest begins to accrue on the loan.

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(C) Each loan made from a district business incubator loan fund shall be evidenced by a written agreement between the local development district and the eligible business that receives the loan. The agreement shall specify all the terms and conditions of the loan, including the term of the loan, which shall not exceed fifteen years. The terms and conditions of a loan shall be those the district determines to be appropriate and in furtherance of the purposes for which the loan is made. The terms and conditions must conform to sections 4928.64 to 4928.644 of the Revised Code.

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(D) An eligible business and its related members, as defined

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in section 5733.042 of the Revised Code, are not eligible for more 264
than one loan under this section. 265

(E) Financial statements and other information submitted by 266
an eligible business to a district or the director of development 267
for the purpose of obtaining a loan from a district business 268
incubator loan fund are not open to public inspection. 269

Sec. 4928.643. There is hereby created in the state treasury 270
the business incubator grant fund, which shall consist of money 271
appropriated to the fund by the general assembly. Money in the 272
fund shall be used exclusively for the purpose of making grants to 273
local development districts under section 4928.641 of the Revised 274
Code. 275

Sec. 4928.644. Money granted to a local development district 276
from the business incubator grant fund under section 4928.641 of 277
the Revised Code shall be credited to the district business 278
incubator loan fund, which each local development district shall 279
create. A district business incubator loan fund shall also consist 280
of all payments of principal and interest on loans made from the 281
fund under section 4928.642 of the Revised Code. All investment 282
earnings on the cash balance in a district business incubator loan 283
fund shall be credited to the fund. Money in a district business 284
incubator loan fund shall be used exclusively for the purpose of 285
making loans under section 4928.642 of the Revised Code. 286

Sec. 4928.65. As used in sections 4928.65 to 4928.652 of the 287
Revised Code: 288

(A) "Commercial or industrial areas" means areas established 289
by a state, county, municipal, or other local zoning authority as 290
being most appropriate for business, commerce, industry, or trade 291
or an area not zoned by state or local law, regulation, or 292

ordinance, but in which there is located one or more commercial or 293
industrial activities. 294

(B) "Eligible county" means any of the following: 295

(1) A county designated as being in the "Appalachian region" 296
under the "Appalachian Regional Development Act of 1965," 79 Stat. 297
5, 40 U.S.C. App. 403; 298

(2) A county that is a "distressed area" as defined in 299
section 122.16 of the Revised Code; 300

(3) A county that has a population of less than one hundred 301
thousand according to the most recent federal decennial census and 302
in which three hundred fifty or more residents of the county were, 303
during the most recently completed calendar year, permanently or 304
temporarily terminated from a private sector employment position 305
for any reason not reflecting discredit on the employee; 306

(4) A county that has a population of one hundred thousand or 307
more according to the most recent federal decennial census and in 308
which one thousand or more residents of the county were, during 309
the most recently completed calendar year, permanently or 310
temporarily terminated from a private sector employment position 311
for any reason not reflecting discredit on the employee. 312

Sec. 4928.651. (A) If the director of development determines 313
that a grant from the industrial site improvement fund will create 314
new jobs or preserve existing jobs and employment opportunities in 315
an eligible county, the director may grant up to one million 316
dollars from the fund to the eligible county for the purpose of 317
making improvements to commercial or industrial areas within the 318
eligible county, including, but not limited to: 319

(1) Expanding, remodeling, renovating, and modernizing 320
buildings, structures, and other improvements; 321

(2) Remediating environmentally contaminated property on 322

which hazardous substances exist under conditions that have caused 323
or would cause the property to be identified as contaminated by 324
the Ohio or United States environmental protection agency; and 325

(3) Infrastructure improvements, including, but not limited 326
to, site preparation, including building demolition and removal; 327
streets, roads, bridges, and traffic control devices; parking lots 328
and facilities; water and sewer lines and treatment plants; gas, 329
electric, and telecommunications, including broadband, hook-ups; 330
and water and railway access improvements. 331

(B) An eligible county may apply to the director for a grant 332
under this section in the form and manner prescribed by the 333
director. The eligible county shall include on the application all 334
information required by the director. The application shall 335
require the eligible county to provide a detailed description of 336
how the eligible county would use a grant to improve commercial or 337
industrial areas within the eligible county, and to specify how a 338
grant will lead to the creation of new jobs or the preservation of 339
existing jobs and employment opportunities in the eligible county. 340
The eligible county shall specify in the application the amount of 341
the grant for which the eligible county is applying. 342

(C) An eligible county that receives a grant under this 343
section is not eligible for any additional grants from the 344
industrial site improvement fund. 345

Sec. 4928.652. There is hereby created in the state treasury 346
the industrial site improvement fund, which shall consist of money 347
appropriated to the fund by the general assembly. Money in the 348
fund shall be used exclusively for the purpose of making grants to 349
eligible counties under section 4928.651 of the Revised Code. 350

The director of development shall prescribe the form and 351
manner in which applications for grants are to be made. 352

Sec. 5709.62. (A) In any municipal corporation that is 353
defined by the United States office of management and budget as a 354
~~central~~ principal city of a metropolitan statistical area, or in a 355
city designated as an urban cluster in a rural statistical area, 356
the legislative authority of the municipal corporation may 357
designate one or more areas within its municipal corporation as 358
proposed enterprise zones. Upon designating an area, the 359
legislative authority shall petition the director of development 360
for certification of the area as having the characteristics set 361
forth in division (A)(1) of section 5709.61 of the Revised Code as 362
amended by Substitute Senate Bill No. 19 of the 120th general 363
assembly. Except as otherwise provided in division (E) of this 364
section, on and after July 1, 1994, legislative authorities shall 365
not enter into agreements under this section unless the 366
legislative authority has petitioned the director and the director 367
has certified the zone under this section as amended by that act; 368
however, all agreements entered into under this section as it 369
existed prior to July 1, 1994, and the incentives granted under 370
those agreements shall remain in effect for the period agreed to 371
under those agreements. Within sixty days after receiving such a 372
petition, the director shall determine whether the area has the 373
characteristics set forth in division (A)(1) of section 5709.61 of 374
the Revised Code, and shall forward the findings to the 375
legislative authority of the municipal corporation. If the 376
director certifies the area as having those characteristics, and 377
thereby certifies it as a zone, the legislative authority may 378
enter into an agreement with an enterprise under division (C) of 379
this section. 380

(B) Any enterprise that wishes to enter into an agreement 381
with a municipal corporation under division (C) of this section 382
shall submit a proposal to the legislative authority of the 383
municipal corporation on a form prescribed by the director of 384

development, together with the application fee established under 385
section 5709.68 of the Revised Code. The form shall require the 386
following information: 387

(1) An estimate of the number of new employees whom the 388
enterprise intends to hire, or of the number of employees whom the 389
enterprise intends to retain, within the zone at a facility that 390
is a project site, and an estimate of the amount of payroll of the 391
enterprise attributable to these employees; 392

(2) An estimate of the amount to be invested by the 393
enterprise to establish, expand, renovate, or occupy a facility, 394
including investment in new buildings, additions or improvements 395
to existing buildings, machinery, equipment, furniture, fixtures, 396
and inventory; 397

(3) A listing of the enterprise's current investment, if any, 398
in a facility as of the date of the proposal's submission. 399

The enterprise shall review and update the listings required 400
under this division to reflect material changes, and any agreement 401
entered into under division (C) of this section shall set forth 402
final estimates and listings as of the time the agreement is 403
entered into. The legislative authority may, on a separate form 404
and at any time, require any additional information necessary to 405
determine whether an enterprise is in compliance with an agreement 406
and to collect the information required to be reported under 407
section 5709.68 of the Revised Code. 408

(C) Upon receipt and investigation of a proposal under 409
division (B) of this section, if the legislative authority finds 410
that the enterprise submitting the proposal is qualified by 411
financial responsibility and business experience to create and 412
preserve employment opportunities in the zone and improve the 413
economic climate of the municipal corporation, the legislative 414
authority, on or before October 15, 2009, may do one of the 415

following: 416

(1) Enter into an agreement with the enterprise under which 417
the enterprise agrees to establish, expand, renovate, or occupy a 418
facility and hire new employees, or preserve employment 419
opportunities for existing employees, in return for one or more of 420
the following incentives: 421

(a) Exemption for a specified number of years, not to exceed 422
~~ten~~ fifteen, of a specified portion, up to seventy-five per cent, 423
of the assessed value of tangible personal property first used in 424
business at the project site as a result of the agreement. If an 425
exemption for inventory is specifically granted in the agreement 426
pursuant to this division, the exemption applies to inventory 427
required to be listed pursuant to sections 5711.15 and 5711.16 of 428
the Revised Code, except that, in the instance of an expansion or 429
other situations in which an enterprise was in business at the 430
facility prior to the establishment of the zone, the inventory 431
that is exempt is that amount or value of inventory in excess of 432
the amount or value of inventory required to be listed in the 433
personal property tax return of the enterprise in the return for 434
the tax year in which the agreement is entered into. 435

(b) Exemption for a specified number of years, not to exceed 436
~~ten~~ fifteen, of a specified portion, up to seventy-five per cent, 437
of the increase in the assessed valuation of real property 438
constituting the project site subsequent to formal approval of the 439
agreement by the legislative authority; 440

(c) Provision for a specified number of years, not to exceed 441
~~ten~~ fifteen, of any optional services or assistance that the 442
municipal corporation is authorized to provide with regard to the 443
project site. 444

(2) Enter into an agreement under which the enterprise agrees 445
to remediate an environmentally contaminated facility, to spend an 446

amount equal to at least two hundred fifty per cent of the true 447
value in money of the real property of the facility prior to 448
remediation as determined for the purposes of property taxation to 449
establish, expand, renovate, or occupy the remediated facility, 450
and to hire new employees or preserve employment opportunities for 451
existing employees at the remediated facility, in return for one 452
or more of the following incentives: 453

(a) Exemption for a specified number of years, not to exceed 454
~~ten~~ fifteen, of a specified portion, not to exceed fifty per cent, 455
of the assessed valuation of the real property of the facility 456
prior to remediation; 457

(b) Exemption for a specified number of years, not to exceed 458
~~ten~~ fifteen, of a specified portion, not to exceed one hundred per 459
cent, of the increase in the assessed valuation of the real 460
property of the facility during or after remediation; 461

(c) The incentive under division (C)(1)(a) of this section, 462
except that the percentage of the assessed value of such property 463
exempted from taxation shall not exceed one hundred per cent; 464

(d) The incentive under division (C)(1)(c) of this section. 465

(3) Enter into an agreement with an enterprise that plans to 466
purchase and operate a large manufacturing facility that has 467
ceased operation or announced its intention to cease operation, in 468
return for exemption for a specified number of years, not to 469
exceed ~~ten~~ fifteen, of a specified portion, up to one hundred per 470
cent, of the assessed value of tangible personal property used in 471
business at the project site as a result of the agreement, or of 472
the assessed valuation of real property constituting the project 473
site, or both. 474

(D)(1) Notwithstanding divisions (C)(1)(a) and (b) of this 475
section, the portion of the assessed value of tangible personal 476
property or of the increase in the assessed valuation of real 477

property exempted from taxation under those divisions may exceed 478
seventy-five per cent in any year for which that portion is 479
exempted if the average percentage exempted for all years in which 480
the agreement is in effect does not exceed sixty per cent, or if 481
the board of education of the city, local, or exempted village 482
school district within the territory of which the property is or 483
will be located approves a percentage in excess of seventy-five 484
per cent. 485

(2) Notwithstanding any provision of the Revised Code to the 486
contrary, the exemptions described in divisions (C)(1)(a), (b), 487
and (c), (C)(2)(a), (b), and (c), and (C)(3) of this section may 488
be for up to fifteen years if the board of education of the city, 489
local, or exempted village school district within the territory ~~in~~ 490
of which the property is or will be located approves a number of 491
years in excess of ten, ~~but only if the project that is part of~~ 492
~~the agreement includes a fixed asset investment of at least one~~ 493
~~hundred million dollars or the director of development determines~~ 494
~~there are extraordinary circumstances, and only if the project~~ 495
~~involves the enrichment and commercialization of uranium or~~ 496
~~uranium products or the research and development activities~~ 497
~~related to that enrichment or commercialization.~~ 498

(3) For the purpose of obtaining the approval of a city, 499
local, or exempted village school district under division (D)(1) 500
or (2) of this section, the legislative authority shall deliver to 501
the board of education a notice not later than forty-five days 502
prior to approving the agreement, excluding Saturdays, Sundays, 503
and legal holidays as defined in section 1.14 of the Revised Code. 504
The notice shall state the percentage to be exempted, an estimate 505
of the true value of the property to be exempted, and the number 506
of years the property is to be exempted. The board of education, 507
by resolution adopted by a majority of the board, shall approve or 508
disapprove the agreement and certify a copy of the resolution to 509

the legislative authority not later than fourteen days prior to 510
the date stipulated by the legislative authority as the date upon 511
which approval of the agreement is to be formally considered by 512
the legislative authority. The board of education may include in 513
the resolution conditions under which the board would approve the 514
agreement, including the execution of an agreement to compensate 515
the school district under division (B) of section 5709.82 of the 516
Revised Code. The legislative authority may approve the agreement 517
at any time after the board of education certifies its resolution 518
approving the agreement to the legislative authority, or, if the 519
board approves the agreement conditionally, at any time after the 520
conditions are agreed to by the board and the legislative 521
authority. 522

If a board of education has adopted a resolution waiving its 523
right to approve agreements and the resolution remains in effect, 524
approval of an agreement by the board is not required under this 525
division. If a board of education has adopted a resolution 526
allowing a legislative authority to deliver the notice required 527
under this division fewer than forty-five business days prior to 528
the legislative authority's approval of the agreement, the 529
legislative authority shall deliver the notice to the board not 530
later than the number of days prior to such approval as prescribed 531
by the board in its resolution. If a board of education adopts a 532
resolution waiving its right to approve agreements or shortening 533
the notification period, the board shall certify a copy of the 534
resolution to the legislative authority. If the board of education 535
rescinds such a resolution, it shall certify notice of the 536
rescission to the legislative authority. 537

(4) The legislative authority shall comply with section 538
5709.83 of the Revised Code unless the board of education has 539
adopted a resolution under that section waiving its right to 540
receive such notice. 541

(E) This division applies to zones certified by the director 542
of development under this section prior to July 22, 1994. 543

On or before October 15, 2009, the legislative authority that 544
designated a zone to which this division applies may enter into an 545
agreement with an enterprise if the legislative authority ~~makes~~ 546
~~the finding required under that division and determines~~ finds that 547
the enterprise satisfies one of the criteria described in 548
divisions (E)(1) to (5) of this section: 549

(1) The enterprise currently has no operations in this state 550
and, subject to approval of the agreement, intends to establish 551
operations in the zone; 552

(2) The enterprise currently has operations in this state 553
and, subject to approval of the agreement, intends to establish 554
operations at a new location in the zone that would not result in 555
a reduction in the number of employee positions at any of the 556
enterprise's other locations in this state; 557

(3) The enterprise, subject to approval of the agreement, 558
intends to relocate operations, currently located in another 559
state, to the zone; 560

(4) The enterprise, subject to approval of the agreement, 561
intends to expand operations at an existing site in the zone that 562
the enterprise currently operates; 563

(5) The enterprise, subject to approval of the agreement, 564
intends to relocate operations, currently located in this state, 565
to the zone, and the director of development has issued a waiver 566
for the enterprise under division (B) of section 5709.633 of the 567
Revised Code. 568

The agreement shall require the enterprise to agree to 569
establish, expand, renovate, or occupy a facility in the zone and 570
hire new employees, or preserve employment opportunities for 571

existing employees, in return for one or more of the incentives 572
described in division (C) of this section. 573

(F) All agreements entered into under this section shall be 574
in the form prescribed under section 5709.631 of the Revised Code. 575
After an agreement is entered into under this ~~division~~ section, if 576
the legislative authority revokes its designation of a zone, or if 577
the director of development revokes ~~the~~ a zone's certification, 578
any entitlements granted under the agreement shall continue for 579
the number of years specified in the agreement. 580

(G) Except as otherwise provided in this division, an 581
agreement entered into under this section shall require that the 582
enterprise pay an annual fee equal to the greater of one per cent 583
of the dollar value of incentives offered under the agreement or 584
five hundred dollars; provided, however, that if the value of the 585
incentives exceeds two hundred fifty thousand dollars, the fee 586
shall not exceed two thousand five hundred dollars. The fee shall 587
be payable to the legislative authority once per year for each 588
year the agreement is effective on the days and in the form 589
specified in the agreement. Fees paid shall be deposited in a 590
special fund created for such purpose by the legislative authority 591
and shall be used by the legislative authority exclusively for the 592
purpose of complying with section 5709.68 of the Revised Code and 593
by the tax incentive review council created under section 5709.85 594
of the Revised Code exclusively for the purposes of performing the 595
duties prescribed under that section. The legislative authority 596
may waive or reduce the amount of the fee charged against an 597
enterprise, but such a waiver or reduction does not affect the 598
obligations of the legislative authority or the tax incentive 599
review council to comply with section 5709.68 or 5709.85 of the 600
Revised Code. 601

(H) When an agreement is entered into pursuant to this 602
section, the legislative authority authorizing the agreement shall 603

forward a copy of the agreement to the director of development and 604
to the tax commissioner within fifteen days after the agreement is 605
entered into. If any agreement includes terms not provided for in 606
section 5709.631 of the Revised Code affecting the revenue of a 607
city, local, or exempted village school district or causing 608
revenue to be foregone by the district, including any compensation 609
to be paid to the school district pursuant to section 5709.82 of 610
the Revised Code, those terms also shall be forwarded in writing 611
to the director of development along with the copy of the 612
agreement forwarded under this division. 613

(I) After an agreement is entered into, the enterprise shall 614
file with each personal property tax return required to be filed, 615
or annual report required to be filed under section 5727.08 of the 616
Revised Code, while the agreement is in effect, an informational 617
return, on a form prescribed by the tax commissioner for that 618
purpose, setting forth separately the property, and related costs 619
and values, exempted from taxation under the agreement. 620

(J) Enterprises may agree to give preference to residents of 621
the zone within which the agreement applies relative to residents 622
of this state who do not reside in the zone when hiring new 623
employees under the agreement. 624

(K) An agreement entered into under this section may include 625
a provision requiring the enterprise to create one or more 626
temporary internship positions for students enrolled in a course 627
of study at a school or other educational institution in the 628
vicinity, and to create a scholarship or provide another form of 629
educational financial assistance for students holding such a 630
position in exchange for the student's commitment to work for the 631
enterprise at the completion of the internship. 632

(L) The tax commissioner's authority in determining the 633
accuracy of any exemption granted by an agreement entered into 634
under this section is limited to divisions (C)(1)(a) and (b), 635

(C)(2)(a), (b), and (c), (C)(3), (D), and (I) of this section and
divisions (B)(1) to (10) of section 5709.631 of the Revised Code
and, as authorized by law, to enforcing any modification to, or
revocation of, that agreement by the legislative authority of a
municipal corporation or the director of development.

Sec. 5709.63. (A) With the consent of the legislative
authority of each affected municipal corporation or of a board of
township trustees, a board of county commissioners may, in the
manner set forth in section 5709.62 of the Revised Code, designate
one or more areas in one or more municipal corporations or in
unincorporated areas of the county as proposed enterprise zones. A
board of county commissioners may designate no more than one area
within a township, or within adjacent townships, as a proposed
enterprise zone. The board shall petition the director of
development for certification of the area as having the
characteristics set forth in division (A)(1) or (2) of section
5709.61 of the Revised Code as amended by Substitute Senate Bill
No. 19 of the 120th general assembly. Except as otherwise provided
in division (D) of this section, on and after July 1, 1994, boards
of county commissioners shall not enter into agreements under this
section unless the board has petitioned the director and the
director has certified the zone under this section as amended by
that act; however, all agreements entered into under this section
as it existed prior to July 1, 1994, and the incentives granted
under those agreements shall remain in effect for the period
agreed to under those agreements. The director shall make the
determination in the manner provided under section 5709.62 of the
Revised Code. ~~Any~~

Any enterprise wishing to enter into an agreement with the
board under division (B) or (D) of this section shall submit a
proposal to the board on the form and accompanied by the

application fee prescribed under division (B) of section 5709.62 667
of the Revised Code. The enterprise shall review and update the 668
estimates and listings required by the form in the manner required 669
under that division. The board may, on a separate form and at any 670
time, require any additional information necessary to determine 671
whether an enterprise is in compliance with an agreement and to 672
collect the information required to be reported under section 673
5709.68 of the Revised Code. 674

(B) If the board of county commissioners finds that an 675
enterprise submitting a proposal is qualified by financial 676
responsibility and business experience to create and preserve 677
employment opportunities in the zone and to improve the economic 678
climate of the municipal corporation or municipal corporations or 679
the unincorporated areas in which the zone is located and to which 680
the proposal applies, the board, on or before October 15, 2009, 681
and with the consent of the legislative authority of each affected 682
municipal corporation or of the board of township trustees may do 683
either of the following: 684

(1) Enter into an agreement with the enterprise under which 685
the enterprise agrees to establish, expand, renovate, or occupy a 686
facility in the zone and hire new employees, or preserve 687
employment opportunities for existing employees, in return for the 688
following incentives: 689

(a) When the facility is located in a municipal corporation, 690
the board may enter into an agreement for one or more of the 691
incentives provided in division (C) of section 5709.62 of the 692
Revised Code, subject to division (D) of that section; 693

(b) When the facility is located in an unincorporated area, 694
the board may enter into an agreement for one or more of the 695
following incentives: 696

(i) Exemption for a specified number of years, not to exceed 697

~~ten~~ fifteen, of a specified portion, up to sixty per cent, of the
assessed value of tangible personal property first used in
business at a project site as a result of the agreement. If an
exemption for inventory is specifically granted in the agreement
pursuant to this division, the exemption applies to inventory
required to be listed pursuant to sections 5711.15 and 5711.16 of
the Revised Code, except, in the instance of an expansion or other
situations in which an enterprise was in business at the facility
prior to the establishment of the zone, the inventory that is
exempt is that amount or value of inventory in excess of the
amount or value of inventory required to be listed in the personal
property tax return of the enterprise in the return for the tax
year in which the agreement is entered into.

(ii) Exemption for a specified number of years, not to exceed
~~ten~~ fifteen, of a specified portion, up to sixty per cent, of the
increase in the assessed valuation of real property constituting
the project site subsequent to formal approval of the agreement by
the board;

(iii) Provision for a specified number of years, not to
exceed ~~ten~~ fifteen, of any optional services or assistance the
board is authorized to provide with regard to the project site;

(iv) The incentive described in division (C)(2) of section
5709.62 of the Revised Code.

(2) Enter into an agreement with an enterprise that plans to
purchase and operate a large manufacturing facility that has
ceased operation or has announced its intention to cease
operation, in return for exemption for a specified number of
years, not to exceed ~~ten~~ fifteen, of a specified portion, up to
one hundred per cent, of tangible personal property used in
business at the project site as a result of the agreement, or of
real property constituting the project site, or both.

(C)(1)(a) Notwithstanding divisions (B)(1)(b)(i) and (ii) of 729
this section, the portion of the assessed value of tangible 730
personal property or of the increase in the assessed valuation of 731
real property exempted from taxation under those divisions may 732
exceed sixty per cent in any year for which that portion is 733
exempted if the average percentage exempted for all years in which 734
the agreement is in effect does not exceed fifty per cent, or if 735
the board of education of the city, local, or exempted village 736
school district within the territory of which the property is or 737
will be located approves a percentage in excess of sixty per cent. 738

(b) Notwithstanding any provision of the Revised Code to the 739
contrary, the exemptions described in divisions (B)(1)(b)(i), 740
(ii), (iii), and (iv) and (B)(2) of this section may be for up to 741
fifteen years if the board of education of the city, local, or 742
exempted village school district within the territory ~~in~~ of which 743
the property is or will be located approves a number of years in 744
excess of ten, ~~but only if the project that is part of the~~ 745
~~agreement includes a fixed asset investment of at least one~~ 746
~~hundred million dollars or the director of development determines~~ 747
~~there are extraordinary circumstances, and only if the project~~ 748
~~involves the enrichment and commercialization of uranium or~~ 749
~~uranium products or the research and development activities~~ 750
~~related to that enrichment or commercialization.~~ 751

(c) For the purpose of obtaining the approval of a city, 752
local, or exempted village school district under division 753
(C)(1)(a) or (b) of this section, the board of county 754
commissioners shall deliver to the board of education a notice not 755
later than forty-five days prior to approving the agreement, 756
excluding Saturdays, Sundays, and legal holidays as defined in 757
section 1.14 of the Revised Code. The notice shall state the 758
percentage to be exempted, an estimate of the true value of the 759
property to be exempted, and the number of years the property is 760

to be exempted. The board of education, by resolution adopted by a majority of the board, shall approve or disapprove the agreement and certify a copy of the resolution to the board of county commissioners not later than fourteen days prior to the date stipulated by the board of county commissioners as the date upon which approval of the agreement is to be formally considered by the board of county commissioners. The board of education may include in the resolution conditions under which the board would approve the agreement, including the execution of an agreement to compensate the school district under division (B) of section 5709.82 of the Revised Code. The board of county commissioners may approve the agreement at any time after the board of education certifies its resolution approving the agreement to the board of county commissioners, or, if the board of education approves the agreement conditionally, at any time after the conditions are agreed to by the board of education and the board of county commissioners.

If a board of education has adopted a resolution waiving its right to approve agreements and the resolution remains in effect, approval of an agreement by the board of education is not required under division (C) of this section. If a board of education has adopted a resolution allowing a board of county commissioners to deliver the notice required under this division fewer than forty-five business days prior to approval of the agreement by the board of county commissioners, the board of county commissioners shall deliver the notice to the board of education not later than the number of days prior to such approval as prescribed by the board of education in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board of education shall certify a copy of the resolution to the board of county commissioners. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the board

of county commissioners. 794

(2) The board of county commissioners shall comply with 795
section 5709.83 of the Revised Code unless the board of education 796
has adopted a resolution under that section waiving its right to 797
receive such notice. 798

(D) This division applies to zones certified by the director 799
of development under this section prior to July 22, 1994. 800

On or before October 15, 2009, and with the consent of the 801
legislative authority of each affected municipal corporation or 802
board of township trustees of each affected township, the board of 803
county commissioners that designated a zone to which this division 804
applies may enter into an agreement with an enterprise if the 805
board ~~makes the finding required under that division and~~ 806
~~determines~~ finds that the enterprise satisfies one of the criteria 807
described in divisions (D)(1) to (5) of this section: 808

(1) The enterprise currently has no operations in this state 809
and, subject to approval of the agreement, intends to establish 810
operations in the zone; 811

(2) The enterprise currently has operations in this state 812
and, subject to approval of the agreement, intends to establish 813
operations at a new location in the zone that would not result in 814
a reduction in the number of employee positions at any of the 815
enterprise's other locations in this state; 816

(3) The enterprise, subject to approval of the agreement, 817
intends to relocate operations, currently located in another 818
state, to the zone; 819

(4) The enterprise, subject to approval of the agreement, 820
intends to expand operations at an existing site in the zone that 821
the enterprise currently operates; 822

(5) The enterprise, subject to approval of the agreement, 823

intends to relocate operations, currently located in this state, 824
to the zone, and the director of development has issued a waiver 825
for the enterprise under division (B) of section 5709.633 of the 826
Revised Code. 827

The agreement shall require the enterprise to agree to 828
establish, expand, renovate, or occupy a facility in the zone and 829
hire new employees, or preserve employment opportunities for 830
existing employees, in return for one or more of the incentives 831
described in division (B) of this section. 832

(E) All agreements entered into under this section shall be 833
in the form prescribed under section 5709.631 of the Revised Code. 834
After an agreement under this section is entered into, if the 835
board of county commissioners revokes its designation of ~~the a~~ 836
zone, or if the director of development revokes ~~the a~~ zone's 837
certification, any entitlements granted under the agreement shall 838
continue for the number of years specified in the agreement. 839

(F) Except as otherwise provided in this ~~paragraph~~ division, 840
an agreement entered into under this section shall require that 841
the enterprise pay an annual fee equal to the greater of one per 842
cent of the dollar value of incentives offered under the agreement 843
or five hundred dollars; provided, however, that if the value of 844
the incentives exceeds two hundred fifty thousand dollars, the fee 845
shall not exceed two thousand five hundred dollars. The fee shall 846
be payable to the board of county commissioners once per year for 847
each year the agreement is effective on the days and in the form 848
specified in the agreement. Fees paid shall be deposited in a 849
special fund created for such purpose by the board and shall be 850
used by the board exclusively for the purpose of complying with 851
section 5709.68 of the Revised Code and by the tax incentive 852
review council created under section 5709.85 of the Revised Code 853
exclusively for the purposes of performing the duties prescribed 854
under that section. The board may waive or reduce the amount of 855

the fee charged against an enterprise, but such waiver or 856
reduction does not affect the obligations of the board or the tax 857
incentive review council to comply with section 5709.68 or 5709.85 858
of the Revised Code, respectively. 859

(G) With the approval of the legislative authority of a 860
municipal corporation or the board of township trustees of a 861
township in which a zone is designated under division (A) of this 862
section, the board of county commissioners may delegate to that 863
legislative authority or board any powers and duties of the board 864
of county commissioners to negotiate and administer agreements 865
with regard to that zone under this section. 866

(H) When an agreement is entered into pursuant to this 867
section, the ~~legislative authority~~ board of county commissioners 868
authorizing the agreement or the legislative authority or board of 869
township trustees that negotiates and administers the agreement 870
shall forward a copy of the agreement to the director of 871
development and to the tax commissioner within fifteen days after 872
the agreement is entered into. If any agreement includes terms not 873
provided for in section 5709.631 of the Revised Code affecting the 874
revenue of a city, local, or exempted village school district or 875
causing revenue to be foregone by the district, including any 876
compensation to be paid to the school district pursuant to section 877
5709.82 of the Revised Code, those terms also shall be forwarded 878
in writing to the director of development along with the copy of 879
the agreement forwarded under this division. 880

(I) After an agreement is entered into, the enterprise shall 881
file with each personal property tax return required to be filed, 882
or annual report that is required to be filed under section 883
5727.08 of the Revised Code, while the agreement is in effect, an 884
informational return, on a form prescribed by the tax commissioner 885
for that purpose, setting forth separately the property, and 886
related costs and values, exempted from taxation under the 887

agreement. 888

(J) Enterprises may agree to give preference to residents of 889
the zone within which the agreement applies relative to residents 890
of this state who do not reside in the zone when hiring new 891
employees under the agreement. 892

(K) An agreement entered into under this section may include 893
a provision requiring the enterprise to create one or more 894
temporary internship positions for students enrolled in a course 895
of study at a school or other educational institution in the 896
vicinity, and to create a scholarship or provide another form of 897
educational financial assistance for students holding such a 898
position in exchange for the student's commitment to work for the 899
enterprise at the completion of the internship. 900

(L) The tax commissioner's authority in determining the 901
accuracy of any exemption granted by an agreement entered into 902
under this section is limited to divisions (B)(1)(b)(i) and (ii), 903
(B)(2), (C), and (I) of this section, division (B)(1)(b)(iv) of 904
this section as it pertains to divisions (C)(2)(a), (b), and (c) 905
of section 5709.62 of the Revised Code, and divisions (B)(1) to 906
(10) of section 5709.631 of the Revised Code and, as authorized by 907
law, to enforcing any modification to, or revocation of, that 908
agreement by the board of county commissioners or the director of 909
development or, if the board's powers and duties are delegated 910
under division (G) of this section, by the legislative authority 911
of a municipal corporation or board of township trustees. 912

Sec. 5709.631. Each agreement entered into under sections 913
5709.62, 5709.63, and 5709.632 of the Revised Code on or after 914
April 1, 1994, shall be in writing and shall include all of the 915
information and statements prescribed by this section. Agreements 916
may include terms not prescribed by this section, but such terms 917
shall in no way derogate from the information and statements 918

prescribed by this section. 919

(A) Each agreement shall include the following information: 920

(1) The names of all parties to the agreement; 921

(2) A description of the investments to be made by the 922
applicant enterprise or by another party at the facility whether 923
or not the investments are exempted from taxation, including 924
existing or new building size and cost thereof; the value of 925
machinery, equipment, furniture, and fixtures, including an 926
itemization of the value of machinery, equipment, furniture, and 927
fixtures used at another location in this state prior to the 928
agreement and relocated or to be relocated from that location to 929
the facility and the value of machinery, equipment, furniture, and 930
fixtures at the facility prior to the execution of the agreement 931
that will not be exempted from taxation; the value of inventory at 932
the facility, including an itemization of the value of inventory 933
held at another location in this state prior to the agreement and 934
relocated or to be relocated from that location to the facility, 935
and the value of inventory held at the facility prior to the 936
execution of the agreement that will not be exempted from 937
taxation; 938

(3) The scheduled starting and completion dates of 939
investments made in building, machinery, equipment, furniture, 940
fixtures, and inventory; 941

(4) Estimates of the number of employee positions to be 942
created each year of the agreement and of the number of employee 943
positions retained by the applicant enterprise due to the project, 944
itemized as to the number of full-time, part-time, permanent, and 945
temporary positions; 946

(5) Estimates of the dollar amount of payroll attributable to 947
the positions set forth in division (A)(4) of this section, 948

similarly itemized; 949

(6) The number of employee positions, if any, at the project 950
site and at any other location in the state at the time the 951
agreement is executed, itemized as to the number of full-time, 952
part-time, permanent, and temporary positions. 953

(B) Each agreement shall set forth the following information 954
and incorporate the following statements: 955

(1) A description of real property to be exempted from 956
taxation under the agreement, the percentage of the assessed 957
valuation of the real property exempted from taxation, and the 958
period for which the exemption is granted, accompanied by the 959
statement: "The exemption commences the first year for which the 960
real property would first be taxable were that property not 961
exempted from taxation. No exemption shall commence after 962
..... (insert date) nor extend beyond (insert 963
date)." The tax commissioner shall adopt rules prescribing the 964
form the description of such property shall assume to ensure that 965
the property to be exempted from taxation under the agreement is 966
distinguishable from property that is not to be exempted under 967
that agreement. 968

(2) A description of tangible personal property to be 969
exempted from taxation under the agreement, the percentage of the 970
assessed value of the tangible personal property exempted from 971
taxation, and the period for which the exemption is granted, 972
accompanied by the statement: "The minimum investment for tangible 973
personal property to qualify for the exemption is \$..... 974
(insert dollar amount) to purchase machinery and equipment first 975
used in business at the facility as a result of the project, 976
\$..... (insert dollar amount) for furniture and fixtures and 977
other noninventory personal property first used in business at the 978
facility as a result of the project, and \$..... (insert 979
dollar amount) for new inventory. The maximum investment for 980

tangible personal property to qualify for the exemption is 981
\$..... (insert dollar amount) to purchase machinery and 982
equipment first used in business at the facility as a result of 983
the project, \$..... (insert dollar amount) for furniture and 984
fixtures and other noninventory personal property first used in 985
business at the facility as a result of the project, and 986
\$..... (insert dollar amount) for new inventory. The 987
exemption commences the first year for which the tangible personal 988
property would first be taxable were that property not exempted 989
from taxation. No exemption shall commence after tax return year 990
..... (insert year) nor extend beyond tax return year 991
..... (insert year). In no instance shall any tangible 992
personal property be exempted from taxation for more than ten 993
return years unless ~~the project that is part of the agreement~~ 994
~~involves the enrichment and commercialization of uranium or~~ 995
~~uranium products or the research and development activities~~ 996
~~related to that enrichment or commercialization, under division~~ 997
(D)(2) of section 5709.62 or under division (C)(1)(b) of section 998
5709.63 of the Revised Code, the board of education approves 999
exemption for a number of years in excess of ten, in which case 1000
the tangible personal property may be exempted from taxation for 1001
~~up to that number of years, not to exceed~~ fifteen return years." 1002
No exemption shall be allowed for any type of tangible personal 1003
property if the total investment is less than the minimum dollar 1004
amount specified for that type of property. If, for a type of 1005
tangible personal property, there are no minimum or maximum 1006
investment dollar amounts specified in the statement or the dollar 1007
amounts are designated in the statement as not applicable, the 1008
exemption shall apply to the total cost of that type of tangible 1009
personal property first used in business at the facility as a 1010
result of the project. The tax commissioner shall adopt rules 1011
prescribing the form the description of such property shall assume 1012
to ensure that the property to be exempted from taxation under the 1013

agreement is distinguishable from property that is not to be 1014
exempted under that agreement. 1015

(3) "..... (insert name of enterprise) shall pay such 1016
real and tangible personal property taxes as are not exempted 1017
under this agreement and are charged against such property and 1018
shall file all tax reports and returns as required by law. If 1019
..... (insert name of enterprise) fails to pay such taxes or 1020
file such returns and reports, all incentives granted under this 1021
agreement are rescinded beginning with the year for which such 1022
taxes are charged or such reports or returns are required to be 1023
filed and thereafter." 1024

(4) "..... (insert name of enterprise) hereby certifies 1025
that at the time this agreement is executed, (insert 1026
name of enterprise) does not owe any delinquent real or tangible 1027
personal property taxes to any taxing authority of the State of 1028
Ohio, and does not owe delinquent taxes for which 1029
(insert name of enterprise) is liable under Chapter 5727., 5733., 1030
5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, 1031
or, if such delinquent taxes are owed, (insert name of 1032
enterprise) currently is paying the delinquent taxes pursuant to a 1033
delinquent tax contract enforceable by the State of Ohio or an 1034
agent or instrumentality thereof, has filed a petition in 1035
bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has 1036
been filed against (insert name of enterprise). For the 1037
purposes of the certification, delinquent taxes are taxes that 1038
remain unpaid on the latest day prescribed for payment without 1039
penalty under the chapter of the Revised Code governing payment of 1040
those taxes." 1041

(5) "..... (insert name of municipal corporation or 1042
county) shall perform such acts as are reasonably necessary or 1043
appropriate to effect, claim, reserve, and maintain exemptions 1044
from taxation granted under this agreement including, without 1045

limitation, joining in the execution of all documentation and 1046
providing any necessary certificates required in connection with 1047
such exemptions." 1048

(6) "If for any reason the enterprise zone designation 1049
expires, the Director of the Ohio Department of Development 1050
revokes certification of the zone, or (insert name of 1051
municipal corporation or county) revokes the designation of the 1052
zone, entitlements granted under this agreement shall continue for 1053
the number of years specified under this agreement, unless 1054
..... (insert name of enterprise) materially fails to fulfill 1055
its obligations under this agreement and (insert name 1056
of municipal corporation or county) terminates or modifies the 1057
exemptions from taxation granted under this agreement." 1058

(7) "If (insert name of enterprise) materially 1059
fails to fulfill its obligations under this agreement, or if 1060
..... (insert name of municipal corporation or county) 1061
determines that the certification as to delinquent taxes required 1062
by this agreement is fraudulent, (insert name of 1063
municipal corporation or county) may terminate or modify the 1064
exemptions from taxation granted under this agreement." 1065

(8) "..... (insert name of enterprise) shall provide to 1066
the proper tax incentive review council any information reasonably 1067
required by the council to evaluate the enterprise's compliance 1068
with the agreement, including returns or annual reports filed 1069
pursuant to section 5711.02 or 5727.08 of the Ohio Revised Code if 1070
requested by the council." 1071

(9) "..... (insert name of enterprise) and 1072
(insert name of municipal corporation or county) acknowledge that 1073
this agreement must be approved by formal action of the 1074
legislative authority of (insert name of municipal 1075
corporation or county) as a condition for the agreement to take 1076
effect. This agreement takes effect upon such approval." 1077

(10) "This agreement is not transferable or assignable 1078
without the express, written approval of (insert name 1079
of municipal corporation or county)." 1080

(11) "Exemptions from taxation granted under this agreement 1081
shall be revoked if it is determined that (insert 1082
name of enterprise), any successor enterprise, or any related 1083
member (as those terms are defined in section 5709.61 of the Ohio 1084
Revised Code) has violated the prohibition against entering into 1085
this agreement under division (E) of section 3735.671 or section 1086
5709.62, 5709.63, or 5709.632 of the Ohio Revised Code prior to 1087
the time prescribed by that division or either of those sections." 1088

(12) "In any calendar year during which this agreement is in 1089
effect, if the actual number of employee positions created or 1090
retained by (insert name of enterprise) is not 1091
equal to or greater than seventy-five per cent of the number of 1092
employee positions estimated to be created or retained under this 1093
agreement that year, (insert name of enterprise) 1094
shall repay the amount of taxes on property that would have been 1095
payable had the property not been exempted from taxation that year 1096
under this agreement." 1097

The statement described in division (B)(7) of this section 1098
may include the following statement, appended at the end of the 1099
statement: "and may require the repayment of the amount of taxes 1100
that would have been payable had the property not been exempted 1101
from taxation under this agreement." 1102

(C) If the director of development had to issue a waiver 1103
under section 5709.633 of the Revised Code as a condition for the 1104
agreement to be executed, the agreement shall include the 1105
following statement: 1106

"Continuation of this agreement is subject to the validity of 1107
the circumstance upon which (insert name of enterprise) 1108

applied for, and the Director of the Ohio Department of 1109
Development issued, the waiver pursuant to section 5709.633 of the 1110
Ohio Revised Code. If, after formal approval of this agreement by 1111
..... (insert name of municipal corporation or county), the 1112
Director or (insert name of municipal corporation or 1113
county) discovers that such a circumstance did not exist, 1114
..... (insert name of enterprise) shall be deemed to have 1115
materially failed to comply with this agreement." 1116

If the director issued a waiver on the basis of the 1117
circumstance described in division (B)(3) of section 5709.633 of 1118
the Ohio Revised Code, the conditions enumerated in divisions 1119
(B)(3)(a)(i) and (ii) or divisions (B)(3)(b)(i) and (ii) of that 1120
section shall be incorporated in the information described in 1121
divisions (A)(2), (3), and (4) of this section. 1122

Sec. 5709.632. (A)(1) The legislative authority of a 1123
municipal corporation defined by the United States office of 1124
management and budget as a ~~central~~ principal city of a 1125
metropolitan statistical area or designated as an urban cluster in 1126
a rural statistical area may, in the manner set forth in section 1127
5709.62 of the Revised Code, designate one or more areas in the 1128
municipal corporation as a proposed enterprise zone. 1129

(2) With the consent of the legislative authority of each 1130
affected municipal corporation or of a board of township trustees, 1131
a board of county commissioners may, in the manner set forth in 1132
section 5709.62 of the Revised Code, designate one or more areas 1133
in one or more municipal corporations or in unincorporated areas 1134
of the county as proposed urban jobs and enterprise zones, except 1135
that a board of county commissioners may designate no more than 1136
one area within a township, or within adjacent townships, as a 1137
proposed urban jobs and enterprise zone. 1138

(3)(a) The legislative authority or board of county 1139

commissioners may petition the director of development for 1140
certification of the area as having the characteristics set forth 1141
in division (A)(3) of section 5709.61 of the Revised Code. Within 1142
sixty days after receiving such a petition, the director shall 1143
determine whether the area has the characteristics set forth in 1144
that division and forward the findings to the legislative 1145
authority or board of county commissioners. If the director 1146
certifies the area as having those characteristics and thereby 1147
certifies it as a zone, the legislative authority or board may 1148
enter into agreements with enterprises under division (B) of this 1149
section. Any enterprise wishing to enter into an agreement with a 1150
legislative authority or board of commissioners under this section 1151
and satisfying one of the criteria described in divisions (B)(1) 1152
to (5) of this section shall submit a proposal to the legislative 1153
authority or board on the form prescribed under division (B) of 1154
section 5709.62 of the Revised Code and shall review and update 1155
the estimates and listings required by the form in the manner 1156
required under that division. The legislative authority or board 1157
may, on a separate form and at any time, require any additional 1158
information necessary to determine whether an enterprise is in 1159
compliance with an agreement and to collect the information 1160
required to be reported under section 5709.68 of the Revised Code. 1161

(b) The legislative authority of a city designated as an 1162
urban cluster in a rural statistical area that has, pursuant to 1163
this section, as amended by Am. Sub. H.B. 95 of the 125th general 1164
assembly, designated one or more areas in the city as a proposed 1165
enterprise zone, shall not enter into an agreement under this 1166
section unless it has petitioned the director and the director has 1167
certified the proposed enterprise zone under division (A)(3)(a) of 1168
this section. 1169

(B) Prior to entering into an agreement with an enterprise, 1170
the legislative authority or board of county commissioners shall 1171

determine whether the enterprise submitting the proposal is 1172
qualified by financial responsibility and business experience to 1173
create and preserve employment opportunities in the zone and to 1174
improve the economic climate of the municipal corporation or 1175
municipal corporations or the unincorporated areas in which the 1176
zone is located and to which the proposal applies, and whether the 1177
enterprise satisfies one of the following criteria: 1178

(1) The enterprise currently has no operations in this state 1179
and, subject to approval of the agreement, intends to establish 1180
operations in the zone; 1181

(2) The enterprise currently has operations in this state 1182
and, subject to approval of the agreement, intends to establish 1183
operations at a new location in the zone that would not result in 1184
a reduction in the number of employee positions at any of the 1185
enterprise's other locations in this state; 1186

(3) The enterprise, subject to approval of the agreement, 1187
intends to relocate operations, currently located in another 1188
state, to the zone; 1189

(4) The enterprise, subject to approval of the agreement, 1190
intends to expand operations at an existing site in the zone that 1191
the enterprise currently operates; 1192

(5) The enterprise, subject to approval of the agreement, 1193
intends to relocate operations, currently located in this state, 1194
to the zone, and the director of development has issued a waiver 1195
for the enterprise under division (B) of section 5709.633 of the 1196
Revised Code. 1197

(C) If the legislative authority or board determines that the 1198
enterprise is so qualified and satisfies one of the criteria 1199
described in divisions (B)(1) to (5) of this section, the 1200
legislative authority or board may, after complying with section 1201
5709.83 of the Revised Code and on or before October 15, 2009, 1202

and, in the case of a board of commissioners, with the consent of 1203
the legislative authority of each affected municipal corporation 1204
or of the board of township trustees, enter into an agreement with 1205
the enterprise under which the enterprise agrees to establish, 1206
expand, renovate, or occupy a facility in the zone and hire new 1207
employees, or preserve employment opportunities for existing 1208
employees, in return for the following incentives: 1209

(1) When the facility is located in a municipal corporation, 1210
a legislative authority or board of commissioners may enter into 1211
an agreement for one or more of the incentives provided in 1212
division (C) of section 5709.62 of the Revised Code, subject to 1213
division (D) of that section; 1214

(2) When the facility is located in an unincorporated area, a 1215
board of commissioners may enter into an agreement for one or more 1216
of the incentives provided in divisions (B)(1)(b), (B)(2), and 1217
(B)(3) of section 5709.63 of the Revised Code, subject to division 1218
(C) of that section. 1219

(D) All agreements entered into under this section shall be 1220
in the form prescribed under section 5709.631 of the Revised Code. 1221
After an agreement under this section is entered into, if the 1222
legislative authority or board of county commissioners revokes its 1223
designation of the zone, or if the director of development revokes 1224
the zone's certification, any entitlements granted under the 1225
agreement shall continue for the number of years specified in the 1226
agreement. 1227

(E) Except as otherwise provided in this division, an 1228
agreement entered into under this section shall require that the 1229
enterprise pay an annual fee equal to the greater of one per cent 1230
of the dollar value of incentives offered under the agreement or 1231
five hundred dollars; provided, however, that if the value of the 1232
incentives exceeds two hundred fifty thousand dollars, the fee 1233
shall not exceed two thousand five hundred dollars. The fee shall 1234

be payable to the legislative authority or board of commissioners 1235
once per year for each year the agreement is effective on the days 1236
and in the form specified in the agreement. Fees paid shall be 1237
deposited in a special fund created for such purpose by the 1238
legislative authority or board and shall be used by the 1239
legislative authority or board exclusively for the purpose of 1240
complying with section 5709.68 of the Revised Code and by the tax 1241
incentive review council created under section 5709.85 of the 1242
Revised Code exclusively for the purposes of performing the duties 1243
prescribed under that section. The legislative authority or board 1244
may waive or reduce the amount of the fee charged against an 1245
enterprise, but such waiver or reduction does not affect the 1246
obligations of the legislative authority or board or the tax 1247
incentive review council to comply with section 5709.68 or 5709.85 1248
of the Revised Code, respectively. 1249

(F) With the approval of the legislative authority of a 1250
municipal corporation or the board of township trustees of a 1251
township in which a zone is designated under division (A)(2) of 1252
this section, the board of county commissioners may delegate to 1253
that legislative authority or board any powers and duties of the 1254
board to negotiate and administer agreements with regard to that 1255
zone under this section. 1256

(G) When an agreement is entered into pursuant to this 1257
section, the legislative authority or board of commissioners 1258
authorizing the agreement shall forward a copy of the agreement to 1259
the director of development and to the tax commissioner within 1260
fifteen days after the agreement is entered into. If any agreement 1261
includes terms not provided for in section 5709.631 of the Revised 1262
Code affecting the revenue of a city, local, or exempted village 1263
school district or causing revenue to be foregone by the district, 1264
including any compensation to be paid to the school district 1265
pursuant to section 5709.82 of the Revised Code, those terms also 1266

shall be forwarded in writing to the director of development along 1267
with the copy of the agreement forwarded under this division. 1268

(H) After an agreement is entered into, the enterprise shall 1269
file with each personal property tax return required to be filed 1270
while the agreement is in effect, an informational return, on a 1271
form prescribed by the tax commissioner for that purpose, setting 1272
forth separately the property, and related costs and values, 1273
exempted from taxation under the agreement. 1274

(I) An agreement entered into under this section may include 1275
a provision requiring the enterprise to create one or more 1276
temporary internship positions for students enrolled in a course 1277
of study at a school or other educational institution in the 1278
vicinity, and to create a scholarship or provide another form of 1279
educational financial assistance for students holding such a 1280
position in exchange for the student's commitment to work for the 1281
enterprise at the completion of the internship. 1282

Section 2. That existing sections 122.18, 4928.62, 5709.62, 1283
5709.63, 5709.631, and 5709.632 of the Revised Code are hereby 1284
repealed. 1285

Section 3. That Section 2 of Sub. S.B. 186 of the 123rd 1286
General Assembly is hereby repealed. 1287

Section 4. It is the intent of Section 3 of this act to 1288
prevent the repeal of sections 122.13, 122.131, 122.132, 122.133, 1289
122.134, 122.135, and 122.136 of the Revised Code that was to have 1290
taken effect December 31, 2004, and thereby to remove the 1291
limitation imposed by such repeal upon the continued existence of 1292
those sections. This intent is not affected by the rule of 1293
statutory interpretation contained in section 1.57 of the Revised 1294
Code. 1295

Section 5. That Sections 38, 38.18, and 38.20 of Am. Sub. 1296
H.B. 95 of the 125th General Assembly be amended to read as 1297
follows: 1298

Sec. 38. DEV DEPARTMENT OF DEVELOPMENT 1299

General Revenue Fund 1300

GRF 195-321 Operating Expenses \$ 2,695,236 \$ 3,020,115 1301

GRF 195-401 Thomas Edison Program \$ 16,634,934 \$ 16,334,934 1302

GRF 195-404 Small Business \$ 1,740,722 \$ 1,740,722 1303

Development

GRF 195-405 Minority Business \$ 1,620,755 \$ 1,669,378 1304

Development Division

GRF 195-407 Travel and Tourism \$ 6,049,345 \$ 7,049,345 1305

GRF 195-410 Defense Conversion \$ 1,500,000 \$ 0 1306

Assistance

GRF 195-412 Business Development \$ 8,905,530 \$ 8,905,530 1307

Grants

GRF 195-414 First Frontier Match \$ 389,987 \$ 389,987 1308

GRF 195-415 Economic Development \$ 5,594,975 \$ 5,594,975 1309

Division and Regional

Offices

GRF 195-416 Governor's Office of \$ 4,372,324 \$ 4,372,324 1310

Appalachia

GRF 195-417 Urban/Rural Initiative \$ 589,390 \$ 589,390 1311

GRF 195-422 Third Frontier Action \$ 16,790,000 \$ 16,790,000 1312

Fund

GRF 195-426 Clean Ohio \$ 518,730 \$ 518,730 1313

Administration

GRF 195-432 International Trade \$ 4,492,713 \$ 4,492,713 1314

GRF 195-434 Investment in Training \$ 12,227,500 \$ 12,227,500 1315

Grants

GRF 195-436 Labor/Management \$ 811,869 \$ 811,869 1316

	Cooperation			
GRF 195-497	CDBG Operating Match	\$ 1,107,400	\$ 1,107,400	1317
GRF 195-498	State Energy Match	\$ 100,000	\$ 100,000	1318
GRF 195-501	Appalachian Local	\$ 380,080	\$ 380,080	1319
	Development Districts			
GRF 195-502	Appalachian Regional	\$ 238,274	\$ 246,803	1320
	Commission Dues			
GRF 195-507	Travel and Tourism	\$ 1,025,000	\$ 1,025,000	1321
	Grants			
GRF 195-515	Economic Development	\$ 10,000,000	\$ 10,000,000	1322
	Contingency			
GRF 195-516	Shovel Ready Sites	\$ 2,500,000	\$ 2,500,000	1323
GRF 195-905	Third Frontier	\$ 0	\$ 7,360,000	1324
	Research & Commercialization General Obligation Debt Service			
TOTAL GRF	General Revenue Fund	\$ 100,284,764	\$ 107,226,795	1325
	General Services Fund Group			
135 195-605	Supportive Services	\$ 7,417,068	\$ 7,539,686	1327
136 195-621	International Trade	\$ 24,915	\$ 24,915	1328
685 195-636	General Reimbursements	\$ 1,316,012	\$ 1,232,530	1329
TOTAL GSF	General Services Fund			1330
Group		\$ 8,757,995	\$ 8,797,131	1331
	Federal Special Revenue Fund Group			
3K8 195-613	Community Development	\$ 65,000,000	\$ 65,000,000	1333
	Block Grant			
3K9 195-611	Home Energy Assistance	\$ 85,036,000	\$ 85,036,000	1334
	Block Grant			
3K9 195-614	HEAP Weatherization	\$ 16,219,479	\$ 16,219,479	1335
3L0 195-612	Community Services	\$ 25,235,000	\$ 25,235,000	1336
	Block Grant			

3V1	195-601	HOME Program	\$	40,000,000	\$	40,000,000	1337
308	195-602	Appalachian Regional Commission	\$	350,200	\$	350,200	1338
308	195-603	Housing and Urban Development	\$	5,000,000	\$	5,000,000	1339
308	195-605	Federal Projects	\$	15,300,248	\$	15,300,248	1340
308	195-609	Small Business Administration	\$	4,196,381	\$	4,296,381	1341
308	195-618	Energy Federal Grants	\$	3,397,659	\$	3,397,659	1342
335	195-610	Oil Overcharge	\$	8,500,000	\$	8,500,000	1343
380	195-622	Housing Development Operating	\$	5,606,080	\$	5,667,627	1344
TOTAL FED Federal Special Revenue							1345
Fund Group			\$	273,841,047	\$	274,002,594	1346
State Special Revenue Fund Group							1347
4F2	195-639	State Special Projects	\$	540,183	\$	290,183	1348
4H4	195-641	First Frontier	\$	500,000	\$	500,000	1349
4S0	195-630	Enterprise Zone Operating	\$	211,900	\$	211,900	1350
4S1	195-634	Job Creation Tax Credit Operating	\$	375,800	\$	375,800	1351
4W1	195-646	Minority Business Enterprise Loan	\$	2,580,597	\$	2,580,597	1352
444	195-607	Water and Sewer Commission Loans	\$	523,775	\$	523,775	1353
445	195-617	Housing Finance Operating	\$	5,040,843	\$	4,983,738	1354
450	195-624	Minority Business Bonding Program Administration	\$	13,563	\$	13,563	1355
451	195-625	Economic Development Financing Operating	\$	2,358,310	\$	2,358,310	1356
<u>5A0</u>	<u>195-673</u>	<u>Business Incubator</u>	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>8,700,000</u>	1357

		<u>Grants</u>				
5AR	195-674	Industrial Site	\$	0	\$	3,300,000
						1358
		<u>Improvements</u>				
5M4	195-659	Universal Service	\$	170,000,000	\$	170,000,000
						1359
5M5	195-660	Energy Efficiency	\$	12,000,000	\$	12,000,000
						1360
		Revolving Loan				
611	195-631	Water and Sewer	\$	15,713	\$	15,713
						1361
		Administration				
617	195-654	Volume Cap	\$	200,000	\$	200,000
						1362
		Administration				
646	195-638	Low and Moderate	\$	40,000,000	\$	40,000,000
						1363
		Income Housing Trust				
		Fund				
TOTAL	SSR	State Special Revenue				1364
Fund Group			\$	234,360,684	\$	234,053,579
						1365
						<u>246,053,579</u>
Facilities	Establishment	Fund Group				1366
009	195-664	Innovation Ohio	\$	50,000,000	\$	55,000,000
						1367
037	195-615	Facilities	\$	63,931,149	\$	63,931,149
						1368
		Establishment				
4Z6	195-647	Rural Industrial Park	\$	5,000,000	\$	5,000,000
						1369
		Loan				
5D2	195-650	Urban Redevelopment	\$	10,475,000	\$	10,475,000
						1370
		Loans				
5H1	195-652	Family Farm Loan	\$	1,500,000	\$	1,500,000
						1371
		Guarantee				
5S8	195-627	Rural Development	\$	5,000,000	\$	5,000,000
						1372
		Initiative				
5S9	195-628	Capital Access Loan	\$	3,000,000	\$	3,000,000
						1373
		Program				
TOTAL	037	Facilities				1374
Establishment	Fund Group		\$	138,906,149	\$	143,906,149
						1375

Clean Ohio Revitalization Fund				1376
003 195-663 Clean Ohio Operating	\$	150,000	\$ 150,000	1377
TOTAL 003 Clean Ohio Revitalization Fund	\$	150,000	\$ 150,000	1378
<u>Job Development Initiatives Fund</u>				1379
<u>5AD 195-667 Investment in Training</u>	\$	<u>0</u>	\$ <u>12,800,000</u>	1380
<u>Expansion</u>				
<u>5AD 195-668 Worker Guarantee</u>	\$	<u>0</u>	\$ <u>3,000,000</u>	1381
<u>Program</u>				
<u>5AD 195-669 Wright Operating</u>	\$	<u>0</u>	\$ <u>10,000,000</u>	1382
<u>Grants</u>				
<u>TOTAL 5AD Job Development</u>	\$	<u>0</u>	\$ <u>25,800,000</u>	1383
<u>Initiatives Fund</u>				
TOTAL ALL BUDGET FUND GROUPS	\$	756,300,639	\$ 768,136,248	1384
			<u>805,936,248</u>	1385
Sec. 38.18. ECONOMIC DEVELOPMENT FINANCING OPERATING				1387
The foregoing appropriation item 195-625, Economic				1388
Development Financing Operating, shall be used for the operating				1389
expenses of financial assistance programs authorized under Chapter				1390
166. of the Revised Code and under sections 122.43 and 122.45 of				1391
the Revised Code.				1392
VOLUME CAP ADMINISTRATION				1393
The foregoing appropriation item 195-654, Volume Cap				1394
Administration, shall be used for expenses related to the				1395
administration of the Volume Cap Program. Revenues received by the				1396
Volume Cap Administration Fund (Fund 617) shall consist of				1397
application fees, forfeited deposits, and interest earned from the				1398
custodial account held by the Treasurer of State.				1399
UNIVERSAL SERVICE FUND				1400
The foregoing appropriation item 195-659, Universal Service,				1401

shall be used to provide payments to regulated electric utility 1402
companies for low-income customers enrolled in Percentage of 1403
Income Payment Plan (PIPP) electric accounts, to fund targeted 1404
energy efficiency and customer education services to PIPP 1405
customers, and to cover the department's administrative costs 1406
related to the Universal Service Fund Programs. 1407

ENERGY EFFICIENCY REVOLVING LOAN FUND 1408

The foregoing appropriation item 195-660, Energy Efficiency 1409
Revolving Loan, shall be used to provide financial assistance to 1410
customers for eligible energy efficiency projects for residential, 1411
commercial and industrial business, local government, educational 1412
institution, nonprofit, and agriculture customers, and to pay for 1413
the program's administrative costs as provided in the Revised Code 1414
and rules adopted by the Director of Development. 1415

BUSINESS INCUBATOR GRANTS 1416

Notwithstanding Chapter 4928. of the Revised Code, \$8,700,000 1417
in cash shall be transferred in fiscal year 2005 from the Energy 1418
Efficiency Revolving Loan Fund (Fund 5M5) to the Business 1419
Incubator Grants Fund (Fund 5A0). Moneys in appropriation item 1420
195-673, Business Incubator Grants (Fund 5A0), shall be used to 1421
make grants to eligible counties under section 4928.641 of the 1422
Revised Code. 1423

INDUSTRIAL SITE IMPROVEMENTS 1424

Notwithstanding Chapter 4928. of the Revised Code, \$3,300,000 1425
in cash shall be transferred in fiscal year 2005 from the Energy 1426
Efficiency Revolving Loan Fund (Fund 5M5) to the Industrial Site 1427
Improvement Fund (Fund 5AR). Moneys in appropriation item 195-674, 1428
Industrial Site Improvements, shall be used to make grants to 1429
eligible counties for the improvement of commercial or industrial 1430
areas within those counties under section 4928.651 of the Revised 1431
Code. 1432

GLOBAL ANALYST SETTLEMENT AGREEMENTS PAYMENTS 1433

All payments received by the state pursuant to a series of 1434
settlements with ten brokerage firms reached with the United 1435
States Securities and Exchange Commission, the National 1436
Association of Securities Dealers, the New York Stock Exchange, 1437
the New York Attorney General, and other state regulators, 1438
(henceforth referred to as the "Global Analysts Settlement 1439
Agreements"), shall be deposited into the state treasury to the 1440
credit of the Economic Development Contingency Fund (Fund 5Y6), 1441
which is hereby created in the state treasury. The fund shall be 1442
used by the Director of Development to support economic 1443
development projects for which appropriations would not otherwise 1444
be available, and shall be subject to the submission of a request 1445
to the Controlling Board by the Director outlining the planned use 1446
of the funds, and the subsequent approval of the request by the 1447
Controlling Board. 1448

Sec. 38.20. CLEAN OHIO OPERATING EXPENSES 1449

The foregoing appropriation item 195-663, Clean Ohio 1450
Operating, shall be used by the Department of Development in 1451
administering sections 122.65 to 122.658 of the Revised Code. 1452

INVESTMENT IN TRAINING EXPANSION 1453

The foregoing appropriation item 195-667, Investment in 1454
Training Expansion, shall be used for the same purposes and in the 1455
same manner as specified in Section 38.09 of Am. Sub. H.B. 95 of 1456
the 125th General Assembly. 1457

WORKER GUARANTEE PROGRAM 1458

The foregoing appropriation item 195-668, Worker Guarantee 1459
Program, shall be used for the Worker Guarantee Program. 1460

Benefited employers must create at least 100 high-paying, 1461
full-time jobs over a three-year period and must demonstrate prior 1462

to the commitment of state funds that the availability of those 1463
skilled workers is a major factor in the employer's decision to 1464
locate or expand in Ohio. Activities eligible for funding through 1465
the Worker Guarantee Program include job assessment services, 1466
screening and testing of potential employees, customized training 1467
activities, and any other training or related service determined 1468
by the Director. 1469

A local workforce development service provider may include, 1470
but is not limited to, a community college, technical or 1471
vocational school, one-stop center, or any other entity designated 1472
by the Director of Development, to provide services under the 1473
program. 1474

State matching funds totaling one-third of a project's cost 1475
shall be provided for each approved project when an employer and 1476
any local workforce development service provider, in conjunction 1477
with the local community, contracts with the Department of 1478
Development to provide services under the program. The employer 1479
and the local community each shall provide matching funds totaling 1480
one-third of a project's cost, and each portion of the matching 1481
funds shall be equal to state funding, which also shall be 1482
one-third of a project's cost. 1483

The state shall count in-kind contributions when determining 1484
a contribution from entities associated with the local community. 1485

The Director of Development, in accordance with Chapter 119. 1486
of the Revised Code, shall adopt, and may amend or rescind, rules 1487
the Director finds necessary for the implementation and successful 1488
operation of the Worker Guarantee Program. 1489

WRIGHT OPERATING GRANTS 1490

The foregoing appropriation item 195-669, Wright Operating 1491
Grants, shall be used to provide support to the 1492
nonbioscience-oriented Wright Centers and Wright Capital Projects 1493

funded by the Board of Regents appropriation item CAP-068, Third 1494
Frontier, created by Am. Sub. S.B. 261 of the 124th General 1495
Assembly. Funding shall be awarded based on criteria established 1496
by the Department of Development consistent with the intent of the 1497
program. Prior to release of funds from appropriation item 1498
195-669, Wright Operating Grants, each grant award shall have been 1499
recommended for funding by the Third Frontier Commission and shall 1500
have obtained approval from the Controlling Board. 1501

Section 6. That existing Sections 38, 38.18, and 38.20 of Am. 1502
Sub. H.B. 95 of the 125th General Assembly are hereby repealed. 1503

Section 7. Notwithstanding division (A) of section 169.05 of 1504
the Revised Code, upon the request of the Director of Budget and 1505
Management, the Director of Commerce, prior to June 30, 2005, 1506
shall transfer to the Job Development Initiatives Fund (Fund 5AD) 1507
up to \$25,800,000 of the unclaimed funds that have been reported 1508
by the holders of unclaimed funds as provided by section 169.05 of 1509
the Revised Code, irrespective of the allocation of the unclaimed 1510
funds under that section. 1511

Section 8. (A) The Governor is hereby authorized to execute a 1512
deed in the name of the state, conveying to the Board of County 1513
Commissioners of Hamilton County and its successors and assigns 1514
all of the state's right, title, and interest in the following 1515
described real estate: 1516

1916 Central Parkway, Cincinnati, Ohio. 1517

(B) Consideration for the conveyance of the real estate 1518
described in division (A) of this section is the purchase price of 1519
three hundred thousand dollars. 1520

(C) Upon payment of the purchase price, the Auditor of State, 1521
with the assistance of the Attorney General, shall prepare a deed 1522

to the real estate described in division (A) of this section. The 1523
deed shall state the consideration. The deed shall be executed by 1524
the Governor in the name of the state, countersigned by the 1525
Secretary of State, sealed with the Great Seal of the State, 1526
presented in the Office of the Auditor of State for recording, and 1527
delivered to the Board of County Commissioners of Hamilton County. 1528
The Board of Commissioners of Hamilton County shall present the 1529
deed for recording in the office of the Hamilton County Recorder. 1530

(D) Notwithstanding sections 4141.11 and 4141.31 of the 1531
Revised Code, the net proceeds of the conveyance of the real 1532
estate described in division (A) of this section shall be 1533
deposited to the credit of the Unemployment Compensation Fund 1534
created by division (A) of section 4141.09 of the Revised Code. 1535

(E) The Hamilton County Board of County Commissioners shall 1536
pay the costs of the conveyance of the real estate described in 1537
division (A) of this section. 1538

(F) This section shall expire one year after its effective 1539
date. 1540

Section 9. The amendment made to section 122.18 of the 1541
Revised Code by this act is in support of Ohio's effort to attract 1542
the NASA Shared Services Facility to this state. It is expected 1543
that appropriations in support of the payments to be made under 1544
division (D)(3) of section 122.18 of the Revised Code, as amended 1545
by this act, with respect to that facility will be necessary 1546
commencing in state fiscal year 2006 and will be made from moneys 1547
of this state that were not raised by taxation, including profits 1548
on the sale of spirituous liquor. 1549

Section 10. Sections 122.18, 4928.62, 4928.64, 4928.641, 1550
4928.642, 4928.643, 4928.644, 4928.65, 4928.651, 4928.652, 1551
5709.62, 5709.63, 5709.631, and 5709.632 of the Revised Code, as 1552

amended enacted by this act, and the items of law of which such 1553
sections as amended by this act are composed, are subject to the 1554
referendum. Therefore, under Ohio Constitution, Article II, 1555
Section 1c and section 1.471 of the Revised Code, such sections as 1556
amended by this act, and the items of law of which such sections 1557
as amended by this act are composed, take effect on the 1558
ninety-first day after this act is filed with the Secretary of 1559
State. If, however, a referendum petition is filed against any 1560
such section as amended by this act, or against any item of law of 1561
which any such section as amended by this act is composed, the 1562
section as amended by this act, or item of law, unless rejected at 1563
the referendum, takes effect at the earliest time permitted by 1564
law. 1565

Section 11. The uncodified sections of law amended or enacted 1566
in this act, and the items of law of which the uncodified sections 1567
of law amended or enacted in this act are composed, are not 1568
subject to the referendum. Therefore, under Ohio Constitution, 1569
Article II, Section 1d and section 1.471 of the Revised Code, the 1570
uncodified sections of law amended or enacted in this act, and the 1571
items of law of which the uncodified sections of law amended or 1572
enacted in this act are composed, go into immediate effect when 1573
this act becomes law. 1574

This section does not apply to Sections 1, 2, 3, 4, 9, 10 and 1575
12 of this act. 1576

Section 12. Sections 5709.62 and 5709.63 of the Revised Code 1577
are presented in this act as a composite of those sections as 1578
amended by both Sub. H.B. 127 and Am. Sub. S.B. 82 of the 125th 1579
General Assembly. The General Assembly, applying the principle 1580
stated in division (B) of section 1.52 of the Revised Code that 1581
amendments are to be harmonized if reasonably capable of 1582
simultaneous operation, finds that the composites are the 1583

resulting versions of the sections in effect prior to the	1584
effective date of the sections as presented in this act.	1585