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Am. Sub. S. B. No. 82

Senators Amstutz, Randy Gardner, Jacobson, Mumper, Stivers, Harris,
Spada, DiDonato, Schuler, Hagan, Robert Gardner, Schuring, Brady, Carnes,
Herington, White

Representatives Wolpert, Daniels, Cirelli, Collier, Domenick, Flowers,
McGregor, Price, Schlichter, Sferra, Skindell, Ujvagi, Wagner, Walcher,
Aslanides, Book, Callender, Calvert, Carmichael, Chandler, DeBose,
C. Evans, D. Evans, Gibbs, Hagan, Hartnett, Hughes, Jolivette, Niehaus,
Olman, Otterman, S. Patton, Schaffer, Schmidt, Schneider, Seitz, Setzer,
J. Stewart, Taylor, Webster, Young

A BILL

To amend sections 122.17, 135.35, 301.27, 505.10, 1
2913.01, 5575.01, 5705.41, 5709.62, 5709.63, 2
5709.67, and 5709.82 and to enact sections 9.361 3
and 301.29 of the Revised Code to modify the 4
authority of a county treasurer to invest public 5
moneys in securities lending agreements, to 6
authorize boards of county commissioners to 7
approve the use of procurement cards for certain 8
work-related purchases, to make changes pertaining 9
to the exemption of county expenditures from the 10
certification of available funds, to make changes 11
to the County Credit Card Law, to allow counties 12
to authorize a payroll deduction program to 13
provide for certain employee transportation 14
benefits, to extend the term of enterprise zone 15
tax exemptions from ten to fifteen years for 16

uranium-related projects under certain conditions, 17
to authorize the reimbursement of taxing units for 18
tax revenue foregone as a result of certain tax 19
exemptions, to change the definition of "new 20
employee" for purposes of the job creation tax 21
credit, to permit the disposal of certain 22
unneded, obsolete, or unfit for use township 23
property by sealed bid, and to exempt certain 24
township road projects from the force account 25
assessment form requirement. 26

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

Section 1. That sections 122.17, 135.35, 301.27, 505.10, 27
2913.01, 5575.01, 5705.41, 5709.62, 5709.63, 5709.67, and 5709.82 28
be amended and sections 9.361 and 301.29 of the Revised Code be 29
enacted to read as follows: 30

Sec. 9.361. A board of county commissioners may authorize, by 31
resolution, a payroll deduction benefit program to implement the 32
qualified transportation fringe benefit provided for in section 33
132(f) of the Internal Revenue Code of 1986, 26 U.S.C. 132(f), as 34
amended, for county employees, but only insofar as it applies to 35
parking and transit passes. If the program includes a parking 36
benefit for parking at a facility that is not owned by the county, 37
the county shall require a third-party administrator to administer 38
the program for the county, unless, on or before the effective 39
date of this section, the county already is providing such a 40
parking benefit for which it is acting as the administrator. 41

The resolution shall provide a process whereby any county 43
officer or employee may participate in or withdraw from the 44

program upon the filing of a written application. Upon appropriate
written authorization, the county auditor shall make the
appropriate payroll deductions and issue warrants as required by
the program.

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Sec. 122.17. (A) As used in this section:

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(1) "Full-time employee" means an individual who is employed
for consideration for at least thirty-five hours a week, or who
renders any other standard of service generally accepted by custom
or specified by contract as full-time employment.

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(2) "New employee" means one of the following:

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(a) A full-time employee first employed by a taxpayer in the
project that is the subject of the agreement after the taxpayer
enters into a tax credit agreement with the tax credit authority
under this section;

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(b) A full-time employee first employed by a taxpayer in the
project that is the subject of the tax credit after the tax credit
authority approves a project for a tax credit under this section
in a public meeting, as long as the taxpayer enters into the tax
credit agreement prepared by the department of development after
such meeting within sixty days after receiving the agreement from
the department. If the taxpayer fails to enter into the agreement
within sixty days, "new employee" has the same meaning as under
division (A)(2)(a) of this section.

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Under division (A)(2)(a) or (b) of this section, if the tax
credit authority determines it appropriate, "new employee" also
may include an employee re-hired or called back from lay-off to
work in a new facility or on a new product or service established
or produced by the taxpayer after entering into the agreement
under this section or after the tax credit authority approves the
tax credit in a public meeting. ~~New~~ Except as otherwise provided

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in this paragraph, "new employee" does not include any employee of 75
the taxpayer who was previously employed in this state by a 76
related member of the taxpayer and whose employment was shifted to 77
the taxpayer after the taxpayer entered into the tax credit 78
agreement or after the tax credit authority approved the credit in 79
a public meeting, or any employee of the taxpayer for which the 80
taxpayer has been granted a certificate under division (B) of 81
section 5709.66 of the Revised Code. However, if the taxpayer is 82
engaged in the enrichment and commercialization of uranium or 83
uranium products or is engaged in research and development 84
activities related thereto and if the tax credit authority 85
determines it appropriate, "new employee" may include an employee 86
of the taxpayer who was previously employed in this state by a 87
related member of the taxpayer and whose employment was shifted to 88
the taxpayer after the taxpayer entered into the tax credit 89
agreement or after the tax credit authority approved the credit in 90
a public meeting. "New employee" ~~also~~ does not include an employee 91
of the taxpayer who is employed in an employment position that was 92
relocated to a project from other operations of the taxpayer in 93
this state or from operations of a related member of the taxpayer 94
in this state. In addition, "new employee" does not include a 95
child, grandchild, parent, or spouse, other than a spouse who is 96
legally separated from the individual, of any individual who is an 97
employee of the taxpayer and who has a direct or indirect 98
ownership interest of at least five per cent in the profits, 99
capital, or value of the taxpayer. Such ownership interest shall 100
be determined in accordance with section 1563 of the Internal 101
Revenue Code and regulations prescribed thereunder. 102

(3) "New income tax revenue" means the total amount withheld 103
under section 5747.06 of the Revised Code by the taxpayer during 104
the taxable year from the compensation of new employees for the 105
tax levied under Chapter 5747. of the Revised Code. 106

(4) "Related member" has the same meaning as under division 107
(A)(6) of section 5733.042 of the Revised Code without regard to 108
division (B) of that section. 109

(B) The tax credit authority may make grants under this 110
section to foster job creation in this state. Such a grant shall 111
take the form of a refundable credit allowed against the tax 112
imposed by section 5733.06 or 5747.02 of the Revised Code. The 113
credit shall be claimed for the taxable years specified in the 114
taxpayer's agreement with the tax credit authority under division 115
(D) of this section. The credit shall be claimed after the 116
allowance of all other credits provided by Chapter 5733. or 5747. 117
of the Revised Code. The amount of the credit equals the new 118
income tax revenue for the taxable year multiplied by the 119
percentage specified in the agreement with the tax credit 120
authority. 121

(C) A taxpayer or potential taxpayer who proposes a project 122
to create new jobs in this state may apply to the tax credit 123
authority to enter into an agreement for a tax credit under this 124
section. The director of development shall prescribe the form of 125
the application. After receipt of an application, the authority 126
may enter into an agreement with the taxpayer for a credit under 127
this section if it determines all of the following: 128

(1) The taxpayer's project will create new jobs in this 129
state; 130

(2) The taxpayer's project is economically sound and will 131
benefit the people of this state by increasing opportunities for 132
employment and strengthening the economy of this state; 133

(3) Receiving the tax credit is a major factor in the 134
taxpayer's decision to go forward with the project. 135

(D) An agreement under this section shall include all of the 136
following: 137

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| (1) A detailed description of the project that is the subject of the agreement; | 138 139 |
| (2) The term of the tax credit, which shall not exceed fifteen years, and the first taxable year for which the credit may be claimed; | 140 141 142 |
| (3) A requirement that the taxpayer shall maintain operations at the project location for at least twice the number of years as the term of the tax credit; | 143 144 145 |
| (4) The percentage, as determined by the tax credit authority, of new income tax revenue that will be allowed as the amount of the credit for each taxable year; | 146 147 148 |
| (5) A specific method for determining how many new employees are employed during a taxable year; | 149 150 |
| (6) A requirement that the taxpayer annually shall report to the director of development the number of new employees, the new income tax revenue withheld in connection with the new employees, and any other information the director needs to perform the director's duties under this section; | 151 152 153 154 155 |
| (7) A requirement that the director of development annually shall verify the amounts reported under division (D)(6) of this section, and after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified; | 156 157 158 159 |
| (8)(a) A provision requiring that the taxpayer, except as otherwise provided in division (D)(8)(b) of this section, shall not relocate employment positions from elsewhere in this state to the project site that is the subject of the agreement for the lesser of five years from the date the agreement is entered into or the number of years the taxpayer is entitled to claim the tax credit. | 160 161 162 163 164 165 166 |
| (b) The taxpayer may relocate employment positions from | 167 |

elsewhere in this state to the project site that is the subject of 168
the agreement if the director of development determines both of 169
the following: 170

(i) That the site from which the employment positions would 171
be relocated is inadequate to meet market and industry conditions, 172
expansion plans, consolidation plans, or other business 173
considerations affecting the taxpayer; 174

(ii) That the legislative authority of the county, township, 175
or municipal corporation from which the employment positions would 176
be relocated has been notified of the relocation. 177

For purposes of this section, the movement of an employment 178
position from one political subdivision to another political 179
subdivision shall be considered a relocation of an employment 180
position, but the transfer of an individual employee from one 181
political subdivision to another political subdivision shall not 182
be considered a relocation of an employment position as long as 183
the individual's employment position in the first political 184
subdivision is refilled. 185

(E) If a taxpayer fails to meet or comply with any condition 186
or requirement set forth in a tax credit agreement, the tax credit 187
authority may amend the agreement to reduce the percentage or term 188
of the tax credit. The reduction of the percentage or term shall 189
take effect in the taxable year immediately following the taxable 190
year in which the authority amends the agreement. If the taxpayer 191
relocates employment positions in violation of the provision 192
required under division (D)(8)(a) of this section, the taxpayer 193
shall not claim the tax credit under section 5733.0610 of the 194
Revised Code for any tax years following the calendar year in 195
which the relocation occurs, or shall not claim the tax credit 196
under section 5747.058 of the Revised Code for the taxable year in 197
which the relocation occurs and any subsequent taxable years. 198

(F) Projects that consist solely of point-of-final-purchase retail facilities are not eligible for a tax credit under this section. If a project consists of both point-of-final-purchase retail facilities and nonretail facilities, only the portion of the project consisting of the nonretail facilities is eligible for a tax credit and only the new income tax revenue from new employees of the nonretail facilities shall be considered when computing the amount of the tax credit. If a warehouse facility is part of a point-of-final-purchase retail facility and supplies only that facility, the warehouse facility is not eligible for a tax credit. Catalog distribution centers are not considered point-of-final-purchase retail facilities for the purposes of this division, and are eligible for tax credits under this section.

(G) Financial statements and other information submitted to the department of development or the tax credit authority by an applicant or recipient of a tax credit under this section, and any information taken for any purpose from such statements or information, are not public records subject to section 149.43 of the Revised Code. However, the chairperson of the authority may make use of the statements and other information for purposes of issuing public reports or in connection with court proceedings concerning tax credit agreements under this section. Upon the request of the tax commissioner, the chairperson of the authority shall provide to the commissioner any statement or information submitted by an applicant or recipient of a tax credit in connection with the credit. The commissioner shall preserve the confidentiality of the statement or information.

(H) A taxpayer claiming a credit under this section shall submit to the tax commissioner a copy of the director of development's certificate of verification under division (D)(7) of this section for the taxable year. However, failure to submit a copy of the certificate does not invalidate a claim for a credit.

(I) The director of development, after consultation with the tax commissioner and in accordance with Chapter 119. of the Revised Code, shall adopt rules necessary to implement this section. The rules may provide for recipients of tax credits under this section to be charged fees to cover administrative costs of the tax credit program. At the time the director gives public notice under division (A) of section 119.03 of the Revised Code of the adoption of the rules, the director shall submit copies of the proposed rules to the chairpersons of the standing committees on economic development in the senate and the house of representatives.

(J) For the purposes of this section, a taxpayer may include a partnership, a corporation that has made an election under subchapter S of chapter one of subtitle A of the Internal Revenue Code, or any other business entity through which income flows as a distributive share to its owners. A credit received under this section by a partnership, S-corporation, or other such business entity shall be apportioned among the persons to whom the income or profit of the partnership, S-corporation, or other entity is distributed, in the same proportions as those in which the income or profit is distributed.

(K) If the director of development determines that a taxpayer who has received a credit under this section is not complying with the requirement under division (D)(3) of this section, the director shall notify the tax credit authority of the noncompliance. After receiving such a notice, and after giving the taxpayer an opportunity to explain the noncompliance, the tax credit authority may require the taxpayer to refund to this state a portion of the credit in accordance with the following:

(1) If the taxpayer maintained operations at the project location for at least one and one-half times the number of years of the term of the tax credit, an amount not exceeding twenty-five

per cent of the sum of any previously allowed credits under this section; 263
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(2) If the taxpayer maintained operations at the project location for at least the number of years of the term of the tax credit, an amount not exceeding fifty per cent of the sum of any previously allowed credits under this section; 265
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(3) If the taxpayer maintained operations at the project location for less than the number of years of the term of the tax credit, an amount not exceeding one hundred per cent of the sum of any previously allowed credits under this section. 269
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In determining the portion of the tax credit to be refunded to this state, the tax credit authority shall consider the effect of market conditions on the taxpayer's project and whether the taxpayer continues to maintain other operations in this state. After making the determination, the authority shall certify the amount to be refunded to the tax commissioner. The commissioner shall make an assessment for that amount against the taxpayer under Chapter 5733. or 5747. of the Revised Code. The time limitations on assessments under Chapter 5733. or 5747. of the Revised Code do not apply to an assessment under this division, but the commissioner shall make the assessment within one year after the date the authority certifies to the commissioner the amount to be refunded. 273
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(L) On or before the thirty-first day of March each year, the director of development shall submit a report to the governor, the president of the senate, and the speaker of the house of representatives on the tax credit program under this section. The report shall include information on the number of agreements that were entered into under this section during the preceding calendar year, a description of the project that is the subject of each such agreement, and an update on the status of projects under agreements entered into before the preceding calendar year. 286
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During the fifth year of the tax credit program, the director 295
of development in conjunction with the director of budget and 296
management shall conduct an evaluation of it. The evaluation shall 297
include assessments of the effectiveness of the program in 298
creating new jobs in this state and of the revenue impact of the 299
program, and may include a review of the practices and experiences 300
of other states with similar programs. The director of development 301
shall submit a report on the evaluation to the governor, the 302
president of the senate, and the speaker of the house of 303
representatives on or before January 1, 1998. 304

(M) There is hereby created the tax credit authority, which 305
consists of the director of development and four other members 306
appointed as follows: the governor, the president of the senate, 307
and the speaker of the house of representatives each shall appoint 308
one member who shall be a specialist in economic development; the 309
governor also shall appoint a member who is a specialist in 310
taxation. Of the initial appointees, the members appointed by the 311
governor shall serve a term of two years; the members appointed by 312
the president of the senate and the speaker of the house of 313
representatives shall serve a term of four years. Thereafter, 314
terms of office shall be for four years. Initial appointments to 315
the authority shall be made within thirty days after January 13, 316
1993. Each member shall serve on the authority until the end of 317
the term for which the member was appointed. Vacancies shall be 318
filled in the same manner provided for original appointments. Any 319
member appointed to fill a vacancy occurring prior to the 320
expiration of the term for which the member's predecessor was 321
appointed shall hold office for the remainder of that term. 322
Members may be reappointed to the authority. Members of the 323
authority shall receive their necessary and actual expenses while 324
engaged in the business of the authority. The director of 325
development shall serve as chairperson of the authority, and the 326

members annually shall elect a vice-chairperson from among 327
themselves. Three members of the authority constitute a quorum to 328
transact and vote on the business of the authority. The majority 329
vote of the membership of the authority is necessary to approve 330
any such business, including the election of the vice-chairperson. 331

The director of development may appoint a professional 332
employee of the department of development to serve as the 333
director's substitute at a meeting of the authority. The director 334
shall make the appointment in writing. In the absence of the 335
director from a meeting of the authority, the appointed substitute 336
shall serve as chairperson. In the absence of both the director 337
and the director's substitute from a meeting, the vice-chairperson 338
shall serve as chairperson. 339

Sec. 135.35. (A) The investing authority shall deposit or 340
invest any part or all of the county's inactive moneys and shall 341
invest all of the money in the county library and local government 342
support fund when required by section 135.352 of the Revised Code. 343
The following classifications of securities and obligations are 344
eligible for such deposit or investment: 345

(1) United States treasury bills, notes, bonds, or any other 346
obligation or security issued by the United States treasury or any 347
other obligation guaranteed as to principal or interest by the 348
United States. 349

Nothing in the classification of eligible securities and 350
obligations set forth in division (A)(1) of this section or in the 351
classifications of eligible securities and obligations set forth 352
in divisions (A)(2) to (8) of this section shall be construed to 353
authorize any investment in stripped principal or interest 354
obligations of such eligible securities and obligations. 355

(2) Bonds, notes, debentures, or any other obligations or 356
securities issued by any federal government agency or 357

instrumentality, including but not limited to, the federal 358
national mortgage association, federal home loan bank, federal 359
farm credit bank, federal home loan mortgage corporation, 360
government national mortgage association, and student loan 361
marketing association. All federal agency securities shall be 362
direct issuances of federal government agencies or 363
instrumentalities. 364

(3) Time certificates of deposit or savings or deposit 365
accounts, including, but not limited to, passbook accounts, in any 366
eligible institution mentioned in section 135.32 of the Revised 367
Code; 368

(4) Bonds and other obligations of this state or the 369
political subdivisions of this state, provided that such political 370
subdivisions are located wholly or partly within the same county 371
as the investing authority; 372

(5) No-load money market mutual funds consisting exclusively 373
of obligations described in division (A)(1) or (2) of this section 374
and repurchase agreements secured by such obligations, provided 375
that investments in securities described in this division are made 376
only through eligible institutions mentioned in section 135.32 of 377
the Revised Code; 378

(6) The Ohio subdivision's fund as provided in section 135.45 379
of the Revised Code; 380

(7) Securities lending agreements with any eligible 381
institution mentioned in section 135.32 of the Revised Code that 382
is a member of the federal reserve system or federal home loan 383
bank or with any recognized United States government securities 384
dealer meeting the description in division (J)(1) of this section, 385
under the terms of which agreements the investing authority lends 386
securities and the eligible institution or dealer agrees to 387
simultaneously exchange ~~either~~ similar securities ~~described in~~ 388

~~division (A)(1) or (2) of this section or cash or both securities~~ 389
~~and cash, equal value for equal value+.~~ 390

Securities and cash received as collateral for a securities 391
lending agreement are not inactive moneys of the county or moneys 392
of a county library and local government support fund. The 393
investment of cash collateral received pursuant to a securities 394
lending agreement may be invested only in instruments specified by 395
the investing authority in the written investment policy described 396
in division (K) of this section. 397

(8) Up to twenty-five per cent of the county's total average 398
portfolio in either of the following investments: 399

(a) Commercial paper notes issued by an entity that is 400
defined in division (D) of section 1705.01 of the Revised Code and 401
that has assets exceeding five hundred million dollars, to which 402
notes all of the following apply: 403

(i) The notes are rated at the time of purchase in the 404
highest classification established by at least two nationally 405
recognized standard rating services. 406

(ii) The aggregate value of the notes does not exceed ten per 407
cent of the aggregate value of the outstanding commercial paper of 408
the issuing corporation. 409

(iii) The notes mature not later than one hundred eighty days 410
after purchase. 411

(b) Bankers acceptances of banks that are insured by the 412
federal deposit insurance corporation and to which both of the 413
following apply: 414

(i) The obligations are eligible for purchase by the federal 415
reserve system. 416

(ii) The obligations mature not later than one hundred eighty 417
days after purchase. 418

No investment shall be made pursuant to division (A)(8) of 419
this section unless the investing authority has completed 420
additional training for making the investments authorized by 421
division (A)(8) of this section. The type and amount of additional 422
training shall be approved by the auditor of state and may be 423
conducted by or provided under the supervision of the auditor of 424
state. 425

(B) Nothing in the classifications of eligible obligations 426
and securities set forth in divisions (A)(1) to (8) of this 427
section shall be construed to authorize investment in a 428
derivative, and no investing authority shall invest any county 429
inactive moneys or any moneys in a county library and local 430
government support fund in a derivative. For purposes of this 431
division, "derivative" means a financial instrument or contract or 432
obligation whose value or return is based upon or linked to 433
another asset or index, or both, separate from the financial 434
instrument, contract, or obligation itself. Any security, 435
obligation, trust account, or other instrument that is created 436
from an issue of the United States treasury or is created from an 437
obligation of a federal agency or instrumentality or is created 438
from both is considered a derivative instrument. An eligible 439
investment described in this section with a variable interest rate 440
payment, based upon a single interest payment or single index 441
comprised of other eligible investments provided for in division 442
(A)(1) or (2) of this section, is not a derivative, provided that 443
such variable rate investment has a maximum maturity of two years. 444

(C) Except as provided in division (D) of this section, any 445
investment made pursuant to this section must mature within five 446
years from the date of settlement, unless the investment is 447
matched to a specific obligation or debt of the county or to a 448
specific obligation or debt of a political subdivision of this 449
state located wholly or partly within the county, and the 450

investment is specifically approved by the investment advisory 451
committee. 452

(D) The investing authority may also enter into a written 453
repurchase agreement with any eligible institution mentioned in 454
section 135.32 of the Revised Code or any eligible securities 455
dealer pursuant to division (J) of this section, under the terms 456
of which agreement the investing authority purchases and the 457
eligible institution or dealer agrees unconditionally to 458
repurchase any of the securities listed in divisions (B)(1) to 459
(5), except letters of credit described in division (B)(2), of 460
section 135.18 of the Revised Code. The market value of securities 461
subject to an overnight written repurchase agreement must exceed 462
the principal value of the overnight written repurchase agreement 463
by at least two per cent. A written repurchase agreement must 464
exceed the principal value of the overnight written repurchase 465
agreement, by at least two per cent. A written repurchase 466
agreement shall not exceed thirty days, and the market value of 467
securities subject to a written repurchase agreement must exceed 468
the principal value of the written repurchase agreement by at 469
least two per cent and be marked to market daily. All securities 470
purchased pursuant to this division shall be delivered into the 471
custody of the investing authority or the qualified custodian of 472
the investing authority or an agent designated by the investing 473
authority. A written repurchase agreement with an eligible 474
securities dealer shall be transacted on a delivery versus payment 475
basis. The agreement shall contain the requirement that for each 476
transaction pursuant to the agreement the participating 477
institution shall provide all of the following information: 478

(1) The par value of the securities; 479

(2) The type, rate, and maturity date of the securities; 480

(3) A numerical identifier generally accepted in the 481
securities industry that designates the securities. 482

No investing authority shall enter into a written repurchase agreement under the terms of which the investing authority agrees to sell securities owned by the county to a purchaser and agrees with that purchaser to unconditionally repurchase those securities.

(E) No investing authority shall make an investment under this section, unless the investing authority, at the time of making the investment, reasonably expects that the investment can be held until its maturity. The investing authority's written investment policy shall specify the conditions under which an investment may be redeemed or sold prior to maturity.

(F) No investing authority shall pay a county's inactive moneys or moneys of a county library and local government support fund into a fund established by another subdivision, treasurer, governing board, or investing authority, if that fund was established by the subdivision, treasurer, governing board, or investing authority for the purpose of investing or depositing the public moneys of other subdivisions. This division does not apply to the payment of public moneys into either of the following:

(1) The Ohio subdivision's fund pursuant to division (A)(6) of this section;

(2) A fund created solely for the purpose of acquiring, constructing, owning, leasing, or operating municipal utilities pursuant to the authority provided under section 715.02 of the Revised Code or Section 4 of Article XVIII, Ohio Constitution.

For purposes of division (F) of this section, "subdivision" includes a county.

(G) The use of leverage, in which the county uses its current investment assets as collateral for the purpose of purchasing other assets, is prohibited. The issuance of taxable notes for the purpose of arbitrage is prohibited. Contracting to sell securities

not owned by the county, for the purpose of purchasing such 514
securities on the speculation that bond prices will decline, is 515
prohibited. 516

(H) Any securities, certificates of deposit, deposit 517
accounts, or any other documents evidencing deposits or 518
investments made under authority of this section shall be issued 519
in the name of the county with the county treasurer or investing 520
authority as the designated payee. If any such deposits or 521
investments are registrable either as to principal or interest, or 522
both, they shall be registered in the name of the treasurer. 523

(I) The investing authority shall be responsible for the 524
safekeeping of all documents evidencing a deposit or investment 525
acquired under this section, including, but not limited to, 526
safekeeping receipts evidencing securities deposited with a 527
qualified trustee, as provided in section 135.37 of the Revised 528
Code, and documents confirming the purchase of securities under 529
any repurchase agreement under this section shall be deposited 530
with a qualified trustee, provided, however, that the qualified 531
trustee shall be required to report to the investing authority, 532
auditor of state, or an authorized outside auditor at any time 533
upon request as to the identity, market value, and location of the 534
document evidencing each security, and that if the participating 535
institution is a designated depository of the county for the 536
current period of designation, the securities that are the subject 537
of the repurchase agreement may be delivered to the treasurer or 538
held in trust by the participating institution on behalf of the 539
investing authority. 540

Upon the expiration of the term of office of an investing 541
authority or in the event of a vacancy in the office for any 542
reason, the officer or the officer's legal representative shall 543
transfer and deliver to the officer's successor all documents 544
mentioned in this division for which the officer has been 545

responsible for safekeeping. For all such documents transferred 546
and delivered, ~~such~~ the officer shall be credited with, and the 547
officer's successor shall be charged with, the amount of moneys ~~se~~ 548
evidenced by such documents. 549

(J)(1) All investments, except for investments in securities 550
described in divisions (A)(5) and (6) of this section, shall be 551
made only through a member of the national association of 552
securities dealers, through a bank, savings bank, or savings and 553
loan association regulated by the superintendent of financial 554
institutions, or through an institution regulated by the 555
comptroller of the currency, federal deposit insurance 556
corporation, or board of governors of the federal reserve system. 557

(2) Payment for investments shall be made only upon the 558
delivery of securities representing such investments to the 559
treasurer, investing authority, or qualified trustee. If the 560
securities transferred are not represented by a certificate, 561
payment shall be made only upon receipt of confirmation of 562
transfer from the custodian by the treasurer, governing board, or 563
qualified trustee. 564

(K)(1) Except as otherwise provided in division (K)(2) of 565
this section, no investing authority shall make an investment or 566
deposit under this section, unless there is on file with the 567
auditor of state a written investment policy approved by the 568
investing authority. The policy shall require that all entities 569
conducting investment business with the ~~investment~~ investing 570
authority shall sign the investment policy of that ~~investment~~ 571
investing authority. All brokers, dealers, and financial 572
institutions, described in division (J)(1) of this section, 573
initiating transactions with the ~~investment~~ investing authority by 574
giving advice or making investment recommendations shall sign the 575
~~investment~~ investing authority's investment policy thereby 576
acknowledging their agreement to abide by the policy's contents. 577

All brokers, dealers, and financial institutions, described in 578
division (J)(1) of this section, executing transactions initiated 579
by the ~~investment~~ investing authority, having read the policy's 580
contents, shall sign the investment policy thereby acknowledging 581
their comprehension and receipt. 582

(2) If a written investment policy described in division 583
(K)(1) of this section is not filed on behalf of the county with 584
the auditor of state, the investing authority of that county shall 585
invest the county's inactive moneys and moneys of the county 586
library and local government support fund only in time 587
certificates of deposits or savings or deposit accounts pursuant 588
to division (A)(3) of this section, no-load money market mutual 589
funds pursuant to division (A)(5) of this section, or the Ohio 590
subdivision's fund pursuant to division (A)(6) of this section. 591

(L)(1) The investing authority shall establish and maintain 592
an inventory of all obligations and securities acquired by the 593
investing authority pursuant to this section. The inventory shall 594
include a description of each obligation or security, including 595
type, cost, par value, maturity date, settlement date, and any 596
coupon rate. 597

(2) The investing authority shall also keep a complete record 598
of all purchases and sales of the obligations and securities made 599
pursuant to this section. 600

(3) The investing authority shall maintain a monthly 601
portfolio report and issue a copy of the monthly portfolio report 602
describing such investments to the county investment advisory 603
committee, detailing the current inventory of all obligations and 604
securities, all transactions during the month that affected the 605
inventory, any income received from the obligations and 606
securities, and any investment expenses paid, and stating the 607
names of any persons effecting transactions on behalf of the 608
investing authority. 609

(4) The monthly portfolio report shall be a public record and 610
available for inspection under section 149.43 of the Revised Code. 611

(5) The inventory and the monthly portfolio report shall be 612
filed with the board of county commissioners. 613

(M) An investing authority may enter into a written 614
investment or deposit agreement that includes a provision under 615
which the parties agree to submit to nonbinding arbitration to 616
settle any controversy that may arise out of the agreement, 617
including any controversy pertaining to losses of public moneys 618
resulting from investment or deposit. The arbitration provision 619
shall be set forth entirely in the agreement, and the agreement 620
shall include a conspicuous notice to the parties that any party 621
to the arbitration may apply to the court of common pleas of the 622
county in which the arbitration was held for an order to vacate, 623
modify, or correct the award. Any such party may also apply to the 624
court for an order to change venue to a court of common pleas 625
located more than one hundred miles from the county in which the 626
investing authority is located. 627

For purposes of this division, "investment or deposit 628
agreement" means any agreement between an investing authority and 629
a person, under which agreement the person agrees to invest, 630
deposit, or otherwise manage, on behalf of the investing 631
authority, a county's inactive moneys or moneys in a county 632
library and local government support fund, or agrees to provide 633
investment advice to the investing authority. 634

(N) An investment held in the county portfolio on September 635
27, 1996, that was a legal investment under the law as it existed 636
before September 27, 1996, may be held until maturity, or if the 637
investment does not have a maturity date the investment may be 638
held until five years from September 27, 1996, regardless of 639
whether the investment would qualify as a legal investment under 640

the terms of this section as amended. 641

Sec. 301.27. (A) As used in this section: 642

(1) "Credit card" includes a gasoline and telephone credit 643
~~card and a telephone credit card~~ cards but excludes any 644
procurement card authorized under section 301.29 of the Revised 645
Code. 646

(2) "Officer" includes an individual who also is an 647
appointing authority. 648

(3) "Gasoline and oil expenses," and "~~minor~~ motor vehicle 649
repair and maintenance expenses," ~~and "emergency motor vehicle~~ 650
~~repair expenses"~~ refer to only those expenses incurred for motor 651
vehicles owned or leased by the county. 652

(B)~~(1)~~ A credit card held by a board of county commissioners 653
or the office of any other county appointing authority shall be 654
used only to pay the following work-related expenses, ~~limited to~~ 655
~~the following:~~ 656

~~(1)~~(a) Food expenses; 657

~~(2)~~(b) Transportation expenses; 658

~~(3)~~(c) Gasoline and oil expenses; 659

~~(4) Minor motor~~ (d) Motor vehicle repair and maintenance 660
expenses; 661

~~(5) Emergency motor vehicle repair expenses;~~ 662

~~(6)~~(e) Telephone expenses; 663

~~(7)~~(f) Lodging expenses; 664

~~(8)~~(g) Internet service provider expenses; 665

~~(9)~~(h) In the case of a public children services agency, 666
expenses for purchases for children for whom the agency is 667
providing temporary emergency care pursuant to section 5153.16 of 668

the Revised Code, children in the temporary or permanent custody 669
of the agency, and children in a planned permanent living 670
arrangement. 671

(2) No late charges or finance charges shall be allowed as an 672
allowable expense unless authorized by the board of county 673
commissioners. 674

(C) A county appointing authority may apply to the board of 675
county commissioners for authorization to have an officer or 676
employee of the appointing authority use a credit card held by 677
that appointing authority. The authorization request shall state 678
whether the card is to be issued only in the name of the office of 679
the appointing authority ~~itself~~ or whether the issued card also 680
shall ~~also~~ include the name of a specified officer or employee. 681

(D) The debt incurred as a result of the use of a credit card 682
pursuant to this section shall be paid from moneys appropriated to 683
specific appropriation line items of the appointing authority for 684
work-related expenses listed in division (B)(1) of this section. 685

(E)(1) Except as otherwise provided in division (E)(2) of 686
this section, every officer or employee authorized to use a credit 687
card held by the board or appointing authority shall submit to the 688
board by the first day of each month an estimate of the officer's 689
or employee's work-related expenses listed in division (B)(1) of 690
this section for that month along with the specific appropriation 691
line items from which those expenditures are to be made, unless 692
the board authorizes, by resolution, the officer or employee to 693
submit to the board such an estimate for a period longer than one 694
month. The board may revise the estimate and determine the amount 695
it approves, if any, not to exceed the estimated amount. The board 696
shall certify the amount of its determination to the county 697
auditor along with the ~~necessary information for the auditor to~~ 698
~~determine the appropriate~~ specific appropriation line item items 699
from which ~~such~~ the expenditures are to be made. After receiving 700

certification from the county auditor that the determined sum of 701
money is in the treasury or in the process of collection to the 702
credit of the ~~appropriate~~ specific appropriation line ~~item~~ items 703
for which the credit card is approved for use, and is free from 704
previous and then-outstanding obligations or certifications, the 705
board shall authorize the officer or employee to incur debt for 706
~~such~~ the expenses against the county's credit up to the authorized 707
amount. 708

(2) In lieu of following the procedure set forth in division 709
(E)(1) of this section, a board of county commissioners may adopt 710
a resolution authorizing an officer or employee of an appointing 711
authority to use a county credit card to pay for specific classes 712
of the work-related expenses listed in division (B)(1) of this 713
section, or use a specific credit card for any of those 714
work-related expenses listed in division (B)(1) of this section, 715
without submitting an estimate of those expenses to the board as 716
required by division (E)(1) of this section. Prior to adopting the 717
resolution, the board shall notify the county auditor. The 718
resolution shall specify whether the officer's or employee's 719
exemption extends to the use of a specific credit card, which card 720
shall be identified by its number, or to one or more specific 721
work-related uses from the classes of uses permitted under 722
division (B)(1) of this section. Before any credit card exempted 723
for specific uses may be used to make purchases for uses other 724
than those specific uses listed in the resolution, the procedures 725
outlined in division (E)(1) of this section must be followed or 726
the use shall be considered an unauthorized use. Use of any credit 727
card under division (E)(2) of this section shall be limited to the 728
amount appropriated and encumbered in a specific appropriation 729
line item for the permitted use or uses designated in the 730
authorizing resolution, or, in the case of a resolution that 731
authorizes use of a specific credit card, for each of the 732
permitted uses listed in division (B) of this section, but only to 733

the extent the moneys in ~~such appropriations~~ those specific 734
appropriation line items are not otherwise ~~encumber~~ encumbered. 735

(F)(1) Any time a county credit card approved for use for an 736
authorized amount under division (E)(1) of this section is used 737
for more than that authorized amount, the appointing authority may 738
request the board of county commissioners to authorize after the 739
fact the expenditure of any amount charged beyond the originally 740
authorized amount if, upon the board's request, the county auditor 741
certifies that sum of money is in the treasury or in the process 742
of collection to the credit of the appropriate appropriation line 743
item for which the credit card was used, and is free from previous 744
and then-outstanding obligations or certifications. If the card is 745
used for more than the amount originally authorized and if for any 746
reason that amount is not authorized after the fact, ~~then~~ the 747
county treasury shall be reimbursed for any amount spent beyond 748
the originally authorized amount in the following manner: 749

(a) If the card is issued in the name of a specific officer 750
or employee, ~~then~~ that officer or employee is liable in person and 751
upon any official bond the officer or employee has given to the 752
county to reimburse the county treasury for the amount charged to 753
the county beyond the originally authorized amount. 754

(b) If the card ~~was~~ is issued to the office of the appointing 755
authority, ~~then~~ the appointing authority is liable in person and 756
upon any official bond the appointing authority has given to the 757
county for the amount charged to the county beyond the originally 758
authorized amount. 759

(2) Any time a county credit card authorized for use under 760
division (E)(2) of this section is used for more than the amount 761
appropriated under that division, ~~the appointing authority may~~ 762
~~request the board of county commissioners to issue a supplemental~~ 763
~~appropriation or make a transfer to the proper line item account~~ 764
~~as permitted in section 5705.40 of the Revised Code, to cover the~~ 765

~~amount charged beyond the originally appropriated amount. If the~~ 766
~~card is used for more than the amount originally appropriated and~~ 767
~~if for any reason that amount is not appropriated or transferred~~ 768
~~as permitted by this section, then~~ the county treasury shall be 769
reimbursed for any amount spent beyond the originally appropriated 770
amount in the following manner: 771

(a) If the card is issued in the name of a specific officer 772
or employee, ~~then~~ that officer or employee is liable in person and 773
upon any official bond the officer or employee has given to the 774
county for reimbursing the county treasury for any amount charged 775
on the card beyond the originally appropriated amount. 776

(b) If the card is issued in the name of the office of the 777
appointing authority, ~~then~~ the appointing authority is liable in 778
person and upon any official bond the appointing authority has 779
given to the county for reimbursement for any amount charged on 780
the card beyond the originally appropriated amount. 781

(3) Whenever any officer or employee who is authorized to use 782
a credit card held by the board or the office of any other county 783
appointing authority suspects the loss, theft, or possibility of 784
unauthorized use of the ~~county credit card the officer or employee~~ 785
~~is authorized to use~~, the officer or employee shall ~~so~~ notify the 786
county auditor and either the officer's or employee's appointing 787
authority or the board immediately and in writing. 788

(4) If the county auditor determines there has been a credit 789
card expenditure beyond the appropriated or authorized amount as 790
provided in division (E) of this section, the auditor immediately 791
shall notify the board of county commissioners ~~of this fact~~. When 792
the board ~~of county commissioners~~ determines, on its own or after 793
notification from the county auditor, that the county treasury 794
should be reimbursed for credit card expenditures beyond the 795
appropriated or authorized amount as provided in divisions (F)(1) 796
and (2) of this section, it shall give written notice to the 797

county auditor and to the officer or employee or appointing 798
authority liable to the treasury as provided in those divisions 799
~~(F)(1) and (2) of this section.~~ If, within thirty days after 800
issuance of ~~this~~ the written notice, the county treasury is not 801
reimbursed for the amount shown on the written notice, the 802
prosecuting attorney of the county shall recover that amount from 803
the officer or employee or appointing authority who is liable 804
under this section by civil action in any court of appropriate 805
jurisdiction. 806

(G) Use of a county credit card for any use other than those 807
permitted under division (B)(1) of this section is a violation of 808
~~law for the purposes of~~ section 2913.21 of the Revised Code. 809

Sec. 301.29. (A) As used in this section: 810

(1) "Officer" includes an individual who also is an 811
appointing authority. 812

(2) "Procurement card" means a financial transaction device 813
as defined in section 301.28 of the Revised Code and as authorized 814
under this section, but excludes any credit card authorized under 815
section 301.27 of the Revised Code. 816

(B) A procurement card held by a board of county 817
commissioners or the office of any other county appointing 818
authority shall be used only to pay work-related expenses. No late 819
charges or finance charges shall be allowed as an allowable 820
expense unless authorized by the board of county commissioners. 821

(C)(1) In any county that chooses to use procurement cards, 822
the board of county commissioners shall, by resolution, adopt a 823
policy with the advice of the county auditor, for the county's use 824
of those cards. The resolution shall include provisions that limit 825
the use of a procurement card to payment for one or more specific 826
work-related or specific classes of work-related expenses, and 827

limit procurement card transactions to a specific number of transactions per day, month, quarter, or other specified period as authorized in division (F)(2) of this section, by supplier or work-related expense. In addition, the resolution shall limit a procurement card to daily and monthly spending limits.

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The resolution also shall contain a list of administrative controls that the board determines, after consulting with the county auditor, will be sufficient for use of a procurement card. Those administrative controls shall include at a minimum the following:

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(a) An aggregate amount that may be incurred through use of each card within a day, week, or month;

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(b) Classes of permissible goods and services that may be purchased with a procurement card;

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(c) In case a procurement card is misused, a procedure for revocation of the card.

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(2) The county auditor shall develop internal accounting controls in consultation with the auditor of state for the implementation of this section.

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(3) If a board of county commissioners adopts a policy under division (C)(1) of this section, it shall advertise a request for proposals from issuers of procurement cards in a newspaper of general circulation within the county at least once a week for two consecutive weeks. The advertisement shall specify the purpose of the request, the type of procurement card or cards sought, and the date by which proposals must be received. That date shall not be less than ten days after the last day of the second week in which the request is advertised.

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The board also may post the advertisement by electronic means, including posting the advertisement on the county's

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internet site on the world wide web. If the advertisement is 858
posted on the county web site, the board may eliminate the second 859
newspaper publication otherwise required by this division if the 860
first notice published in a newspaper of general circulation meets 861
all of the following: 862

(a) It is published at least two weeks before the date 863
required for the receipt of the proposals. 864

(b) It includes a statement that the notice is posted on the 865
county's internet site on the world wide web. 866

(c) It includes the county's internet address on the world 867
wide web. 868

(d) It provides instruction for accessing the advertisement 869
on the county web site. 870

The board shall determine upon the advice of the county 871
auditor and county treasurer whether to contract with any one or 872
more issuers that submit a timely proposal. Before entering into a 873
contract, the board shall adopt a resolution stating the 874
contract's intent and guidelines consistent with divisions (C)(1) 875
and (2) of this section for the use of each procurement card. 876

(D) A county appointing authority may apply to the board of 877
county commissioners for authorization to have an officer or 878
employee of the appointing authority use a procurement card held 879
by that appointing authority. The authorization request shall 880
state whether the card is to be issued only in the name of the 881
office of the appointing authority or whether the issued card also 882
shall include the name of a specified officer or employee. 883

(E) The debt incurred as a result of the use of a procurement 884
card under this section shall be paid from moneys appropriated to 885
specific appropriation line items of the appointing authority. 886

(F)(1) Except as otherwise provided in division (F)(2) of 887

this section, every officer or employee authorized to use a 888
procurement card held by the board or appointing authority shall 889
submit to the board by the first day of each month an estimate of 890
the officer's or employee's work-related expenses for that month, 891
unless the board authorizes, by resolution, the officer or 892
employee to submit to the board such an estimate for a period 893
longer than one month. The board may revise the estimate and 894
determine the amount it approves, if any, not to exceed the 895
estimated amount. The board shall certify the amount of its 896
determination to the county auditor along with the specific 897
appropriation line items from which the expenditures are to be 898
made. After receiving certification pursuant to division (D) of 899
section 5705.41 of the Revised Code that the specific 900
appropriation line item for which the procurement card is approved 901
for use is free from previous and then-outstanding obligations or 902
certifications, the board shall authorize the officer or employee 903
to incur debt for the expenses against the county's credit up to 904
the authorized amount. 905

(2) In lieu of following the procedure set forth in division 906
(F)(1) of this section, a board of county commissioners may adopt 907
a resolution authorizing an officer or employee of an appointing 908
authority to use a county procurement card to pay for specific 909
classes of work-related expenses, or to use a specific procurement 910
card for any work-related expenses, without submitting an estimate 911
of those expenses to the board as required by division (F)(1) of 912
this section. Prior to adopting the resolution, the board shall 913
notify the county auditor. The resolution shall specify whether 914
the officer's or employee's exemption extends to the use of a 915
specific procurement card, which card shall be identified by its 916
number, or to one or more specific work-related uses. Before any 917
procurement card issued for specific uses may be used to make 918
purchases for uses other than those specific uses listed in the 919

resolution, the procedures outlined in division (F)(1) of this
section must be followed or the use shall be considered an
unauthorized use. Use of any procurement card under division
(F)(2) of this section shall be limited to the amount appropriated
and encumbered in a specific appropriation line item for the
permitted use or uses designated in the authorizing resolution,
or, in the case of a resolution that authorizes use of a specific
procurement card, for any work-related expense, but only to the
extent the moneys in those specific appropriation line items are
not otherwise encumbered.

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(3) A procurement card shall not be used in any manner that
circumvents the competitive bidding requirements of section 307.86
of the Revised Code.

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(G)(1) Any time a county procurement card approved for use
for an authorized amount under division (F)(1) of this section is
used for more than that authorized amount, the appointing
authority may request the board of county commissioners to
authorize after the fact the expenditure of any amount charged
beyond the originally authorized amount if, upon the board's
request, the county auditor certifies that sum of money is in the
treasury or in the process of collection to the credit of the
appropriate appropriation line item for which the procurement card
was used, and is free from previous and then-outstanding
obligations or certifications. If the card is used for more than
the amount originally authorized and if for any reason that amount
is not authorized after the fact, the county treasury shall be
reimbursed for any amount spent beyond the originally authorized
amount in the following manner:

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(a) If the card is issued in the name of a specific officer
or employee, the officer or employee is liable in person and upon
any official bond the officer or employee has given to the county
to reimburse the county treasury for the amount charged to the

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county beyond the originally authorized amount. 952

(b) If the card is issued to the office of the appointing authority, the appointing authority is liable in person and upon any official bond the appointing authority has given to the county for the amount charged to the county beyond the originally authorized amount. 953
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(2) No user of a county procurement card authorized for use under division (F)(2) of this section shall use the card for any expenditure that is more than the amount appropriated under that division. If at any time a county procurement card authorized for use under division (F)(2) of this section is used for more than the amount appropriated under that division, the appointing authority may request the board of county commissioners to issue a supplemental appropriation or make a transfer to the specific appropriation line items as permitted in section 5705.40 of the Revised Code, to cover the amount charged beyond the originally appropriated amount. If the card is used for more than the amount originally appropriated and if for any reason that amount is not appropriated or transferred as permitted by this division, the county treasury shall be reimbursed for any amount spent beyond the originally appropriated amount in the following manner: 958
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(a) If the card is issued in the name of a specific officer or employee, the officer or employee is liable in person and upon any official bond the officer or employee has given to the county for reimbursing the county treasury for any amount charged on the card beyond the originally appropriated amount. 973
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(b) If the card is issued in the name of the office of the appointing authority, the appointing authority is liable in person and upon any official bond the appointing authority has given to the county for reimbursement for any amount charged on the card beyond the originally appropriated amount. 978
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(3) Whenever any officer or employee who is authorized to use a procurement card held by the board or the office of any other county appointing authority suspects the loss, theft, or possibility of unauthorized or unlawful use of the card, the officer or employee shall notify the county auditor and the officer's or employee's appointing authority or the board immediately and in writing.

(4) If the county auditor determines there has been a procurement card expenditure beyond the appropriated or authorized amount as provided in division (F) of this section, or for an unlawful purpose, the auditor immediately shall notify the board of county commissioners. When the board determines, on its own or after notification from the county auditor, that the county treasury should be reimbursed for procurement card expenditures beyond the appropriated or authorized amount as provided in divisions (G)(1) and (2) of this section, it shall give written notice to the county auditor and to the officer or employee or appointing authority liable to the treasury as provided in those divisions. If, within thirty days after issuance of this written notice, the county treasury is not reimbursed for the amount shown on the written notice, the prosecuting attorney of the county shall recover that amount from the officer or employee or appointing authority who is liable under this section by civil action in any court of appropriate jurisdiction.

(H) Use of a county procurement card for any use other than those permitted under division (B) of this section is a violation of law for the purposes of section 2913.21 of the Revised Code.

Sec. 505.10. The board of township trustees may accept, on behalf of the township, the donation by bequest, devise, deed of gift, or otherwise, of any real or personal property for any township use. When the township has property, including motor

vehicles, road machinery, equipment, and tools, which the board, 1014
by resolution, finds ~~it does~~ is not ~~need~~ needed for public use, is 1015
obsolete, or is unfit for the use for which it was acquired, the 1016
board may sell and convey that property or otherwise dispose of it 1017
in accordance with this section. Except as otherwise provided in 1018
sections 505.08, 505.101, and 505.102 of the Revised Code, the 1019
sale or other disposition of ~~unneeded~~, obsolete, or unfit for use 1020
property shall be made in accordance with one of the following: 1021

(A)(1) If the fair market value of property to be sold is, in 1022
the opinion of the board, in excess of two thousand five hundred 1023
dollars, the sale shall be by public auction, ~~and the~~ or by sealed 1024
bid to the highest bidder. The board shall publish notice of the 1025
time, place, and manner of the sale once a week for three weeks in 1026
a newspaper published, or of general circulation, in the township, 1027
the last of those publications to be at least five days before the 1028
date of sale, and shall post a typewritten or printed notice of 1029
the time, place, and manner of the sale in the office of the board 1030
for at least ten days prior to the sale. 1031

If the board conducts the sale of the property by sealed bid, 1032
the form of the bid shall be as prescribed by the board, and each 1033
bid shall contain the name of the person submitting it. Bids 1034
received shall be opened and tabulated at the time stated in the 1035
published and posted notices. The property shall be sold to the 1036
highest bidder, except that the board may reject all bids and hold 1037
another sale, by public auction or sealed bid, in the manner 1038
prescribed by this section. 1039

(2) If the fair market value of property to be sold is, in 1040
the opinion of the board, two thousand five hundred dollars or 1041
less, the board may sell the property by private sale, without 1042
advertisement or public notification. 1043

(3) If the board finds, by resolution, that the township has 1044

motor vehicles, road machinery, equipment, or tools which are not 1045
needed or are unfit for public use, and the board wishes to sell 1046
the motor vehicles, road machinery, equipment, or tools to the 1047
person or firm from which it proposes to purchase other motor 1048
vehicles, road machinery, equipment, or tools, the board may offer 1049
to sell the motor vehicles, road machinery, equipment, or tools to 1050
that person or firm, and to have the selling price credited to the 1051
person or firm against the purchase price of other motor vehicles, 1052
road machinery, equipment, or tools. 1053

(4) If the board advertises for bids for the sale of new 1054
motor vehicles, road machinery, equipment, or tools to the 1055
township, it may include in the same advertisement a notice of the 1056
willingness of the board to accept bids for the purchase of 1057
township-owned motor vehicles, road machinery, equipment, or tools 1058
which are obsolete or not needed for public use, and to have the 1059
amount of those bids subtracted from the selling price of the new 1060
motor vehicles, road machinery, equipment, or tools, as a means of 1061
determining the lowest responsible bidder. 1062

(5) When a township has title to real property, the board of 1063
township trustees, by resolution, may authorize the transfer and 1064
conveyance of that property to any other political subdivision of 1065
the state upon such terms as are agreed to between the board and 1066
the legislative authority of that political subdivision. 1067

(6) When a township has title to real property and the board 1068
of township trustees wishes to sell or otherwise transfer the 1069
property, the board, upon a unanimous vote of its members and by 1070
resolution, may authorize the transfer and conveyance of that real 1071
property to any person upon whatever terms are agreed to between 1072
the board and that person. 1073

(7) If the board of township trustees determines that 1074
township personal property is not needed for public use, or is 1075
obsolete or unfit for the use for which it was acquired, and that 1076

the property has no value, the board may discard or salvage that 1077
property. 1078

(B) When the board has offered property at public auction 1079
under this section and has not received an acceptable offer, the 1080
board, by resolution, may enter into a contract, without 1081
advertising or bidding, for the sale of that property. The 1082
resolution shall specify a minimum acceptable price and the 1083
minimum acceptable terms for the contract. The minimum acceptable 1084
price shall not be lower than the minimum price established for 1085
the public auction. 1086

(C) Notwithstanding anything to the contrary in division (A) 1087
or (B) of this section and regardless of the property's value, the 1088
board ~~of township trustees~~ may sell personal property, including 1089
motor vehicles, road machinery, equipment, tools, or supplies, 1090
which is not needed for public use, or is obsolete or unfit for 1091
the use for which it was acquired, by internet auction. The board 1092
shall adopt, during each calendar year, a resolution expressing 1093
its intent to sell that property by internet auction. The 1094
resolution shall include a description of how the auctions will be 1095
conducted and shall specify the number of days for bidding on the 1096
property, which shall be no less than fifteen days, including 1097
Saturdays, Sundays, and legal holidays. The resolution shall 1098
indicate whether the township will conduct the auction or the 1099
board will contract with a representative to conduct the auction 1100
and shall establish the general terms and conditions of sale. If a 1101
representative is known when the resolution is adopted, the 1102
resolution shall provide contact information such as the 1103
representative's name, address, and telephone number. 1104

After adoption of the resolution, the board shall publish, in 1105
a newspaper of general circulation in the township, notice of its 1106
intent to sell unneeded, obsolete, or unfit for use township 1107
personal property by internet auction. The notice shall include a 1108

summary of the information provided in the resolution and shall be 1109
published at least twice. The second and any subsequent notice 1110
shall be published not less than ten nor more than twenty days 1111
after the previous notice. A clerk also shall post a similar 1112
notice throughout the calendar year in a conspicuous place in the 1113
board's office, and, if the township maintains a ~~website~~ web site 1114
on the internet, the notice shall be posted continually throughout 1115
the calendar year at that ~~website~~ web site. 1116

When property is to be sold by internet auction, the board or 1117
its representative may establish a minimum price that will be 1118
accepted for specific items and may establish any other terms and 1119
conditions for the particular sale, including requirements for 1120
pick-up or delivery, method of payment, and sales tax. This type 1121
of information shall be provided on the internet at the time of 1122
the auction and may be provided before that time upon request 1123
after the terms and conditions have been determined by the board 1124
or its representative. 1125

As used in this section, "internet" means the international 1126
computer network of both federal and nonfederal interoperable 1127
packet switched data networks, including the graphical subnetwork 1128
called the world wide web. 1129

Sec. 2913.01. As used in this chapter, unless the context 1130
requires that a term be given a different meaning: 1131

(A) "Deception" means knowingly deceiving another or causing 1132
another to be deceived by any false or misleading representation, 1133
by withholding information, by preventing another from acquiring 1134
information, or by any other conduct, act, or omission that 1135
creates, confirms, or perpetuates a false impression in another, 1136
including a false impression as to law, value, state of mind, or 1137
other objective or subjective fact. 1138

(B) "Defraud" means to knowingly obtain, by deception, some 1139

benefit for oneself or another, or to knowingly cause, by 1140
deception, some detriment to another. 1141

(C) "Deprive" means to do any of the following: 1142

(1) Withhold property of another permanently, or for a period 1143
that appropriates a substantial portion of its value or use, or 1144
with purpose to restore it only upon payment of a reward or other 1145
consideration; 1146

(2) Dispose of property so as to make it unlikely that the 1147
owner will recover it; 1148

(3) Accept, use, or appropriate money, property, or services, 1149
with purpose not to give proper consideration in return for the 1150
money, property, or services, and without reasonable justification 1151
or excuse for not giving proper consideration. 1152

(D) "Owner" means, unless the context requires a different 1153
meaning, any person, other than the actor, who is the owner of, 1154
who has possession or control of, or who has any license or 1155
interest in property or services, even though the ownership, 1156
possession, control, license, or interest is unlawful. 1157

(E) "Services" include labor, personal services, professional 1158
services, public utility services, common carrier services, and 1159
food, drink, transportation, entertainment, and cable television 1160
services and, for purposes of section 2913.04 of the Revised Code, 1161
include cable services as defined in that section. 1162

(F) "Writing" means any computer software, document, letter, 1163
memorandum, note, paper, plate, data, film, or other thing having 1164
in or upon it any written, typewritten, or printed matter, and any 1165
token, stamp, seal, credit card, badge, trademark, label, or other 1166
symbol of value, right, privilege, license, or identification. 1167

(G) "Forge" means to fabricate or create, in whole or in part 1168
and by any means, any spurious writing, or to make, execute, 1169

alter, complete, reproduce, or otherwise purport to authenticate 1170
any writing, when the writing in fact is not authenticated by that 1171
conduct. 1172

(H) "Utter" means to issue, publish, transfer, use, put or 1173
send into circulation, deliver, or display. 1174

(I) "Coin machine" means any mechanical or electronic device 1175
designed to do both of the following: 1176

(1) Receive a coin, bill, or token made for that purpose; 1177

(2) In return for the insertion or deposit of a coin, bill, 1178
or token, automatically dispense property, provide a service, or 1179
grant a license. 1180

(J) "Slug" means an object that, by virtue of its size, 1181
shape, composition, or other quality, is capable of being inserted 1182
or deposited in a coin machine as an improper substitute for a 1183
genuine coin, bill, or token made for that purpose. 1184

(K) "Theft offense" means any of the following: 1185

(1) A violation of section 2911.01, 2911.02, 2911.11, 1186
2911.12, 2911.13, 2911.31, 2911.32, 2913.02, 2913.03, 2913.04, 1187
2913.041, 2913.05, 2913.06, 2913.11, 2913.21, 2913.31, 2913.32, 1188
2913.33, 2913.34, 2913.40, 2913.42, 2913.43, 2913.44, 2913.45, 1189
2913.47, former section 2913.47 or 2913.48, or section 2913.51, 1190
2915.05, or 2921.41 of the Revised Code; 1191

(2) A violation of an existing or former municipal ordinance 1192
or law of this or any other state, or of the United States, 1193
substantially equivalent to any section listed in division (K)(1) 1194
of this section or a violation of section 2913.41, 2913.81, or 1195
2915.06 of the Revised Code as it existed prior to July 1, 1996; 1196

(3) An offense under an existing or former municipal 1197
ordinance or law of this or any other state, or of the United 1198
States, involving robbery, burglary, breaking and entering, theft, 1199

embezzlement, wrongful conversion, forgery, counterfeiting, 1200
deceit, or fraud; 1201

(4) A conspiracy or attempt to commit, or complicity in 1202
committing, any offense under division (K)(1), (2), or (3) of this 1203
section. 1204

(L) "Computer services" includes, but is not limited to, the 1205
use of a computer system, computer network, computer program, data 1206
that is prepared for computer use, or data that is contained 1207
within a computer system or computer network. 1208

(M) "Computer" means an electronic device that performs 1209
logical, arithmetic, and memory functions by the manipulation of 1210
electronic or magnetic impulses. "Computer" includes, but is not 1211
limited to, all input, output, processing, storage, computer 1212
program, or communication facilities that are connected, or 1213
related, in a computer system or network to an electronic device 1214
of that nature. 1215

(N) "Computer system" means a computer and related devices, 1216
whether connected or unconnected, including, but not limited to, 1217
data input, output, and storage devices, data communications 1218
links, and computer programs and data that make the system capable 1219
of performing specified special purpose data processing tasks. 1220

(O) "Computer network" means a set of related and remotely 1221
connected computers and communication facilities that includes 1222
more than one computer system that has the capability to transmit 1223
among the connected computers and communication facilities through 1224
the use of computer facilities. 1225

(P) "Computer program" means an ordered set of data 1226
representing coded instructions or statements that, when executed 1227
by a computer, cause the computer to process data. 1228

(Q) "Computer software" means computer programs, procedures, 1229
and other documentation associated with the operation of a 1230

computer system. 1231

(R) "Data" means a representation of information, knowledge, 1232
facts, concepts, or instructions that are being or have been 1233
prepared in a formalized manner and that are intended for use in a 1234
computer, computer system, or computer network. For purposes of 1235
section 2913.47 of the Revised Code, "data" has the additional 1236
meaning set forth in division (A) of that section. 1237

(S) "Cable television service" means any services provided by 1238
or through the facilities of any cable television system or other 1239
similar closed circuit coaxial cable communications system, or any 1240
microwave or similar transmission service used in connection with 1241
any cable television system or other similar closed circuit 1242
coaxial cable communications system. 1243

(T) "Gain access" means to approach, instruct, communicate 1244
with, store data in, retrieve data from, or otherwise make use of 1245
any resources of a computer, computer system, or computer network, 1246
or any cable service or cable system both as defined in section 1247
2913.04 of the Revised Code. 1248

(U) "Credit card" includes, but is not limited to, a card, 1249
code, device, or other means of access to a customer's account for 1250
the purpose of obtaining money, property, labor, or services on 1251
credit, or for initiating an electronic fund transfer at a 1252
point-of-sale terminal, an automated teller machine, or a cash 1253
dispensing machine. It also includes a county procurement card 1254
issued under section 301.29 of the Revised Code. 1255

(V) "Electronic fund transfer" has the same meaning as in 92 1256
Stat. 3728, 15 U.S.C.A. 1693a, as amended. 1257

(W) "Rented property" means personal property in which the 1258
right of possession and use of the property is for a short and 1259
possibly indeterminate term in return for consideration; the 1260
rentee generally controls the duration of possession of the 1261

property, within any applicable minimum or maximum term; and the 1262
amount of consideration generally is determined by the duration of 1263
possession of the property. 1264

(X) "Telecommunication" means the origination, emission, 1265
dissemination, transmission, or reception of data, images, 1266
signals, sounds, or other intelligence or equivalence of 1267
intelligence of any nature over any communications system by any 1268
method, including, but not limited to, a fiber optic, electronic, 1269
magnetic, optical, digital, or analog method. 1270

(Y) "Telecommunications device" means any instrument, 1271
equipment, machine, or other device that facilitates 1272
telecommunication, including, but not limited to, a computer, 1273
computer network, computer chip, computer circuit, scanner, 1274
telephone, cellular telephone, pager, personal communications 1275
device, transponder, receiver, radio, modem, or device that 1276
enables the use of a modem. 1277

(Z) "Telecommunications service" means the providing, 1278
allowing, facilitating, or generating of any form of 1279
telecommunication through the use of a telecommunications device 1280
over a telecommunications system. 1281

(AA) "Counterfeit telecommunications device" means a 1282
telecommunications device that, alone or with another 1283
telecommunications device, has been altered, constructed, 1284
manufactured, or programmed to acquire, intercept, receive, or 1285
otherwise facilitate the use of a telecommunications service or 1286
information service without the authority or consent of the 1287
provider of the telecommunications service or information service. 1288
"Counterfeit telecommunications device" includes, but is not 1289
limited to, a clone telephone, clone microchip, tumbler telephone, 1290
or tumbler microchip; a wireless scanning device capable of 1291
acquiring, intercepting, receiving, or otherwise facilitating the 1292
use of telecommunications service or information service without 1293

immediate detection; or a device, equipment, hardware, or software 1294
designed for, or capable of, altering or changing the electronic 1295
serial number in a wireless telephone. 1296

(BB)(1) "Information service" means, subject to division 1297
(BB)(2) of this section, the offering of a capability for 1298
generating, acquiring, storing, transforming, processing, 1299
retrieving, utilizing, or making available information via 1300
telecommunications, including, but not limited to, electronic 1301
publishing. 1302

(2) "Information service" does not include any use of a 1303
capability of a type described in division (BB)(1) of this section 1304
for the management, control, or operation of a telecommunications 1305
system or the management of a telecommunications service. 1306

(CC) "Elderly person" means a person who is sixty-five years 1307
of age or older. 1308

(DD) "Disabled adult" means a person who is eighteen years of 1309
age or older and has some impairment of body or mind that makes 1310
the person unfit to work at any substantially remunerative 1311
employment that the person otherwise would be able to perform and 1312
that will, with reasonable probability, continue for a period of 1313
at least twelve months without any present indication of recovery 1314
from the impairment, or who is eighteen years of age or older and 1315
has been certified as permanently and totally disabled by an 1316
agency of this state or the United States that has the function of 1317
so classifying persons. 1318

(EE) "Firearm" and "dangerous ordnance" have the same 1319
meanings as in section 2923.11 of the Revised Code. 1320

(FF) "Motor vehicle" has the same meaning as in section 1321
4501.01 of the Revised Code. 1322

(GG) "Dangerous drug" has the same meaning as in section 1323
4729.01 of the Revised Code. 1324

(HH) "Drug abuse offense" has the same meaning as in section 1325
2925.01 of the Revised Code. 1326

Sec. 5575.01. (A) In the maintenance and repair of roads, the 1327
board of township trustees may proceed either by contract or force 1328
account, ~~provided the board has~~ but, unless the exemption 1329
specified in division (C) of this section applies, if the board 1330
wishes to proceed by force account, it first ~~caused~~ shall cause 1331
the county engineer to complete the force account assessment form 1332
developed by the auditor of state under section 117.16 of the 1333
Revised Code. Except as otherwise provided in sections 505.08 and 1334
505.101 of the Revised Code, when the board proceeds by contract, 1335
the contract shall, if the amount involved exceeds forty-five 1336
thousand dollars, be let by the board to the lowest responsible 1337
bidder after advertisement for bids once, not later than two 1338
weeks, prior to the date fixed for the letting of ~~such the~~ 1339
contract, in a newspaper published in the county and of general 1340
circulation within the township, ~~but or, if there is no such paper~~ 1341
newspaper is published in the county, then in one a newspaper 1342
having general circulation in the township. If the amount involved 1343
is forty-five thousand dollars or less, a contract may be let 1344
without competitive bidding, or the work may be done by force 1345
account. Such a contract shall be performed under the supervision 1346
of a member of the board or the township road superintendent. 1347

(B) Before undertaking the construction or reconstruction of 1348
a township road, the board shall cause to be made by the county 1349
engineer an estimate of the cost of ~~such the~~ work, which estimate 1350
shall include labor, material, freight, fuel, hauling, use of 1351
machinery and equipment, and all other items of cost. If the board 1352
finds it in the best interest of the public, it may, in lieu of 1353
constructing the road by contract, proceed to construct the road 1354
by force account. Except as otherwise provided under sections 1355

505.08 and 505.101 of the Revised Code, where the total estimate 1356
cost of the work exceeds fifteen thousand dollars per mile, the 1357
board shall invite and receive competitive bids for furnishing all 1358
the labor, materials, and equipment and doing the work, as 1359
provided in section 5575.02 of the Revised Code, and shall 1360
consider and reject them before ordering the work done by force 1361
account. When such bids are received, considered, and rejected, 1362
and the work is done by force account, ~~such~~ the work shall be 1363
performed in compliance with the plans and specifications upon 1364
which the bids were based. 1365

(C) Force account assessment forms are not required under 1366
division (A) of this section for road maintenance or repair 1367
projects of less than fifteen thousand dollars, or under division 1368
(B) of this section for road construction or reconstruction 1369
projects of less than five thousand dollars per mile. 1370

(D) All force account work under this section shall be done 1371
under the direction of a member of the board or the township road 1372
superintendent. 1373

Sec. 5705.41. No subdivision or taxing unit shall: 1374

(A) Make any appropriation of money except as provided in 1375
Chapter 5705. of the Revised Code; provided, that the 1376
authorization of a bond issue shall be deemed to be an 1377
appropriation of the proceeds of the bond issue for the purpose 1378
for which such bonds were issued, but no expenditure shall be made 1379
from any bond fund until first authorized by the taxing authority; 1380

(B) Make any expenditure of money unless it has been 1381
appropriated as provided in such chapter; 1382

(C) Make any expenditure of money except by a proper warrant 1383
drawn against an appropriate fund; 1384

(D)(1) Except as otherwise provided in division (D)(2) of 1385

this section and section 5705.44 of the Revised Code, make any 1386
contract or give any order involving the expenditure of money 1387
unless there is attached thereto a certificate of the fiscal 1388
officer of the subdivision that the amount required to meet the 1389
obligation or, in the case of a continuing contract to be 1390
performed in whole or in part in an ensuing fiscal year, the 1391
amount required to meet the obligation in the fiscal year in which 1392
the contract is made, has been lawfully appropriated for such 1393
purpose and is in the treasury or in process of collection to the 1394
credit of an appropriate fund free from any previous encumbrances. 1395
This certificate need be signed only by the subdivision's fiscal 1396
officer. Every such contract made without such a certificate shall 1397
be void, and no warrant shall be issued in payment of any amount 1398
due thereon. If no certificate is furnished as required, upon 1399
receipt by the taxing authority of the subdivision or taxing unit 1400
of a certificate of the fiscal officer stating that there was at 1401
the time of the making of such contract or order and at the time 1402
of the execution of such certificate a sufficient sum appropriated 1403
for the purpose of such contract and in the treasury or in process 1404
of collection to the credit of an appropriate fund free from any 1405
previous encumbrances, such taxing authority may authorize the 1406
drawing of a warrant in payment of amounts due upon such contract, 1407
but such resolution or ordinance shall be passed within thirty 1408
days after the taxing authority receives such certificate; 1409
provided that, if the amount involved is less than one hundred 1410
dollars in the case of counties or three thousand dollars in the 1411
case of all other subdivisions or taxing units, the fiscal officer 1412
may authorize it to be paid without such affirmation of the taxing 1413
authority of the subdivision or taxing unit, if such expenditure 1414
is otherwise valid. 1415

(2) Annually, the board of county commissioners may adopt a 1416
resolution exempting ~~for the current fiscal year~~ county purchases 1417
of ~~seven hundred fifty~~ one thousand dollars or less from the 1418

requirement of division (D)(1) of this section that a certificate 1419
be attached to any contract or order involving the expenditure of 1420
money. The resolution shall state the dollar amount that is 1421
exempted from the certificate requirement and whether the 1422
exemption applies to all purchases, to one or more specific 1423
classes of purchases, or to the purchase of one or more specific 1424
items. Prior to the adoption of the resolution, the board shall 1425
give written notice to the county auditor that it intends to adopt 1426
the resolution. The notice shall state the dollar amount that is 1427
proposed to be exempted and whether the exemption would apply to 1428
all purchases, to one or more specific classes of purchases, or to 1429
the purchase of one or more specific items. The county auditor may 1430
review and comment on the proposal, and shall send any comments to 1431
the board within fifteen days after receiving the notice. The 1432
board shall wait at least fifteen days after giving the notice to 1433
the auditor before adopting the resolution. A person authorized to 1434
make a county purchase in a county that has adopted such a 1435
resolution shall prepare and file with the county auditor, within 1436
three business days after incurring an obligation not requiring a 1437
certificate, or within any other period of time the board of 1438
county commissioners specifies in the resolution, a written or 1439
electronically transferred document specifying the purpose and 1440
amount of the expenditure, the date of the purchase, the name of 1441
the vendor, the specific appropriation items from which the 1442
expenditures are to be made, and ~~such~~ any additional information 1443
as the auditor of state may prescribe. 1444

(3) Upon certification by the auditor or other chief fiscal 1445
officer that a certain sum of money, not in excess of an amount 1446
established by resolution or ordinance adopted by a majority of 1447
the members of the legislative authority of the subdivision or 1448
taxing unit, has been lawfully appropriated, authorized, or 1449
directed for a certain purpose and is in the treasury or in the 1450
process of collection to the credit of a specific line-item 1451

appropriation account in a certain fund free from previous and 1452
then outstanding obligations or certifications, then for such 1453
purpose and from such line-item appropriation account in such 1454
fund, over a period not extending beyond the end of the fiscal 1455
year, expenditures may be made, orders for payment issued, and 1456
contracts or obligations calling for or requiring the payment of 1457
money made and assumed; provided, that the aggregate sum of money 1458
included in and called for by such expenditures, orders, 1459
contracts, and obligations shall not exceed the sum so certified. 1460
Such a certification need be signed only by the fiscal officer of 1461
the subdivision or the taxing district and may, but need not, be 1462
limited to a specific vendor. An itemized statement of obligations 1463
incurred and expenditures made under such certificate shall be 1464
rendered to the auditor or other chief fiscal officer before 1465
another such certificate may be issued, and not more than one such 1466
certificate shall be outstanding at a time. 1467

In addition to providing the certification for expenditures 1468
as specified in this division, a subdivision also may make 1469
expenditures, issue orders for payment, and make contracts or 1470
obligations calling for or requiring the payment of money made and 1471
assumed for specified permitted purposes from a specific line-item 1472
appropriation account in a specified fund for a sum of money upon 1473
the certification by the fiscal officer of the subdivision that 1474
this sum of money has been lawfully appropriated, authorized, or 1475
directed for a permitted purpose and is in the treasury or in the 1476
process of collection to the credit of the specific line-item 1477
appropriation account in the specified fund free from previous and 1478
then-outstanding obligations or certifications; provided that the 1479
aggregate sum of money included in and called for by the 1480
expenditures, orders, and obligations shall not exceed the 1481
certified sum. The purposes for which a subdivision may lawfully 1482
appropriate, authorize, or issue such a certificate are the 1483
services of an accountant, architect, attorney at law, physician, 1484

professional engineer, construction project manager, consultant, 1485
surveyor, or appraiser by or on behalf of the subdivision or 1486
contracting authority; fuel oil, gasoline, food items, roadway 1487
materials, and utilities; and any purchases exempt from 1488
competitive bidding under section 125.04 of the Revised Code and 1489
any other specific expenditure that is a recurring and reasonably 1490
predictable operating expense. Such a certification shall not 1491
extend beyond the end of the fiscal year or, in the case of a 1492
board of county commissioners that has established a quarterly 1493
spending plan under section 5705.392 of the Revised Code, beyond 1494
the quarter to which the plan applies. Such a certificate shall be 1495
signed by the fiscal officer and may, but need not, be limited to 1496
a specific vendor. An itemized statement of obligations incurred 1497
and expenditures made under such a certificate shall be rendered 1498
to the fiscal officer for each certificate issued. More than one 1499
such certificate may be outstanding at any time. 1500

In any case in which a contract is entered into upon a per 1501
unit basis, the head of the department, board, or commission for 1502
the benefit of which the contract is made shall make an estimate 1503
of the total amount to become due upon such contract, which 1504
estimate shall be certified in writing to the fiscal officer of 1505
the subdivision. Such a contract may be entered into if the 1506
appropriation covers such estimate, or so much thereof as may be 1507
due during the current year. In such a case the certificate of the 1508
fiscal officer based upon the estimate shall be a sufficient 1509
compliance with the law requiring a certificate. 1510

Any certificate of the fiscal officer attached to a contract 1511
shall be binding upon the political subdivision as to the facts 1512
set forth therein. Upon request of any person receiving an order 1513
or entering into a contract with any political subdivision, the 1514
certificate of the fiscal officer shall be attached to such order 1515
or contract. "Contract" as used in this section excludes current 1516

payrolls of regular employees and officers. 1517

(E) Taxes and other revenue in process of collection, or the 1518
proceeds to be derived from authorized bonds, notes, or 1519
certificates of indebtedness sold and in process of delivery, 1520
shall for the purpose of this section be deemed in the treasury or 1521
in process of collection and in the appropriate fund. This section 1522
applies neither to the investment of sinking funds by the trustees 1523
of such funds, nor to investments made under sections 731.56 to 1524
731.59 of the Revised Code. 1525

No district authority shall, in transacting its own affairs, 1526
do any of the things prohibited to a subdivision by this section, 1527
but the appropriation referred to shall become the appropriation 1528
by the district authority, and the fiscal officer referred to 1529
shall mean the fiscal officer of the district authority. 1530

Sec. 5709.62. (A) In any municipal corporation that is 1531
defined by the United States office of management and budget as a 1532
central city of a metropolitan statistical area, or in a city 1533
designated as an urban cluster in a rural statistical area, the 1534
legislative authority of the municipal corporation may designate 1535
one or more areas within its municipal corporation as proposed 1536
enterprise zones. Upon designating an area, the legislative 1537
authority shall petition the director of development for 1538
certification of the area as having the characteristics set forth 1539
in division (A)(1) of section 5709.61 of the Revised Code as 1540
amended by Substitute Senate Bill No. 19 of the 120th general 1541
assembly. Except as otherwise provided in division (E) of this 1542
section, on and after July 1, 1994, legislative authorities shall 1543
not enter into agreements under this section unless the 1544
legislative authority has petitioned the director and the director 1545
has certified the zone under this section as amended by that act; 1546
however, all agreements entered into under this section as it 1547

existed prior to July 1, 1994, and the incentives granted under 1548
those agreements shall remain in effect for the period agreed to 1549
under those agreements. Within sixty days after receiving such a 1550
petition, the director shall determine whether the area has the 1551
characteristics set forth in division (A)(1) of section 5709.61 of 1552
the Revised Code, and shall forward the findings to the 1553
legislative authority of the municipal corporation. If the 1554
director certifies the area as having those characteristics, and 1555
thereby certifies it as a zone, the legislative authority may 1556
enter into an agreement with an enterprise under division (C) of 1557
this section. 1558

(B) Any enterprise that wishes to enter into an agreement 1559
with a municipal corporation under division (C) of this section 1560
shall submit a proposal to the legislative authority of the 1561
municipal corporation on a form prescribed by the director of 1562
development, together with the application fee established under 1563
section 5709.68 of the Revised Code. The form shall require the 1564
following information: 1565

(1) An estimate of the number of new employees whom the 1566
enterprise intends to hire, or of the number of employees whom the 1567
enterprise intends to retain, within the zone at a facility that 1568
is a project site, and an estimate of the amount of payroll of the 1569
enterprise attributable to these employees; 1570

(2) An estimate of the amount to be invested by the 1571
enterprise to establish, expand, renovate, or occupy a facility, 1572
including investment in new buildings, additions or improvements 1573
to existing buildings, machinery, equipment, furniture, fixtures, 1574
and inventory; 1575

(3) A listing of the enterprise's current investment, if any, 1576
in a facility as of the date of the proposal's submission. 1577

The enterprise shall review and update the listings required 1578

under this division to reflect material changes, and any agreement 1579
entered into under division (C) of this section shall set forth 1580
final estimates and listings as of the time the agreement is 1581
entered into. The legislative authority may, on a separate form 1582
and at any time, require any additional information necessary to 1583
determine whether an enterprise is in compliance with an agreement 1584
and to collect the information required to be reported under 1585
section 5709.68 of the Revised Code. 1586

(C) Upon receipt and investigation of a proposal under 1587
division (B) of this section, if the legislative authority finds 1588
that the enterprise submitting the proposal is qualified by 1589
financial responsibility and business experience to create and 1590
preserve employment opportunities in the zone and improve the 1591
economic climate of the municipal corporation, the legislative 1592
authority, on or before October 15, 2009, may do one of the 1593
following: 1594

(1) Enter into an agreement with the enterprise under which 1595
the enterprise agrees to establish, expand, renovate, or occupy a 1596
facility and hire new employees, or preserve employment 1597
opportunities for existing employees, in return for one or more of 1598
the following incentives: 1599

(a) Exemption for a specified number of years, not to exceed 1600
ten, of a specified portion, up to seventy-five per cent, of the 1601
assessed value of tangible personal property first used in 1602
business at the project site as a result of the agreement. An 1603
exemption granted pursuant to this division applies to inventory 1604
required to be listed pursuant to sections 5711.15 and 5711.16 of 1605
the Revised Code, except that, in the instance of an expansion or 1606
other situations in which an enterprise was in business at the 1607
facility prior to the establishment of the zone, the inventory 1608
that is exempt is that amount or value of inventory in excess of 1609
the amount or value of inventory required to be listed in the 1610

personal property tax return of the enterprise in the return for 1611
the tax year in which the agreement is entered into. 1612

(b) Exemption for a specified number of years, not to exceed 1613
ten, of a specified portion, up to seventy-five per cent, of the 1614
increase in the assessed valuation of real property constituting 1615
the project site subsequent to formal approval of the agreement by 1616
the legislative authority; 1617

(c) Provision for a specified number of years, not to exceed 1618
ten, of any optional services or assistance that the municipal 1619
corporation is authorized to provide with regard to the project 1620
site. 1621

(2) Enter into an agreement under which the enterprise agrees 1622
to remediate an environmentally contaminated facility, to spend an 1623
amount equal to at least two hundred fifty per cent of the true 1624
value in money of the real property of the facility prior to 1625
remediation as determined for the purposes of property taxation to 1626
establish, expand, renovate, or occupy the remediated facility, 1627
and to hire new employees or preserve employment opportunities for 1628
existing employees at the remediated facility, in return for one 1629
or more of the following incentives: 1630

(a) Exemption for a specified number of years, not to exceed 1631
ten, of a specified portion, not to exceed fifty per cent, of the 1632
assessed valuation of the real property of the facility prior to 1633
remediation; 1634

(b) Exemption for a specified number of years, not to exceed 1635
ten, of a specified portion, not to exceed one hundred per cent, 1636
of the increase in the assessed valuation of the real property of 1637
the facility during or after remediation; 1638

(c) The incentive under division (C)(1)(a) of this section, 1639
except that the percentage of the assessed value of such property 1640
exempted from taxation shall not exceed one hundred per cent; 1641

(d) The incentive under division (C)(1)(c) of this section. 1642

(3) Enter into an agreement with an enterprise that plans to 1643
purchase and operate a large manufacturing facility that has 1644
ceased operation or announced its intention to cease operation, in 1645
return for exemption for a specified number of years, not to 1646
exceed ten, of a specified portion, up to one hundred per cent, of 1647
the assessed value of tangible personal property used in business 1648
at the project site as a result of the agreement, or of the 1649
assessed valuation of real property constituting the project site, 1650
or both. 1651

(D)(1) Notwithstanding divisions (C)(1)(a) and (b) of this 1652
section, the portion of the assessed value of tangible personal 1653
property or of the increase in the assessed valuation of real 1654
property exempted from taxation under those divisions may exceed 1655
seventy-five per cent in any year for which that portion is 1656
exempted if the average percentage exempted for all years in which 1657
the agreement is in effect does not exceed sixty per cent, or if 1658
the board of education of the city, local, or exempted village 1659
school district within the territory of which the property is or 1660
will be located approves a percentage in excess of seventy-five 1661
per cent. 1662

(2) Notwithstanding any provision of the Revised Code to the 1663
contrary, the exemptions described in divisions (C)(1)(a), (b), 1664
and (c), (C)(2)(a), (b), and (c), and (C)(3) of this section may 1665
be for up to fifteen years if the board of education of the city, 1666
local, or exempted village school district within the territory in 1667
which the property is or will be located approves a number of 1668
years in excess of ten, but only if the project that is part of 1669
the agreement includes a fixed asset investment of at least one 1670
hundred million dollars or the director of development determines 1671
there are extraordinary circumstances, and only if the project 1672
involves the enrichment and commercialization of uranium or 1673

uranium products or the research and development activities 1674
related to that enrichment or commercialization. For 1675

(3) For the purpose of obtaining ~~such approval~~ the approval 1676
of a city, local, or exempted village school district under 1677
division (D)(1) or (2) of this section, the legislative authority 1678
shall deliver to the board of education a notice not later than 1679
forty-five days prior to approving the agreement, excluding 1680
Saturdays, Sundays, and legal holidays as defined in section 1.14 1681
of the Revised Code. The notice shall state the percentage to be 1682
exempted, an estimate of the true value of the property to be 1683
exempted, and the number of years the property is to be exempted. 1684
The board of education, by resolution adopted by a majority of the 1685
board, shall approve or disapprove the agreement and certify a 1686
copy of the resolution to the legislative authority not later than 1687
fourteen days prior to the date stipulated by the legislative 1688
authority as the date upon which approval of the agreement is to 1689
be formally considered by the legislative authority. The board of 1690
education may include in the resolution conditions under which the 1691
board would approve the agreement, including the execution of an 1692
agreement to compensate the school district under division (B) of 1693
section 5709.82 of the Revised Code. The legislative authority may 1694
approve the agreement at any time after the board of education 1695
certifies its resolution approving the agreement to the 1696
legislative authority, or, if the board approves the agreement 1697
conditionally, at any time after the conditions are agreed to by 1698
the board and the legislative authority. 1699

If a board of education has adopted a resolution waiving its 1700
right to approve agreements and the resolution remains in effect, 1701
approval of an agreement by the board is not required under this 1702
division. If a board of education has adopted a resolution 1703
allowing a legislative authority to deliver the notice required 1704
under this division fewer than forty-five business days prior to 1705

the legislative authority's approval of the agreement, the 1706
legislative authority shall deliver the notice to the board not 1707
later than the number of days prior to such approval as prescribed 1708
by the board in its resolution. If a board of education adopts a 1709
resolution waiving its right to approve agreements or shortening 1710
the notification period, the board shall certify a copy of the 1711
resolution to the legislative authority. If the board of education 1712
rescinds such a resolution, it shall certify notice of the 1713
rescission to the legislative authority. 1714

~~(2)~~(4) The legislative authority shall comply with section 1715
5709.83 of the Revised Code unless the board of education has 1716
adopted a resolution under that section waiving its right to 1717
receive such notice. 1718

(E) This division applies to zones certified by the director 1719
of development under this section prior to July 22, 1994. 1720

On or before October 15, 2009, the legislative authority that 1721
designated a zone to which this division applies may enter into an 1722
agreement with an enterprise if the legislative authority makes 1723
the finding required under that division and determines that the 1724
enterprise satisfies one of the criteria described in divisions 1725
(E)(1) to (5) of this section: 1726

(1) The enterprise currently has no operations in this state 1727
and, subject to approval of the agreement, intends to establish 1728
operations in the zone; 1729

(2) The enterprise currently has operations in this state 1730
and, subject to approval of the agreement, intends to establish 1731
operations at a new location in the zone that would not result in 1732
a reduction in the number of employee positions at any of the 1733
enterprise's other locations in this state; 1734

(3) The enterprise, subject to approval of the agreement, 1735
intends to relocate operations, currently located in another 1736

state, to the zone; 1737

(4) The enterprise, subject to approval of the agreement, 1738
intends to expand operations at an existing site in the zone that 1739
the enterprise currently operates; 1740

(5) The enterprise, subject to approval of the agreement, 1741
intends to relocate operations, currently located in this state, 1742
to the zone, and the director of development has issued a waiver 1743
for the enterprise under division (B) of section 5709.633 of the 1744
Revised Code. 1745

The agreement shall require the enterprise to agree to 1746
establish, expand, renovate, or occupy a facility in the zone and 1747
hire new employees, or preserve employment opportunities for 1748
existing employees, in return for one or more of the incentives 1749
described in division (C) of this section. 1750

(F) All agreements entered into under this section shall be 1751
in the form prescribed under section 5709.631 of the Revised Code. 1752
After an agreement is entered into under this division, if the 1753
legislative authority revokes its designation of a zone, or if the 1754
director of development revokes the zone's certification, any 1755
entitlements granted under the agreement shall continue for the 1756
number of years specified in the agreement. 1757

(G) Except as otherwise provided in this division, an 1758
agreement entered into under this section shall require that the 1759
enterprise pay an annual fee equal to the greater of one per cent 1760
of the dollar value of incentives offered under the agreement or 1761
five hundred dollars; provided, however, that if the value of the 1762
incentives exceeds two hundred fifty thousand dollars, the fee 1763
shall not exceed two thousand five hundred dollars. The fee shall 1764
be payable to the legislative authority once per year for each 1765
year the agreement is effective on the days and in the form 1766
specified in the agreement. Fees paid shall be deposited in a 1767

special fund created for such purpose by the legislative authority 1768
and shall be used by the legislative authority exclusively for the 1769
purpose of complying with section 5709.68 of the Revised Code and 1770
by the tax incentive review council created under section 5709.85 1771
of the Revised Code exclusively for the purposes of performing the 1772
duties prescribed under that section. The legislative authority 1773
may waive or reduce the amount of the fee charged against an 1774
enterprise, but such a waiver or reduction does not affect the 1775
obligations of the legislative authority or the tax incentive 1776
review council to comply with section 5709.68 or 5709.85 of the 1777
Revised Code. 1778

(H) When an agreement is entered into pursuant to this 1779
section, the legislative authority authorizing the agreement shall 1780
forward a copy of the agreement to the director of development and 1781
to the tax commissioner within fifteen days after the agreement is 1782
entered into. If any agreement includes terms not provided for in 1783
section 5709.631 of the Revised Code affecting the revenue of a 1784
city, local, or exempted village school district or causing 1785
revenue to be foregone by the district, including any compensation 1786
to be paid to the school district pursuant to section 5709.82 of 1787
the Revised Code, those terms also shall be forwarded in writing 1788
to the director of development along with the copy of the 1789
agreement forwarded under this division. 1790

(I) After an agreement is entered into, the enterprise shall 1791
file with each personal property tax return required to be filed, 1792
or annual report required to be filed under section 5727.08 of the 1793
Revised Code, while the agreement is in effect, an informational 1794
return, on a form prescribed by the tax commissioner for that 1795
purpose, setting forth separately the property, and related costs 1796
and values, exempted from taxation under the agreement. 1797

(J) Enterprises may agree to give preference to residents of 1798
the zone within which the agreement applies relative to residents 1799

of this state who do not reside in the zone when hiring new 1800
employees under the agreement. 1801

(K) An agreement entered into under this section may include 1802
a provision requiring the enterprise to create one or more 1803
temporary internship positions for students enrolled in a course 1804
of study at a school or other educational institution in the 1805
vicinity, and to create a scholarship or provide another form of 1806
educational financial assistance for students holding such a 1807
position in exchange for the student's commitment to work for the 1808
enterprise at the completion of the internship. 1809

Sec. 5709.63. (A) With the consent of the legislative 1810
authority of each affected municipal corporation or of a board of 1811
township trustees, a board of county commissioners may, in the 1812
manner set forth in section 5709.62 of the Revised Code, designate 1813
one or more areas in one or more municipal corporations or in 1814
unincorporated areas of the county as proposed enterprise zones. A 1815
board of county commissioners may designate no more than one area 1816
within a township, or within adjacent townships, as a proposed 1817
enterprise zone. The board shall petition the director of 1818
development for certification of the area as having the 1819
characteristics set forth in division (A)(1) or (2) of section 1820
5709.61 of the Revised Code as amended by Substitute Senate Bill 1821
No. 19 of the 120th general assembly. Except as otherwise provided 1822
in division (D) of this section, on and after July 1, 1994, boards 1823
of county commissioners shall not enter into agreements under this 1824
section unless the board has petitioned the director and the 1825
director has certified the zone under this section as amended by 1826
that act; however, all agreements entered into under this section 1827
as it existed prior to July 1, 1994, and the incentives granted 1828
under those agreements shall remain in effect for the period 1829
agreed to under those agreements. The director shall make the 1830
determination in the manner provided under section 5709.62 of the 1831

Revised Code. Any enterprise wishing to enter into an agreement 1832
with the board under division (B) or (D) of this section shall 1833
submit a proposal to the board on the form and accompanied by the 1834
application fee prescribed under division (B) of section 5709.62 1835
of the Revised Code. The enterprise shall review and update the 1836
estimates and listings required by the form in the manner required 1837
under that division. The board may, on a separate form and at any 1838
time, require any additional information necessary to determine 1839
whether an enterprise is in compliance with an agreement and to 1840
collect the information required to be reported under section 1841
5709.68 of the Revised Code. 1842

(B) If the board of county commissioners finds that an 1843
enterprise submitting a proposal is qualified by financial 1844
responsibility and business experience to create and preserve 1845
employment opportunities in the zone and to improve the economic 1846
climate of the municipal corporation or municipal corporations or 1847
the unincorporated areas in which the zone is located and to which 1848
the proposal applies, the board, on or before October 15, 2009, 1849
and with the consent of the legislative authority of each affected 1850
municipal corporation or of the board of township trustees may do 1851
either of the following: 1852

(1) Enter into an agreement with the enterprise under which 1853
the enterprise agrees to establish, expand, renovate, or occupy a 1854
facility in the zone and hire new employees, or preserve 1855
employment opportunities for existing employees, in return for the 1856
following incentives: 1857

(a) When the facility is located in a municipal corporation, 1858
the board may enter into an agreement for one or more of the 1859
incentives provided in division (C) of section 5709.62 of the 1860
Revised Code, subject to division (D) of that section; 1861

(b) When the facility is located in an unincorporated area, 1862

the board may enter into an agreement for one or more of the 1863
following incentives: 1864

(i) Exemption for a specified number of years, not to exceed 1865
ten, of a specified portion, up to sixty per cent, of the assessed 1866
value of tangible personal property first used in business at a 1867
project site as a result of the agreement. An exemption granted 1868
pursuant to this division applies to inventory required to be 1869
listed pursuant to sections 5711.15 and 5711.16 of the Revised 1870
Code, except, in the instance of an expansion or other situations 1871
in which an enterprise was in business at the facility prior to 1872
the establishment of the zone, the inventory that is exempt is 1873
that amount or value of inventory in excess of the amount or value 1874
of inventory required to be listed in the personal property tax 1875
return of the enterprise in the return for the tax year in which 1876
the agreement is entered into. 1877

(ii) Exemption for a specified number of years, not to exceed 1878
ten, of a specified portion, up to sixty per cent, of the increase 1879
in the assessed valuation of real property constituting the 1880
project site subsequent to formal approval of the agreement by the 1881
board; 1882

(iii) Provision for a specified number of years, not to 1883
exceed ten, of any optional services or assistance the board is 1884
authorized to provide with regard to the project site; 1885

(iv) The incentive described in division (C)(2) of section 1886
5709.62 of the Revised Code. 1887

(2) Enter into an agreement with an enterprise that plans to 1888
purchase and operate a large manufacturing facility that has 1889
ceased operation or has announced its intention to cease 1890
operation, in return for exemption for a specified number of 1891
years, not to exceed ten, of a specified portion, up to one 1892
hundred per cent, of tangible personal property used in business 1893

at the project site as a result of the agreement, or of real 1894
property constituting the project site, or both. 1895

(C)(1)(a) Notwithstanding divisions (B)(1)(b)(i) and (ii) of 1896
this section, the portion of the assessed value of tangible 1897
personal property or of the increase in the assessed valuation of 1898
real property exempted from taxation under those divisions may 1899
exceed sixty per cent in any year for which that portion is 1900
exempted if the average percentage exempted for all years in which 1901
the agreement is in effect does not exceed fifty per cent, or if 1902
the board of education of the city, local, or exempted village 1903
school district within the territory of which the property is or 1904
will be located approves a percentage in excess of sixty per cent. 1905

(b) Notwithstanding any provision of the Revised Code to the 1906
contrary, the exemptions described in divisions (B)(1)(b)(i), 1907
(ii), (iii), and (iv) and (B)(2) of this section may be for up to 1908
fifteen years if the board of education of the city, local, or 1909
exempted village school district within the territory in which the 1910
property is or will be located approves a number of years in 1911
excess of ten, but only if the project that is part of the 1912
agreement includes a fixed asset investment of at least one 1913
hundred million dollars or the director of development determines 1914
there are extraordinary circumstances, and only if the project 1915
involves the enrichment and commercialization of uranium or 1916
uranium products or the research and development activities 1917
related to that enrichment or commercialization. For 1918

(c) For the purpose of obtaining ~~such approval~~ the approval 1919
of a city, local, or exempted village school district under 1920
division (C)(1)(a) or (b) of this section, the board of 1921
commissioners shall deliver to the board of education a notice not 1922
later than forty-five days prior to approving the agreement, 1923
excluding Saturdays, Sundays, and legal holidays as defined in 1924
section 1.14 of the Revised Code. The notice shall state the 1925

percentage to be exempted, an estimate of the true value of the 1926
property to be exempted, and the number of years the property is 1927
to be exempted. The board of education, by resolution adopted by a 1928
majority of the board, shall approve or disapprove the agreement 1929
and certify a copy of the resolution to the board of commissioners 1930
not later than fourteen days prior to the date stipulated by the 1931
board of commissioners as the date upon which approval of the 1932
agreement is to be formally considered by the board of 1933
commissioners. The board of education may include in the 1934
resolution conditions under which the board would approve the 1935
agreement, including the execution of an agreement to compensate 1936
the school district under division (B) of section 5709.82 of the 1937
Revised Code. The board of county commissioners may approve the 1938
agreement at any time after the board of education certifies its 1939
resolution approving the agreement to the board of county 1940
commissioners, or, if the board of education approves the 1941
agreement conditionally, at any time after the conditions are 1942
agreed to by the board of education and the board of county 1943
commissioners. 1944

If a board of education has adopted a resolution waiving its 1945
right to approve agreements and the resolution remains in effect, 1946
approval of an agreement by the board of education is not required 1947
under division (C) of this section. If a board of education has 1948
adopted a resolution allowing a board of county commissioners to 1949
deliver the notice required under this division fewer than 1950
forty-five business days prior to approval of the agreement by the 1951
board of county commissioners, the board of county commissioners 1952
shall deliver the notice to the board of education not later than 1953
the number of days prior to such approval as prescribed by the 1954
board of education in its resolution. If a board of education 1955
adopts a resolution waiving its right to approve agreements or 1956
shortening the notification period, the board of education shall 1957
certify a copy of the resolution to the board of county 1958

commissioners. If the board of education rescinds such a 1959
resolution, it shall certify notice of the rescission to the board 1960
of county commissioners. 1961

(2) The board of county commissioners shall comply with 1962
section 5709.83 of the Revised Code unless the board of education 1963
has adopted a resolution under that section waiving its right to 1964
receive such notice. 1965

(D) This division applies to zones certified by the director 1966
of development under this section prior to July 22, 1994. 1967

On or before October 15, 2009, and with the consent of the 1968
legislative authority of each affected municipal corporation or 1969
board of township trustees of each affected township, the board of 1970
commissioners that designated a zone to which this division 1971
applies may enter into an agreement with an enterprise if the 1972
board makes the finding required under that division and 1973
determines that the enterprise satisfies one of the criteria 1974
described in divisions (D)(1) to (5) of this section: 1975

(1) The enterprise currently has no operations in this state 1976
and, subject to approval of the agreement, intends to establish 1977
operations in the zone; 1978

(2) The enterprise currently has operations in this state 1979
and, subject to approval of the agreement, intends to establish 1980
operations at a new location in the zone that would not result in 1981
a reduction in the number of employee positions at any of the 1982
enterprise's other locations in this state; 1983

(3) The enterprise, subject to approval of the agreement, 1984
intends to relocate operations, currently located in another 1985
state, to the zone; 1986

(4) The enterprise, subject to approval of the agreement, 1987
intends to expand operations at an existing site in the zone that 1988
the enterprise currently operates; 1989

(5) The enterprise, subject to approval of the agreement, 1990
intends to relocate operations, currently located in this state, 1991
to the zone, and the director of development has issued a waiver 1992
for the enterprise under division (B) of section 5709.633 of the 1993
Revised Code. 1994

The agreement shall require the enterprise to agree to 1995
establish, expand, renovate, or occupy a facility in the zone and 1996
hire new employees, or preserve employment opportunities for 1997
existing employees, in return for one or more of the incentives 1998
described in division (B) of this section. 1999

(E) All agreements entered into under this section shall be 2000
in the form prescribed under section 5709.631 of the Revised Code. 2001
After an agreement under this section is entered into, if the 2002
board of county commissioners revokes its designation of the zone, 2003
or if the director of development revokes the zone's 2004
certification, any entitlements granted under the agreement shall 2005
continue for the number of years specified in the agreement. 2006

(F) Except as otherwise provided in this paragraph, an 2007
agreement entered into under this section shall require that the 2008
enterprise pay an annual fee equal to the greater of one per cent 2009
of the dollar value of incentives offered under the agreement or 2010
five hundred dollars; provided, however, that if the value of the 2011
incentives exceeds two hundred fifty thousand dollars, the fee 2012
shall not exceed two thousand five hundred dollars. The fee shall 2013
be payable to the board of commissioners once per year for each 2014
year the agreement is effective on the days and in the form 2015
specified in the agreement. Fees paid shall be deposited in a 2016
special fund created for such purpose by the board and shall be 2017
used by the board exclusively for the purpose of complying with 2018
section 5709.68 of the Revised Code and by the tax incentive 2019
review council created under section 5709.85 of the Revised Code 2020
exclusively for the purposes of performing the duties prescribed 2021

under that section. The board may waive or reduce the amount of 2022
the fee charged against an enterprise, but such waiver or 2023
reduction does not affect the obligations of the board or the tax 2024
incentive review council to comply with section 5709.68 or 5709.85 2025
of the Revised Code, respectively. 2026

(G) With the approval of the legislative authority of a 2027
municipal corporation or the board of township trustees of a 2028
township in which a zone is designated under division (A) of this 2029
section, the board of county commissioners may delegate to that 2030
legislative authority or board any powers and duties of the board 2031
to negotiate and administer agreements with regard to that zone 2032
under this section. 2033

(H) When an agreement is entered into pursuant to this 2034
section, the legislative authority authorizing the agreement shall 2035
forward a copy of the agreement to the director of development and 2036
to the tax commissioner within fifteen days after the agreement is 2037
entered into. If any agreement includes terms not provided for in 2038
section 5709.631 of the Revised Code affecting the revenue of a 2039
city, local, or exempted village school district or causing 2040
revenue to be foregone by the district, including any compensation 2041
to be paid to the school district pursuant to section 5709.82 of 2042
the Revised Code, those terms also shall be forwarded in writing 2043
to the director of development along with the copy of the 2044
agreement forwarded under this division. 2045

(I) After an agreement is entered into, the enterprise shall 2046
file with each personal property tax return required to be filed, 2047
or annual report that is required to be filed under section 2048
5727.08 of the Revised Code, while the agreement is in effect, an 2049
informational return, on a form prescribed by the tax commissioner 2050
for that purpose, setting forth separately the property, and 2051
related costs and values, exempted from taxation under the 2052
agreement. 2053

(J) Enterprises may agree to give preference to residents of 2054
the zone within which the agreement applies relative to residents 2055
of this state who do not reside in the zone when hiring new 2056
employees under the agreement. 2057

(K) An agreement entered into under this section may include 2058
a provision requiring the enterprise to create one or more 2059
temporary internship positions for students enrolled in a course 2060
of study at a school or other educational institution in the 2061
vicinity, and to create a scholarship or provide another form of 2062
educational financial assistance for students holding such a 2063
position in exchange for the student's commitment to work for the 2064
enterprise at the completion of the internship. 2065

Sec. 5709.67. (A) Except as otherwise provided in sections 2066
5709.61 to 5709.69 of the Revised Code, the director of 2067
development shall administer those sections and shall adopt ~~such~~ 2068
~~rules as are necessary to ensure that no zone is certified or~~ 2069
~~remains certified unless it meets any applicable requirements of~~ 2070
~~division (A) of section 5709.61 of the Revised Code, and to~~ 2071
~~determine the number of positions attributable to an enterprise~~ 2072
~~for the purposes of division (A)(3) of section 5709.64 of the~~ 2073
~~Revised Code~~ implement and administer the enterprise zone program. 2074
The director shall assign to each zone currently certified a 2075
unique designation by which the zone shall be identified for 2076
purposes of administering sections 5709.61 to 5709.69 of the 2077
Revised Code. The tax commissioner shall administer all other tax 2078
incentives provided under sections 5709.61 to 5709.69 of the 2079
Revised Code and shall adopt ~~such~~ rules ~~as are~~ necessary to carry 2080
out that duty. No tax incentive qualification certificate or 2081
employee tax credit certificate shall be issued or remain in 2082
effect unless the enterprise applying for or holding the 2083
certificate complies with all such rules. The director of job and 2084

family services shall administer the incentive provided under 2085
division (B)(1) of section 5709.66 of the Revised Code and shall 2086
adopt ~~such~~ rules ~~as are~~ necessary to carry out that duty. No 2087
extension of benefits certificate shall be issued or remain in 2088
effect unless the enterprise applying for or holding the 2089
certificate complies with all such rules. 2090

(B) Not later than the first day of August each year, the 2091
director of development shall report to the general assembly on 2092
all of the following for the preceding calendar year: 2093

(1) The cost to the state of the tax and other incentives 2094
provided under sections 5709.61 to 5709.69 of the Revised Code; 2095

(2) The number of tax incentive qualification certificates, 2096
employee tax credit certificates, and extension of benefits 2097
certificates issued; 2098

(3) The names of the municipal corporations and counties that 2099
have entered agreements under sections 5709.62, 5709.63, and 2100
5709.632 of the Revised Code; 2101

(4) The number of new employees hired as a result of the tax 2102
and other incentives provided under sections 5709.61 to 5709.69 of 2103
the Revised Code; 2104

(5) Information on agreement terms concerning school district 2105
revenue that are not provided for in section 5709.631 of the 2106
Revised Code and that are forwarded to the director under division 2107
(H) of section 5709.62, division (H) of section 5709.63, or 2108
division (G) of section 5709.632 of the Revised Code. 2109

The report shall include a finding by the director as to 2110
whether the incentives provided under sections 5709.61 to 5709.69 2111
of the Revised Code have resulted in the creation of more 2112
positions in the state than would have been created without the 2113
incentives. The director shall send a copy of the report to each 2114

member of the general assembly and to the director of the 2115
legislative service commission. 2116

(C) All forms used in connection with the administration of 2117
sections 5709.61 to 5709.69 of the Revised Code, except forms 2118
administered directly by the tax commissioner, by the director of 2119
job and family services, or by a county or municipal corporation, 2120
are subject to review and approval by the state forms management 2121
control center under sections 125.91 to 125.98 of the Revised 2122
Code. 2123

Sec. 5709.82. (A) As used in this section: 2124

(1) "New employee" means both of the following: 2125

(a) Persons employed in the construction of real property 2126
exempted from taxation under the chapters or sections of the 2127
Revised Code enumerated in division (B) of this section; 2128

(b) Persons not described by division (A)(1)(a) of this 2129
section who are first employed at the site of such property and 2130
who within the two previous years have not been subject, prior to 2131
being employed at that site, to income taxation by the municipal 2132
corporation within whose territory the site is located on income 2133
derived from employment for the person's current employer. "New 2134
employee" does not include any person who replaces a person who is 2135
not a new employee under division (A)(1) of this section. 2136

(2) "Infrastructure costs" means costs incurred by a 2137
municipal corporation in a calendar year to acquire, construct, 2138
reconstruct, improve, plan, or equip real or tangible personal 2139
property that directly benefits or will directly benefit the 2140
exempted property. If the municipal corporation finances the 2141
acquisition, construction, reconstruction, improvement, planning, 2142
or equipping of real or tangible personal property that directly 2143
benefits the exempted property by issuing debt, "infrastructure 2144

costs" means the annual debt charges incurred by the municipal 2145
corporation from the issuance of such debt. Real or tangible 2146
personal property directly benefits exempted property only if the 2147
exempted property places or will place direct, additional demand 2148
on the real or tangible personal property for which such costs 2149
were or will be incurred. 2150

(3) "Taxing unit" has the same meaning as in division (H) of 2151
section 5705.01 of the Revised Code. 2152

(B)(1) Except as otherwise provided under division (C) of 2153
this section, the legislative authority of any political 2154
subdivision that has acted under the authority of Chapter 725. or 2155
1728., sections 3735.65 to 3735.70, or section 5709.40, 5709.41, 2156
5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 5709.84, or 5709.88 2157
of the Revised Code to grant an exemption from taxation for real 2158
or tangible personal property may negotiate with the board of 2159
education of each city, local, exempted village, or joint 2160
vocational school district or other taxing unit within the 2161
territory of which the exempted property is located, and enter 2162
into an agreement whereby the school district or taxing unit is 2163
compensated for tax revenue ~~that foregone by~~ the school district 2164
~~would have received had the property not been exempted from~~ 2165
~~taxation or taxing unit as a result of the exemption.~~ Except as 2166
otherwise provided in division (B)(1) of this section, if a 2167
political subdivision enters into more than one agreement under 2168
this section with respect to a tax exemption, the political 2169
subdivision shall provide to each school district or taxing unit 2170
with which it contracts the same percentage of tax revenue 2171
foregone by the school district or taxing unit, which may be based 2172
on a good faith projection made at the time the exemption is 2173
granted. Such percentage shall be calculated on the basis of 2174
amounts paid by the political subdivision and any amounts paid by 2175
an owner under division (B)(2) of this section. A political 2176

subdivision may provide a school district or other taxing unit 2177
with a smaller percentage of foregone tax revenue than that 2178
provided to other school districts or taxing units only if the 2179
school district or taxing unit expressly consents in the agreement 2180
to receiving a smaller percentage. 2181

(2) An owner of property exempted from taxation under the 2182
authority described in division (B)(1) of this section may, by 2183
becoming a party to an agreement described in division (B)(1) of 2184
this section or by entering into a separate agreement with a 2185
school district or other taxing unit, agree to compensate the 2186
school district or taxing unit by paying cash or by providing 2187
property or services by gift, loan, or otherwise. 2188

(C) This division does not apply to the following: 2189

(1) The legislative authority of a municipal corporation that 2190
has acted under the authority of division (H) of section 715.70 or 2191
section 715.81 of the Revised Code to consent to the granting of 2192
an exemption from taxation for real or tangible personal property 2193
in a joint economic development district. 2194

(2) The legislative authority of a municipal corporation that 2195
has specified in an ordinance adopted under section 5709.40 or 2196
5709.41 of the Revised Code that payments in lieu of taxes 2197
provided for under section 5709.42 of the Revised Code shall be 2198
paid to the city, local, or exempted village school district in 2199
which the improvements are located in the amount of taxes that 2200
would have been payable to the school district if the improvements 2201
had not been exempted from taxation, as directed in the ordinance. 2202

If the legislative authority of any municipal corporation has 2203
acted under the authority of Chapter 725. or 1728. or section 2204
3735.671, 5709.40, 5709.41, 5709.62, 5709.63, 5709.632, or 2205
5709.88, or a housing officer under section 3735.67 of the Revised 2206
Code, to grant or consent to the granting of an exemption from 2207

taxation for real or tangible personal property on or after July 2208
1, 1994, the municipal corporation imposes a tax on incomes, and 2209
the payroll of new employees resulting from the exercise of that 2210
authority equals or exceeds one million dollars in any tax year 2211
for which such property is exempted, the legislative authority and 2212
the board of education of each city, local, or exempted village 2213
school district within the territory of which the exempted 2214
property is located shall attempt to negotiate an agreement 2215
providing for compensation to the school district for all or a 2216
portion of the tax revenue the school district would have received 2217
had the property not been exempted from taxation. The agreement 2218
may include as a party the owner of the property exempted or to be 2219
exempted from taxation and may include provisions obligating the 2220
owner to compensate the school district by paying cash or 2221
providing property or services by gift, loan, or otherwise. Such 2222
an obligation is enforceable by the board of education of the 2223
school district pursuant to the terms of the agreement. 2224

If the legislative authority and board of education fail to 2225
negotiate an agreement that is mutually acceptable within six 2226
months of formal approval by the legislative authority of the 2227
instrument granting the exemption, the legislative authority shall 2228
compensate the school district in the amount and manner prescribed 2229
by division (D) of this section. 2230

(D) Annually, the legislative authority of a municipal 2231
corporation subject to this division shall pay to the city, local, 2232
or exempted village school district within the territory of which 2233
the exempted property is located an amount equal to fifty per cent 2234
of the difference between the amount of taxes levied and collected 2235
by the municipal corporation on the incomes of new employees in 2236
the calendar year ending on the day the payment is required to be 2237
made, and the amount of any infrastructure costs incurred in that 2238
calendar year. For purposes of such computation, the amount of 2239

infrastructure costs shall not exceed thirty-five per cent of the 2240
amount of those taxes unless the board of education of the school 2241
district, by resolution adopted by a majority of the board, 2242
approves an amount in excess of that percentage. If the amount of 2243
those taxes or infrastructure costs must be estimated at the time 2244
the payment is made, payments in subsequent years shall be 2245
adjusted to compensate for any departure of those estimates from 2246
the actual amount of those taxes. 2247

A municipal corporation required to make a payment under this 2248
section shall make the payment from its general fund or a special 2249
fund established for the purpose. The payment is payable on the 2250
thirty-first day of December of the tax year for or in which the 2251
exemption from taxation commences and on that day for each 2252
subsequent tax year property is exempted and the legislative 2253
authority and board fail to negotiate an acceptable agreement 2254
under division (C) of this section. 2255

Section 2. That existing sections 122.17, 135.35, 301.27, 2256
505.10, 2913.01, 5575.01, 5705.41, 5709.62, 5709.63, 5709.67, and 2257
5709.82 of the Revised Code are hereby repealed. 2258