

**As Reported by the House County and Township Government
Committee**

**125th General Assembly
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Sub. S. B. No. 82

**Senators Amstutz, Randy Gardner, Jacobson, Mumper, Stivers, Harris,
Spada, DiDonato, Schuler, Hagan, Robert Gardner, Schuring, Brady, Carnes,
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**Representatives Wolpert, Daniels, Cirelli, Collier, Domenick, Flowers,
McGregor, Price, Schlichter, Sferra, Skindell, Ujvagi, Wagner, Walcher**

A B I L L

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 under 16
certain conditions, to authorize the reimbursement 17
of taxing units for tax revenue foregone as a 18
result of certain tax exemptions, to change the 19

definition of "new employee" for purposes of the 20
job creation tax credit, to permit the disposal of 21
certain unneeded, obsolete, or unfit for use 22
township property by sealed bid, and to exempt 23
certain township road projects from the force 24
account assessment form requirement. 25

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

Section 1. That sections 122.17, 135.35, 301.27, 505.10, 26
2913.01, 5575.01, 5705.41, 5709.62, 5709.63, 5709.67, and 5709.82 27
be amended and sections 9.361 and 301.29 of the Revised Code be 28
enacted to read as follows: 29

Sec. 9.361. A board of county commissioners may authorize, by 30
resolution, a payroll deduction benefit program to implement the 31
qualified transportation fringe benefit provided for in section 32
132(f) of the Internal Revenue Code of 1986, 26 U.S.C. 132(f), as 33
amended, for county employees, but only insofar as it applies to 34
parking and transit passes. If the program includes a parking 35
benefit for parking at a facility that is not owned by the county, 36
the county shall require a third-party administrator to administer 37
the program for the county, unless, on or before the effective 38
date of this section, the county already is providing such a 39
parking benefit for which it is acting as the administrator. 40

The resolution shall provide a process whereby any county 42
officer or employee may participate in or withdraw from the 43
program upon the filing of a written application. Upon appropriate 44
written authorization, the county auditor shall make the 45
appropriate payroll deductions and issue warrants as required by 46
the program. 47

Sec. 122.17. (A) As used in this section: 48

(1) "Full-time employee" means an individual who is employed 49
for consideration for at least thirty-five hours a week, or who 50
renders any other standard of service generally accepted by custom 51
or specified by contract as full-time employment. 52

(2) "New employee" means one of the following: 53

(a) A full-time employee first employed by a taxpayer in the 54
project that is the subject of the agreement after the taxpayer 55
enters into a tax credit agreement with the tax credit authority 56
under this section; 57

(b) A full-time employee first employed by a taxpayer in the 58
project that is the subject of the tax credit after the tax credit 59
authority approves a project for a tax credit under this section 60
in a public meeting, as long as the taxpayer enters into the tax 61
credit agreement prepared by the department of development after 62
such meeting within sixty days after receiving the agreement from 63
the department. If the taxpayer fails to enter into the agreement 64
within sixty days, "new employee" has the same meaning as under 65
division (A)(2)(a) of this section. 66

Under division (A)(2)(a) or (b) of this section, if the tax 67
credit authority determines it appropriate, "new employee" also 68
may include an employee re-hired or called back from lay-off to 69
work in a new facility or on a new product or service established 70
or produced by the taxpayer after entering into the agreement 71
under this section or after the tax credit authority approves the 72
tax credit in a public meeting. "New Except as otherwise provided 73
in this paragraph, "new employee" does not include any employee of 74
the taxpayer who was previously employed in this state by a 75
related member of the taxpayer and whose employment was shifted to 76
the taxpayer after the taxpayer entered into the tax credit 77

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

(3) "New income tax revenue" means the total amount withheld 102
under section 5747.06 of the Revised Code by the taxpayer during 103
the taxable year from the compensation of new employees for the 104
tax levied under Chapter 5747. of the Revised Code. 105

(4) "Related member" has the same meaning as under division 106
(A)(6) of section 5733.042 of the Revised Code without regard to 107
division (B) of that section. 108

(B) The tax credit authority may make grants under this 109

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

(C) A taxpayer or potential taxpayer who proposes a project 121
to create new jobs in this state may apply to the tax credit 122
authority to enter into an agreement for a tax credit under this 123
section. The director of development shall prescribe the form of 124
the application. After receipt of an application, the authority 125
may enter into an agreement with the taxpayer for a credit under 126
this section if it determines all of the following: 127

(1) The taxpayer's project will create new jobs in this 128
state; 129

(2) The taxpayer's project is economically sound and will 130
benefit the people of this state by increasing opportunities for 131
employment and strengthening the economy of this state; 132

(3) Receiving the tax credit is a major factor in the 133
taxpayer's decision to go forward with the project. 134

(D) An agreement under this section shall include all of the 135
following: 136

(1) A detailed description of the project that is the subject 137
of the agreement; 138

(2) The term of the tax credit, which shall not exceed 139
fifteen years, and the first taxable year for which the credit may 140

be claimed;	141
(3) A requirement that the taxpayer shall maintain operations	142
at the project location for at least twice the number of years as	143
the term of the tax credit;	144
(4) The percentage, as determined by the tax credit	145
authority, of new income tax revenue that will be allowed as the	146
amount of the credit for each taxable year;	147
(5) A specific method for determining how many new employees	148
are employed during a taxable year;	149
(6) A requirement that the taxpayer annually shall report to	150
the director of development the number of new employees, the new	151
income tax revenue withheld in connection with the new employees,	152
and any other information the director needs to perform the	153
director's duties under this section;	154
(7) A requirement that the director of development annually	155
shall verify the amounts reported under division (D)(6) of this	156
section, and after doing so shall issue a certificate to the	157
taxpayer stating that the amounts have been verified;	158
(8)(a) A provision requiring that the taxpayer, except as	159
otherwise provided in division (D)(8)(b) of this section, shall	160
not relocate employment positions from elsewhere in this state to	161
the project site that is the subject of the agreement for the	162
lesser of five years from the date the agreement is entered into	163
or the number of years the taxpayer is entitled to claim the tax	164
credit.	165
(b) The taxpayer may relocate employment positions from	166
elsewhere in this state to the project site that is the subject of	167
the agreement if the director of development determines both of	168
the following:	169
(i) That the site from which the employment positions would	170

be relocated is inadequate to meet market and industry conditions, 171
expansion plans, consolidation plans, or other business 172
considerations affecting the taxpayer; 173

(ii) That the legislative authority of the county, township, 174
or municipal corporation from which the employment positions would 175
be relocated has been notified of the relocation. 176

For purposes of this section, the movement of an employment 177
position from one political subdivision to another political 178
subdivision shall be considered a relocation of an employment 179
position, but the transfer of an individual employee from one 180
political subdivision to another political subdivision shall not 181
be considered a relocation of an employment position as long as 182
the individual's employment position in the first political 183
subdivision is refilled. 184

(E) If a taxpayer fails to meet or comply with any condition 185
or requirement set forth in a tax credit agreement, the tax credit 186
authority may amend the agreement to reduce the percentage or term 187
of the tax credit. The reduction of the percentage or term shall 188
take effect in the taxable year immediately following the taxable 189
year in which the authority amends the agreement. If the taxpayer 190
relocates employment positions in violation of the provision 191
required under division (D)(8)(a) of this section, the taxpayer 192
shall not claim the tax credit under section 5733.0610 of the 193
Revised Code for any tax years following the calendar year in 194
which the relocation occurs, or shall not claim the tax credit 195
under section 5747.058 of the Revised Code for the taxable year in 196
which the relocation occurs and any subsequent taxable years. 197

(F) Projects that consist solely of point-of-final-purchase 198
retail facilities are not eligible for a tax credit under this 199
section. If a project consists of both point-of-final-purchase 200
retail facilities and nonretail facilities, only the portion of 201

the project consisting of the nonretail facilities is eligible for 202
a tax credit and only the new income tax revenue from new 203
employees of the nonretail facilities shall be considered when 204
computing the amount of the tax credit. If a warehouse facility is 205
part of a point-of-final-purchase retail facility and supplies 206
only that facility, the warehouse facility is not eligible for a 207
tax credit. Catalog distribution centers are not considered 208
point-of-final-purchase retail facilities for the purposes of this 209
division, and are eligible for tax credits under this section. 210

(G) Financial statements and other information submitted to 211
the department of development or the tax credit authority by an 212
applicant or recipient of a tax credit under this section, and any 213
information taken for any purpose from such statements or 214
information, are not public records subject to section 149.43 of 215
the Revised Code. However, the chairperson of the authority may 216
make use of the statements and other information for purposes of 217
issuing public reports or in connection with court proceedings 218
concerning tax credit agreements under this section. Upon the 219
request of the tax commissioner, the chairperson of the authority 220
shall provide to the commissioner any statement or information 221
submitted by an applicant or recipient of a tax credit in 222
connection with the credit. The commissioner shall preserve the 223
confidentiality of the statement or information. 224

(H) A taxpayer claiming a credit under this section shall 225
submit to the tax commissioner a copy of the director of 226
development's certificate of verification under division (D)(7) of 227
this section for the taxable year. However, failure to submit a 228
copy of the certificate does not invalidate a claim for a credit. 229

(I) The director of development, after consultation with the 230
tax commissioner and in accordance with Chapter 119. of the 231
Revised Code, shall adopt rules necessary to implement this 232
section. The rules may provide for recipients of tax credits under 233

this section to be charged fees to cover administrative costs of 234
the tax credit program. At the time the director gives public 235
notice under division (A) of section 119.03 of the Revised Code of 236
the adoption of the rules, the director shall submit copies of the 237
proposed rules to the chairpersons of the standing committees on 238
economic development in the senate and the house of 239
representatives. 240

(J) For the purposes of this section, a taxpayer may include 241
a partnership, a corporation that has made an election under 242
subchapter S of chapter one of subtitle A of the Internal Revenue 243
Code, or any other business entity through which income flows as a 244
distributive share to its owners. A credit received under this 245
section by a partnership, S-corporation, or other such business 246
entity shall be apportioned among the persons to whom the income 247
or profit of the partnership, S-corporation, or other entity is 248
distributed, in the same proportions as those in which the income 249
or profit is distributed. 250

(K) If the director of development determines that a taxpayer 251
who has received a credit under this section is not complying with 252
the requirement under division (D)(3) of this section, the 253
director shall notify the tax credit authority of the 254
noncompliance. After receiving such a notice, and after giving the 255
taxpayer an opportunity to explain the noncompliance, the tax 256
credit authority may require the taxpayer to refund to this state 257
a portion of the credit in accordance with the following: 258

(1) If the taxpayer maintained operations at the project 259
location for at least one and one-half times the number of years 260
of the term of the tax credit, an amount not exceeding twenty-five 261
per cent of the sum of any previously allowed credits under this 262
section; 263

(2) If the taxpayer maintained operations at the project 264
location for at least the number of years of the term of the tax 265

credit, an amount not exceeding fifty per cent of the sum of any 266
previously allowed credits under this section; 267

(3) If the taxpayer maintained operations at the project 268
location for less than the number of years of the term of the tax 269
credit, an amount not exceeding one hundred per cent of the sum of 270
any previously allowed credits under this section. 271

In determining the portion of the tax credit to be refunded 272
to this state, the tax credit authority shall consider the effect 273
of market conditions on the taxpayer's project and whether the 274
taxpayer continues to maintain other operations in this state. 275
After making the determination, the authority shall certify the 276
amount to be refunded to the tax commissioner. The commissioner 277
shall make an assessment for that amount against the taxpayer 278
under Chapter 5733. or 5747. of the Revised Code. The time 279
limitations on assessments under Chapter 5733. or 5747. of the 280
Revised Code do not apply to an assessment under this division, 281
but the commissioner shall make the assessment within one year 282
after the date the authority certifies to the commissioner the 283
amount to be refunded. 284

(L) On or before the thirty-first day of March each year, the 285
director of development shall submit a report to the governor, the 286
president of the senate, and the speaker of the house of 287
representatives on the tax credit program under this section. The 288
report shall include information on the number of agreements that 289
were entered into under this section during the preceding calendar 290
year, a description of the project that is the subject of each 291
such agreement, and an update on the status of projects under 292
agreements entered into before the preceding calendar year. 293

During the fifth year of the tax credit program, the director 294
of development in conjunction with the director of budget and 295
management shall conduct an evaluation of it. The evaluation shall 296
include assessments of the effectiveness of the program in 297

creating new jobs in this state and of the revenue impact of the 298
program, and may include a review of the practices and experiences 299
of other states with similar programs. The director of development 300
shall submit a report on the evaluation to the governor, the 301
president of the senate, and the speaker of the house of 302
representatives on or before January 1, 1998. 303

(M) There is hereby created the tax credit authority, which 304
consists of the director of development and four other members 305
appointed as follows: the governor, the president of the senate, 306
and the speaker of the house of representatives each shall appoint 307
one member who shall be a specialist in economic development; the 308
governor also shall appoint a member who is a specialist in 309
taxation. Of the initial appointees, the members appointed by the 310
governor shall serve a term of two years; the members appointed by 311
the president of the senate and the speaker of the house of 312
representatives shall serve a term of four years. Thereafter, 313
terms of office shall be for four years. Initial appointments to 314
the authority shall be made within thirty days after January 13, 315
1993. Each member shall serve on the authority until the end of 316
the term for which the member was appointed. Vacancies shall be 317
filled in the same manner provided for original appointments. Any 318
member appointed to fill a vacancy occurring prior to the 319
expiration of the term for which the member's predecessor was 320
appointed shall hold office for the remainder of that term. 321
Members may be reappointed to the authority. Members of the 322
authority shall receive their necessary and actual expenses while 323
engaged in the business of the authority. The director of 324
development shall serve as chairperson of the authority, and the 325
members annually shall elect a vice-chairperson from among 326
themselves. Three members of the authority constitute a quorum to 327
transact and vote on the business of the authority. The majority 328
vote of the membership of the authority is necessary to approve 329
any such business, including the election of the vice-chairperson. 330

The director of development may appoint a professional 331
employee of the department of development to serve as the 332
director's substitute at a meeting of the authority. The director 333
shall make the appointment in writing. In the absence of the 334
director from a meeting of the authority, the appointed substitute 335
shall serve as chairperson. In the absence of both the director 336
and the director's substitute from a meeting, the vice-chairperson 337
shall serve as chairperson. 338

Sec. 135.35. (A) The investing authority shall deposit or 339
invest any part or all of the county's inactive moneys and shall 340
invest all of the money in the county library and local government 341
support fund when required by section 135.352 of the Revised Code. 342
The following classifications of securities and obligations are 343
eligible for such deposit or investment: 344

(1) United States treasury bills, notes, bonds, or any other 345
obligation or security issued by the United States treasury or any 346
other obligation guaranteed as to principal or interest by the 347
United States. 348

Nothing in the classification of eligible securities and 349
obligations set forth in division (A)(1) of this section or in the 350
classifications of eligible securities and obligations set forth 351
in divisions (A)(2) to (8) of this section shall be construed to 352
authorize any investment in stripped principal or interest 353
obligations of such eligible securities and obligations. 354

(2) Bonds, notes, debentures, or any other obligations or 355
securities issued by any federal government agency or 356
instrumentality, including but not limited to, the federal 357
national mortgage association, federal home loan bank, federal 358
farm credit bank, federal home loan mortgage corporation, 359
government national mortgage association, and student loan 360
marketing association. All federal agency securities shall be 361

direct issuances of federal government agencies or 362
instrumentalities. 363

(3) Time certificates of deposit or savings or deposit 364
accounts, including, but not limited to, passbook accounts, in any 365
eligible institution mentioned in section 135.32 of the Revised 366
Code; 367

(4) Bonds and other obligations of this state or the 368
political subdivisions of this state, provided that such political 369
subdivisions are located wholly or partly within the same county 370
as the investing authority; 371

(5) No-load money market mutual funds consisting exclusively 372
of obligations described in division (A)(1) or (2) of this section 373
and repurchase agreements secured by such obligations, provided 374
that investments in securities described in this division are made 375
only through eligible institutions mentioned in section 135.32 of 376
the Revised Code; 377

(6) The Ohio subdivision's fund as provided in section 135.45 378
of the Revised Code; 379

(7) Securities lending agreements with any eligible 380
institution mentioned in section 135.32 of the Revised Code that 381
is a member of the federal reserve system or federal home loan 382
bank or with any recognized United States government securities 383
dealer meeting the description in division (J)(1) of this section, 384
under the terms of which agreements the investing authority lends 385
securities and the eligible institution or dealer agrees to 386
simultaneously exchange ~~either similar securities described in~~ 387
~~division (A)(1) or (2) of this section or cash or both securities~~ 388
~~and cash,~~ equal value for equal value. 389

Securities and cash received as collateral for a securities 390
lending agreement are not inactive moneys of the county or moneys 391
of a county library and local government support fund. The 392

investment of cash collateral received pursuant to a securities 393
lending agreement may be invested only in instruments specified by 394
the investing authority in the written investment policy described 395
in division (K) of this section. 396

(8) Up to twenty-five per cent of the county's total average 397
portfolio in either of the following investments: 398

(a) Commercial paper notes issued by an entity that is 399
defined in division (D) of section 1705.01 of the Revised Code and 400
that has assets exceeding five hundred million dollars, to which 401
notes all of the following apply: 402

(i) The notes are rated at the time of purchase in the 403
highest classification established by at least two nationally 404
recognized standard rating services. 405

(ii) The aggregate value of the notes does not exceed ten per 406
cent of the aggregate value of the outstanding commercial paper of 407
the issuing corporation. 408

(iii) The notes mature not later than one hundred eighty days 409
after purchase. 410

(b) Bankers acceptances of banks that are insured by the 411
federal deposit insurance corporation and to which both of the 412
following apply: 413

(i) The obligations are eligible for purchase by the federal 414
reserve system. 415

(ii) The obligations mature not later than one hundred eighty 416
days after purchase. 417

No investment shall be made pursuant to division (A)(8) of 418
this section unless the investing authority has completed 419
additional training for making the investments authorized by 420
division (A)(8) of this section. The type and amount of additional 421
training shall be approved by the auditor of state and may be 422

conducted by or provided under the supervision of the auditor of 423
state. 424

(B) Nothing in the classifications of eligible obligations 425
and securities set forth in divisions (A)(1) to (8) of this 426
section shall be construed to authorize investment in a 427
derivative, and no investing authority shall invest any county 428
inactive moneys or any moneys in a county library and local 429
government support fund in a derivative. For purposes of this 430
division, "derivative" means a financial instrument or contract or 431
obligation whose value or return is based upon or linked to 432
another asset or index, or both, separate from the financial 433
instrument, contract, or obligation itself. Any security, 434
obligation, trust account, or other instrument that is created 435
from an issue of the United States treasury or is created from an 436
obligation of a federal agency or instrumentality or is created 437
from both is considered a derivative instrument. An eligible 438
investment described in this section with a variable interest rate 439
payment, based upon a single interest payment or single index 440
comprised of other eligible investments provided for in division 441
(A)(1) or (2) of this section, is not a derivative, provided that 442
such variable rate investment has a maximum maturity of two years. 443

(C) Except as provided in division (D) of this section, any 444
investment made pursuant to this section must mature within five 445
years from the date of settlement, unless the investment is 446
matched to a specific obligation or debt of the county or to a 447
specific obligation or debt of a political subdivision of this 448
state located wholly or partly within the county, and the 449
investment is specifically approved by the investment advisory 450
committee. 451

(D) The investing authority may also enter into a written 452
repurchase agreement with any eligible institution mentioned in 453
section 135.32 of the Revised Code or any eligible securities 454

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

(1) The par value of the securities; 478

(2) The type, rate, and maturity date of the securities; 479

(3) A numerical identifier generally accepted in the 480
securities industry that designates the securities. 481

No investing authority shall enter into a written repurchase 482
agreement under the terms of which the investing authority agrees 483
to sell securities owned by the county to a purchaser and agrees 484
with that purchaser to unconditionally repurchase those 485
securities. 486

(E) No investing authority shall make an investment under 487
this section, unless the investing authority, at the time of 488
making the investment, reasonably expects that the investment can 489
be held until its maturity. The investing authority's written 490
investment policy shall specify the conditions under which an 491
investment may be redeemed or sold prior to maturity. 492

(F) No investing authority shall pay a county's inactive 493
moneys or moneys of a county library and local government support 494
fund into a fund established by another subdivision, treasurer, 495
governing board, or investing authority, if that fund was 496
established by the subdivision, treasurer, governing board, or 497
investing authority for the purpose of investing or depositing the 498
public moneys of other subdivisions. This division does not apply 499
to the payment of public moneys into either of the following: 500

(1) The Ohio subdivision's fund pursuant to division (A)(6) 501
of this section; 502

(2) A fund created solely for the purpose of acquiring, 503
constructing, owning, leasing, or operating municipal utilities 504
pursuant to the authority provided under section 715.02 of the 505
Revised Code or Section 4 of Article XVIII, Ohio Constitution. 506

For purposes of division (F) of this section, "subdivision" 507
includes a county. 508

(G) The use of leverage, in which the county uses its current 509
investment assets as collateral for the purpose of purchasing 510
other assets, is prohibited. The issuance of taxable notes for the 511
purpose of arbitrage is prohibited. Contracting to sell securities 512
not owned by the county, for the purpose of purchasing such 513
securities on the speculation that bond prices will decline, is 514
prohibited. 515

(H) Any securities, certificates of deposit, deposit 516
accounts, or any other documents evidencing deposits or 517

investments made under authority of this section shall be issued 518
in the name of the county with the county treasurer or investing 519
authority as the designated payee. If any such deposits or 520
investments are registrable either as to principal or interest, or 521
both, they shall be registered in the name of the treasurer. 522

(I) The investing authority shall be responsible for the 523
safekeeping of all documents evidencing a deposit or investment 524
acquired under this section, including, but not limited to, 525
safekeeping receipts evidencing securities deposited with a 526
qualified trustee, as provided in section 135.37 of the Revised 527
Code, and documents confirming the purchase of securities under 528
any repurchase agreement under this section shall be deposited 529
with a qualified trustee, provided, however, that the qualified 530
trustee shall be required to report to the investing authority, 531
auditor of state, or an authorized outside auditor at any time 532
upon request as to the identity, market value, and location of the 533
document evidencing each security, and that if the participating 534
institution is a designated depository of the county for the 535
current period of designation, the securities that are the subject 536
of the repurchase agreement may be delivered to the treasurer or 537
held in trust by the participating institution on behalf of the 538
investing authority. 539

Upon the expiration of the term of office of an investing 540
authority or in the event of a vacancy in the office for any 541
reason, the officer or the officer's legal representative shall 542
transfer and deliver to the officer's successor all documents 543
mentioned in this division for which the officer has been 544
responsible for safekeeping. For all such documents transferred 545
and delivered, ~~such~~ the officer shall be credited with, and the 546
officer's successor shall be charged with, the amount of moneys ~~se~~ 547
evidenced by such documents. 548

(J)(1) All investments, except for investments in securities 549

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

(2) Payment for investments shall be made only upon the 557
delivery of securities representing such investments to the 558
treasurer, investing authority, or qualified trustee. If the 559
securities transferred are not represented by a certificate, 560
payment shall be made only upon receipt of confirmation of 561
transfer from the custodian by the treasurer, governing board, or 562
qualified trustee. 563

(K)(1) Except as otherwise provided in division (K)(2) of 564
this section, no investing authority shall make an investment or 565
deposit under this section, unless there is on file with the 566
auditor of state a written investment policy approved by the 567
investing authority. The policy shall require that all entities 568
conducting investment business with the ~~investment~~ investing 569
authority shall sign the investment policy of that ~~investment~~ 570
investing authority. All brokers, dealers, and financial 571
institutions, described in division (J)(1) of this section, 572
initiating transactions with the ~~investment~~ investing authority by 573
giving advice or making investment recommendations shall sign the 574
~~investment~~ investing authority's investment policy thereby 575
acknowledging their agreement to abide by the policy's contents. 576
All brokers, dealers, and financial institutions, described in 577
division (J)(1) of this section, executing transactions initiated 578
by the ~~investment~~ investing authority, having read the policy's 579
contents, shall sign the investment policy thereby acknowledging 580
their comprehension and receipt. 581

(2) If a written investment policy described in division 582
(K)(1) of this section is not filed on behalf of the county with 583
the auditor of state, the investing authority of that county shall 584
invest the county's inactive moneys and moneys of the county 585
library and local government support fund only in time 586
certificates of deposits or savings or deposit accounts pursuant 587
to division (A)(3) of this section, no-load money market mutual 588
funds pursuant to division (A)(5) of this section, or the Ohio 589
subdivision's fund pursuant to division (A)(6) of this section. 590

(L)(1) The investing authority shall establish and maintain 591
an inventory of all obligations and securities acquired by the 592
investing authority pursuant to this section. The inventory shall 593
include a description of each obligation or security, including 594
type, cost, par value, maturity date, settlement date, and any 595
coupon rate. 596

(2) The investing authority shall also keep a complete record 597
of all purchases and sales of the obligations and securities made 598
pursuant to this section. 599

(3) The investing authority shall maintain a monthly 600
portfolio report and issue a copy of the monthly portfolio report 601
describing such investments to the county investment advisory 602
committee, detailing the current inventory of all obligations and 603
securities, all transactions during the month that affected the 604
inventory, any income received from the obligations and 605
securities, and any investment expenses paid, and stating the 606
names of any persons effecting transactions on behalf of the 607
investing authority. 608

(4) The monthly portfolio report shall be a public record and 609
available for inspection under section 149.43 of the Revised Code. 610

(5) The inventory and the monthly portfolio report shall be 611
filed with the board of county commissioners. 612

(M) An investing authority may enter into a written 613
investment or deposit agreement that includes a provision under 614
which the parties agree to submit to nonbinding arbitration to 615
settle any controversy that may arise out of the agreement, 616
including any controversy pertaining to losses of public moneys 617
resulting from investment or deposit. The arbitration provision 618
shall be set forth entirely in the agreement, and the agreement 619
shall include a conspicuous notice to the parties that any party 620
to the arbitration may apply to the court of common pleas of the 621
county in which the arbitration was held for an order to vacate, 622
modify, or correct the award. Any such party may also apply to the 623
court for an order to change venue to a court of common pleas 624
located more than one hundred miles from the county in which the 625
investing authority is located. 626

For purposes of this division, "investment or deposit 627
agreement" means any agreement between an investing authority and 628
a person, under which agreement the person agrees to invest, 629
deposit, or otherwise manage, on behalf of the investing 630
authority, a county's inactive moneys or moneys in a county 631
library and local government support fund, or agrees to provide 632
investment advice to the investing authority. 633

(N) An investment held in the county portfolio on September 634
27, 1996, that was a legal investment under the law as it existed 635
before September 27, 1996, may be held until maturity, or if the 636
investment does not have a maturity date the investment may be 637
held until five years from September 27, 1996, regardless of 638
whether the investment would qualify as a legal investment under 639
the terms of this section as amended. 640

Sec. 301.27. (A) As used in this section: 641

(1) "Credit card" includes a gasoline and telephone credit 642
~~card and a telephone credit card~~ cards but excludes any 643

procurement card authorized under section 301.29 of the Revised Code. 644
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(2) "Officer" includes an individual who also is an appointing authority. 646
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(3) "Gasoline and oil expenses," and "minor motor vehicle repair and maintenance expenses," ~~and "emergency motor vehicle repair expenses"~~ refer to only those expenses incurred for motor vehicles owned or leased by the county. 648
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(B)(1) A credit card held by a board of county commissioners or the office of any other county appointing authority shall be used only to pay the following work-related expenses, ~~limited to the following:~~ 652
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~~(1)(a)~~ Food expenses; 656

~~(2)(b)~~ Transportation expenses; 657

~~(3)(c)~~ Gasoline and oil expenses; 658

~~(4) Minor motor~~ (d) Motor vehicle repair and maintenance expenses; 659
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~~(5) Emergency motor vehicle repair expenses;~~ 661

~~(6)(e)~~ Telephone expenses; 662

~~(7)(f)~~ Lodging expenses; 663

~~(8)(g)~~ Internet service provider expenses; 664

~~(9)(h)~~ In the case of a public children services agency, expenses for purchases for children for whom the agency is providing temporary emergency care pursuant to section 5153.16 of the Revised Code, children in the temporary or permanent custody of the agency, and children in a planned permanent living arrangement. 665
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(2) No late charges or finance charges shall be allowed as an allowable expense unless authorized by the board of county 671
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commissioners.

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

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

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(E)(1) Except as otherwise provided in division (E)(2) of this section, every officer or employee authorized to use a credit card held by the board or appointing authority shall submit to the board by the first day of each month an estimate of the officer's or employee's work-related expenses listed in division (B)(1) of this section for that month along with the specific appropriation line items from which those expenditures are to be made, unless the board authorizes, by resolution, the officer or employee to submit to the board such an estimate for a period longer than one month. The board may revise the estimate and determine the amount it approves, if any, not to exceed the estimated amount. The board shall certify the amount of its determination to the county auditor along with the ~~necessary information for the auditor to determine the appropriate~~ specific appropriation line item items from which ~~such~~ the expenditures are to be made. After receiving certification from the county auditor that the determined sum of money is in the treasury or in the process of collection to the credit of the ~~appropriate~~ specific appropriation line ~~item~~ items for which the credit card is approved for use, and is free from previous and then-outstanding obligations or certifications, the

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board shall authorize the officer or employee to incur debt for 705
~~such~~ the expenses against the county's credit up to the authorized 706
amount. 707

(2) In lieu of following the procedure set forth in division 708
(E)(1) of this section, a board of county commissioners may adopt 709
a resolution authorizing an officer or employee of an appointing 710
authority to use a county credit card to pay for specific classes 711
of the work-related expenses listed in division (B)(1) of this 712
section, or use a specific credit card for any of those 713
work-related expenses listed in division (B)(1) of this section, 714
without submitting an estimate of those expenses to the board as 715
required by division (E)(1) of this section. Prior to adopting the 716
resolution, the board shall notify the county auditor. The 717
resolution shall specify whether the officer's or employee's 718
exemption extends to the use of a specific credit card, which card 719
shall be identified by its number, or to one or more specific 720
work-related uses from the classes of uses permitted under 721
division (B)(1) of this section. Before any credit card exempted 722
for specific uses may be used to make purchases for uses other 723
than those specific uses listed in the resolution, the procedures 724
outlined in division (E)(1) of this section must be followed or 725
the use shall be considered an unauthorized use. Use of any credit 726
card under division (E)(2) of this section shall be limited to the 727
amount appropriated and encumbered in a specific appropriation 728
line item for the permitted use or uses designated in the 729
authorizing resolution, or, in the case of a resolution that 730
authorizes use of a specific credit card, for each of the 731
permitted uses listed in division (B) of this section, but only to 732
the extent the moneys in ~~such appropriations~~ those specific 733
appropriation line items are not otherwise ~~encumber~~ encumbered. 734

(F)(1) Any time a county credit card approved for use for an 735
authorized amount under division (E)(1) of this section is used 736

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

(a) If the card is issued in the name of a specific officer 749
or employee, ~~then~~ that officer or employee is liable in person and 750
upon any official bond the officer or employee has given to the 751
county to reimburse the county treasury for the amount charged to 752
the county beyond the originally authorized amount. 753

(b) If the card ~~was~~ is issued to the office of the appointing 754
authority, ~~then~~ the appointing authority is liable in person and 755
upon any official bond the appointing authority has given to the 756
county for the amount charged to the county beyond the originally 757
authorized amount. 758

(2) Any time a county credit card authorized for use under 759
division (E)(2) of this section is used for more than the amount 760
appropriated under that division, ~~the appointing authority may~~ 761
~~request the board of county commissioners to issue a supplemental~~ 762
~~appropriation or make a transfer to the proper line item account~~ 763
~~as permitted in section 5705.40 of the Revised Code, to cover the~~ 764
~~amount charged beyond the originally appropriated amount. If the~~ 765
~~card is used for more than the amount originally appropriated and~~ 766
~~if for any reason that amount is not appropriated or transferred~~ 767
~~as permitted by this section, then~~ the county treasury shall be 768

reimbursed for any amount spent beyond the originally appropriated 769
amount in the following manner: 770

(a) If the card is issued in the name of a specific officer 771
or employee, ~~then~~ that officer or employee is liable in person and 772
upon any official bond the officer or employee has given to the 773
county for reimbursing the county treasury for any amount charged 774
on the card beyond the originally appropriated amount. 775

(b) If the card is issued in the name of the office of the 776
appointing authority, ~~then~~ the appointing authority is liable in 777
person and upon any official bond the appointing authority has 778
given to the county for reimbursement for any amount charged on 779
the card beyond the originally appropriated amount. 780

(3) Whenever any officer or employee who is authorized to use 781
a credit card held by the board or the office of any other county 782
appointing authority suspects the loss, theft, or possibility of 783
unauthorized use of the ~~county credit card the officer or employee~~ 784
~~is authorized to use~~, the officer or employee shall ~~se~~ notify the 785
county auditor and either the officer's or employee's appointing 786
authority or the board immediately and in writing. 787

(4) If the county auditor determines there has been a credit 788
card expenditure beyond the appropriated or authorized amount as 789
provided in division (E) of this section, the auditor immediately 790
shall notify the board of county commissioners ~~of this fact~~. When 791
the board ~~of county commissioners~~ determines, on its own or after 792
notification from the county auditor, that the county treasury 793
should be reimbursed for credit card expenditures beyond the 794
appropriated or authorized amount as provided in divisions (F)(1) 795
and (2) of this section, it shall give written notice to the 796
county auditor and to the officer or employee or appointing 797
authority liable to the treasury as provided in those divisions 798
~~(F)(1) and (2) of this section~~. If, within thirty days after 799
issuance of ~~this~~ the written notice, the county treasury is not 800

reimbursed for the amount shown on the written notice, the 801
prosecuting attorney of the county shall recover that amount from 802
the officer or employee or appointing authority who is liable 803
under this section by civil action in any court of appropriate 804
jurisdiction. 805

(G) Use of a county credit card for any use other than those 806
permitted under division (B)(1) of this section is a violation of 807
~~law for the purposes of~~ section 2913.21 of the Revised Code. 808

Sec. 301.29. (A) As used in this section: 809

(1) "Officer" includes an individual who also is an 810
appointing authority. 811

(2) "Procurement card" means a financial transaction device 812
as defined in section 301.28 of the Revised Code and as authorized 813
under this section, but excludes any credit card authorized under 814
section 301.27 of the Revised Code. 815

(B) A procurement card held by a board of county 816
commissioners or the office of any other county appointing 817
authority shall be used only to pay work-related expenses. No late 818
charges or finance charges shall be allowed as an allowable 819
expense unless authorized by the board of county commissioners. 820

(C)(1) In any county that chooses to use procurement cards, 821
the board of county commissioners shall, by resolution, adopt a 822
policy with the advice of the county auditor, for the county's use 823
of those cards. The resolution shall include provisions that limit 824
the use of a procurement card to payment for one or more specific 825
work-related or specific classes of work-related expenses, and 826
limit procurement card transactions to a specific number of 827
transactions per day, month, quarter, or other specified period as 828
authorized in division (F)(2) of this section, by supplier or 829
work-related expense. In addition, the resolution shall limit a 830

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

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all of the following: 861

(a) It is published at least two weeks before the date 862
required for the receipt of the proposals. 863

(b) It includes a statement that the notice is posted on the 864
county's internet site on the world wide web. 865

(c) It includes the county's internet address on the world 866
wide web. 867

(d) It provides instruction for accessing the advertisement 868
on the county web site. 869

The board shall determine upon the advice of the county 870
auditor and county treasurer whether to contract with any one or 871
more issuers that submit a timely proposal. Before entering into a 872
contract, the board shall adopt a resolution stating the 873
contract's intent and guidelines consistent with divisions (C)(1) 874
and (2) of this section for the use of each procurement card. 875

(D) A county appointing authority may apply to the board of 876
county commissioners for authorization to have an officer or 877
employee of the appointing authority use a procurement card held 878
by that appointing authority. The authorization request shall 879
state whether the card is to be issued only in the name of the 880
office of the appointing authority or whether the issued card also 881
shall include the name of a specified officer or employee. 882

(E) The debt incurred as a result of the use of a procurement 883
card under this section shall be paid from moneys appropriated to 884
specific appropriation line items of the appointing authority. 885

(F)(1) Except as otherwise provided in division (F)(2) of 886
this section, every officer or employee authorized to use a 887
procurement card held by the board or appointing authority shall 888
submit to the board by the first day of each month an estimate of 889
the officer's or employee's work-related expenses for that month, 890

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

(2) In lieu of following the procedure set forth in division 905
(F)(1) of this section, a board of county commissioners may adopt 906
a resolution authorizing an officer or employee of an appointing 907
authority to use a county procurement card to pay for specific 908
classes of work-related expenses, or to use a specific procurement 909
card for any work-related expenses, without submitting an estimate 910
of those expenses to the board as required by division (F)(1) of 911
this section. Prior to adopting the resolution, the board shall 912
notify the county auditor. The resolution shall specify whether 913
the officer's or employee's exemption extends to the use of a 914
specific procurement card, which card shall be identified by its 915
number, or to one or more specific work-related uses. Before any 916
procurement card issued for specific uses may be used to make 917
purchases for uses other than those specific uses listed in the 918
resolution, the procedures outlined in division (F)(1) of this 919
section must be followed or the use shall be considered an 920
unauthorized use. Use of any procurement card under division 921
(F)(2) of this section shall be limited to the amount appropriated 922

and encumbered in a specific appropriation line item for the 923
permitted use or uses designated in the authorizing resolution, 924
or, in the case of a resolution that authorizes use of a specific 925
procurement card, for any work-related expense, but only to the 926
extent the moneys in those specific appropriation line items are 927
not otherwise encumbered. 928

(3) A procurement card shall not be used in any manner that 929
circumvents the competitive bidding requirements of section 307.86 930
of the Revised Code. 931

(G)(1) Any time a county procurement card approved for use 932
for an authorized amount under division (F)(1) of this section is 933
used for more than that authorized amount, the appointing 934
authority may request the board of county commissioners to 935
authorize after the fact the expenditure of any amount charged 936
beyond the originally authorized amount if, upon the board's 937
request, the county auditor certifies that sum of money is in the 938
treasury or in the process of collection to the credit of the 939
appropriate appropriation line item for which the procurement card 940
was used, and is free from previous and then-outstanding 941
obligations or certifications. If the card is used for more than 942
the amount originally authorized and if for any reason that amount 943
is not authorized after the fact, the county treasury shall be 944
reimbursed for any amount spent beyond the originally authorized 945
amount in the following manner: 946

(a) If the card is issued in the name of a specific officer 947
or employee, the officer or employee is liable in person and upon 948
any official bond the officer or employee has given to the county 949
to reimburse the county treasury for the amount charged to the 950
county beyond the originally authorized amount. 951

(b) If the card is issued to the office of the appointing 952
authority, the appointing authority is liable in person and upon 953

any official bond the appointing authority has given to the county 954
for the amount charged to the county beyond the originally 955
authorized amount. 956

(2) No user of a county procurement card authorized for use 957
under division (F)(2) of this section shall use the card for any 958
expenditure that is more than the amount appropriated under that 959
division. If at any time a county procurement card authorized for 960
use under division (F)(2) of this section is used for more than 961
the amount appropriated under that division, the appointing 962
authority may request the board of county commissioners to issue a 963
supplemental appropriation or make a transfer to the specific 964
appropriation line items as permitted in section 5705.40 of the 965
Revised Code, to cover the amount charged beyond the originally 966
appropriated amount. If the card is used for more than the amount 967
originally appropriated and if for any reason that amount is not 968
appropriated or transferred as permitted by this division, the 969
county treasury shall be reimbursed for any amount spent beyond 970
the originally appropriated amount in the following manner: 971

(a) If the card is issued in the name of a specific officer 972
or employee, the officer or employee is liable in person and upon 973
any official bond the officer or employee has given to the county 974
for reimbursing the county treasury for any amount charged on the 975
card beyond the originally appropriated amount. 976

(b) If the card is issued in the name of the office of the 977
appointing authority, the appointing authority is liable in person 978
and upon any official bond the appointing authority has given to 979
the county for reimbursement for any amount charged on the card 980
beyond the originally appropriated amount. 981

(3) Whenever any officer or employee who is authorized to use 982
a procurement card held by the board or the office of any other 983
county appointing authority suspects the loss, theft, or 984

possibility of unauthorized or unlawful use of the card, the 985
officer or employee shall notify the county auditor and the 986
officer's or employee's appointing authority or the board 987
immediately and in writing. 988

(4) If the county auditor determines there has been a 989
procurement card expenditure beyond the appropriated or authorized 990
amount as provided in division (F) of this section, or for an 991
unlawful purpose, the auditor immediately shall notify the board 992
of county commissioners. When the board determines, on its own or 993
after notification from the county auditor, that the county 994
treasury should be reimbursed for procurement card expenditures 995
beyond the appropriated or authorized amount as provided in 996
divisions (G)(1) and (2) of this section, it shall give written 997
notice to the county auditor and to the officer or employee or 998
appointing authority liable to the treasury as provided in those 999
divisions. If, within thirty days after issuance of this written 1000
notice, the county treasury is not reimbursed for the amount shown 1001
on the written notice, the prosecuting attorney of the county 1002
shall recover that amount from the officer or employee or 1003
appointing authority who is liable under this section by civil 1004
action in any court of appropriate jurisdiction. 1005

(H) Use of a county procurement card for any use other than 1006
those permitted under division (B) of this section is a violation 1007
of law for the purposes of section 2913.21 of the Revised Code. 1008

Sec. 505.10. The board of township trustees may accept, on 1009
behalf of the township, the donation by bequest, devise, deed of 1010
gift, or otherwise, of any real or personal property for any 1011
township use. When the township has property, including motor 1012
vehicles, road machinery, equipment, and tools, which the board, 1013
by resolution, finds ~~it does~~ is not need needed for public use, is 1014
obsolete, or is unfit for the use for which it was acquired, the 1015

board may sell and convey that property or otherwise dispose of it 1016
in accordance with this section. Except as otherwise provided in 1017
sections 505.08, 505.101, and 505.102 of the Revised Code, the 1018
sale or other disposition of unneeded, obsolete, or unfit for use 1019
property shall be made in accordance with one of the following: 1020

(A)(1) If the fair market value of property to be sold is, in 1021
the opinion of the board, in excess of two thousand five hundred 1022
dollars, the sale shall be by public auction, ~~and the~~ or by sealed 1023
bid to the highest bidder. The board shall publish notice of the 1024
time, place, and manner of the sale once a week for three weeks in 1025
a newspaper published, or of general circulation, in the township, 1026
the last of those publications to be at least five days before the 1027
date of sale, and shall post a typewritten or printed notice of 1028
the time, place, and manner of the sale in the office of the board 1029
for at least ten days prior to the sale. 1030

If the board conducts the sale of the property by sealed bid, 1031
the form of the bid shall be as prescribed by the board, and each 1032
bid shall contain the name of the person submitting it. Bids 1033
received shall be opened and tabulated at the time stated in the 1034
published and posted notices. The property shall be sold to the 1035
highest bidder, except that the board may reject all bids and hold 1036
another sale, by public auction or sealed bid, in the manner 1037
prescribed by this section. 1038

(2) If the fair market value of property to be sold is, in 1039
the opinion of the board, two thousand five hundred dollars or 1040
less, the board may sell the property by private sale, without 1041
advertisement or public notification. 1042

(3) If the board finds, by resolution, that the township has 1043
motor vehicles, road machinery, equipment, or tools which are not 1044
needed or are unfit for public use, and the board wishes to sell 1045
the motor vehicles, road machinery, equipment, or tools to the 1046

person or firm from which it proposes to purchase other motor 1047
vehicles, road machinery, equipment, or tools, the board may offer 1048
to sell the motor vehicles, road machinery, equipment, or tools to 1049
that person or firm, and to have the selling price credited to the 1050
person or firm against the purchase price of other motor vehicles, 1051
road machinery, equipment, or tools. 1052

(4) If the board advertises for bids for the sale of new 1053
motor vehicles, road machinery, equipment, or tools to the 1054
township, it may include in the same advertisement a notice of the 1055
willingness of the board to accept bids for the purchase of 1056
township-owned motor vehicles, road machinery, equipment, or tools 1057
which are obsolete or not needed for public use, and to have the 1058
amount of those bids subtracted from the selling price of the new 1059
motor vehicles, road machinery, equipment, or tools, as a means of 1060
determining the lowest responsible bidder. 1061

(5) When a township has title to real property, the board of 1062
township trustees, by resolution, may authorize the transfer and 1063
conveyance of that property to any other political subdivision of 1064
the state upon such terms as are agreed to between the board and 1065
the legislative authority of that political subdivision. 1066

(6) When a township has title to real property and the board 1067
of township trustees wishes to sell or otherwise transfer the 1068
property, the board, upon a unanimous vote of its members and by 1069
resolution, may authorize the transfer and conveyance of that real 1070
property to any person upon whatever terms are agreed to between 1071
the board and that person. 1072

(7) If the board of township trustees determines that 1073
township personal property is not needed for public use, or is 1074
obsolete or unfit for the use for which it was acquired, and that 1075
the property has no value, the board may discard or salvage that 1076
property. 1077

(B) When the board has offered property at public auction 1078
under this section and has not received an acceptable offer, the 1079
board, by resolution, may enter into a contract, without 1080
advertising or bidding, for the sale of that property. The 1081
resolution shall specify a minimum acceptable price and the 1082
minimum acceptable terms for the contract. The minimum acceptable 1083
price shall not be lower than the minimum price established for 1084
the public auction. 1085

(C) Notwithstanding anything to the contrary in division (A) 1086
or (B) of this section and regardless of the property's value, the 1087
board ~~of township trustees~~ may sell personal property, including 1088
motor vehicles, road machinery, equipment, tools, or supplies, 1089
which is not needed for public use, or is obsolete or unfit for 1090
the use for which it was acquired, by internet auction. The board 1091
shall adopt, during each calendar year, a resolution expressing 1092
its intent to sell that property by internet auction. The 1093
resolution shall include a description of how the auctions will be 1094
conducted and shall specify the number of days for bidding on the 1095
property, which shall be no less than fifteen days, including 1096
Saturdays, Sundays, and legal holidays. The resolution shall 1097
indicate whether the township will conduct the auction or the 1098
board will contract with a representative to conduct the auction 1099
and shall establish the general terms and conditions of sale. If a 1100
representative is known when the resolution is adopted, the 1101
resolution shall provide contact information such as the 1102
representative's name, address, and telephone number. 1103

After adoption of the resolution, the board shall publish, in 1104
a newspaper of general circulation in the township, notice of its 1105
intent to sell unneeded, obsolete, or unfit for use township 1106
personal property by internet auction. The notice shall include a 1107
summary of the information provided in the resolution and shall be 1108
published at least twice. The second and any subsequent notice 1109

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

When property is to be sold by internet auction, the board or 1116
its representative may establish a minimum price that will be 1117
accepted for specific items and may establish any other terms and 1118
conditions for the particular sale, including requirements for 1119
pick-up or delivery, method of payment, and sales tax. This type 1120
of information shall be provided on the internet at the time of 1121
the auction and may be provided before that time upon request 1122
after the terms and conditions have been determined by the board 1123
or its representative. 1124

As used in this section, "internet" means the international 1125
computer network of both federal and nonfederal interoperable 1126
packet switched data networks, including the graphical subnetwork 1127
called the world wide web. 1128

Sec. 2913.01. As used in this chapter, unless the context 1129
requires that a term be given a different meaning: 1130

(A) "Deception" means knowingly deceiving another or causing 1131
another to be deceived by any false or misleading representation, 1132
by withholding information, by preventing another from acquiring 1133
information, or by any other conduct, act, or omission that 1134
creates, confirms, or perpetuates a false impression in another, 1135
including a false impression as to law, value, state of mind, or 1136
other objective or subjective fact. 1137

(B) "Defraud" means to knowingly obtain, by deception, some 1138
benefit for oneself or another, or to knowingly cause, by 1139
deception, some detriment to another. 1140

(C) "Deprive" means to do any of the following:	1141
(1) Withhold property of another permanently, or for a period that appropriates a substantial portion of its value or use, or with purpose to restore it only upon payment of a reward or other consideration;	1142 1143 1144 1145
(2) Dispose of property so as to make it unlikely that the owner will recover it;	1146 1147
(3) Accept, use, or appropriate money, property, or services, with purpose not to give proper consideration in return for the money, property, or services, and without reasonable justification or excuse for not giving proper consideration.	1148 1149 1150 1151
(D) "Owner" means, unless the context requires a different meaning, any person, other than the actor, who is the owner of, who has possession or control of, or who has any license or interest in property or services, even though the ownership, possession, control, license, or interest is unlawful.	1152 1153 1154 1155 1156
(E) "Services" include labor, personal services, professional services, public utility services, common carrier services, and food, drink, transportation, entertainment, and cable television services and, for purposes of section 2913.04 of the Revised Code, include cable services as defined in that section.	1157 1158 1159 1160 1161
(F) "Writing" means any computer software, document, letter, memorandum, note, paper, plate, data, film, or other thing having in or upon it any written, typewritten, or printed matter, and any token, stamp, seal, credit card, badge, trademark, label, or other symbol of value, right, privilege, license, or identification.	1162 1163 1164 1165 1166
(G) "Forge" means to fabricate or create, in whole or in part and by any means, any spurious writing, or to make, execute, alter, complete, reproduce, or otherwise purport to authenticate any writing, when the writing in fact is not authenticated by that	1167 1168 1169 1170

conduct.	1171
(H) "Utter" means to issue, publish, transfer, use, put or send into circulation, deliver, or display.	1172 1173
(I) "Coin machine" means any mechanical or electronic device designed to do both of the following:	1174 1175
(1) Receive a coin, bill, or token made for that purpose;	1176
(2) In return for the insertion or deposit of a coin, bill, or token, automatically dispense property, provide a service, or grant a license.	1177 1178 1179
(J) "Slug" means an object that, by virtue of its size, shape, composition, or other quality, is capable of being inserted or deposited in a coin machine as an improper substitute for a genuine coin, bill, or token made for that purpose.	1180 1181 1182 1183
(K) "Theft offense" means any of the following:	1184
(1) A violation of section 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2911.31, 2911.32, 2913.02, 2913.03, 2913.04, 2913.041, 2913.05, 2913.06, 2913.11, 2913.21, 2913.31, 2913.32, 2913.33, 2913.34, 2913.40, 2913.42, 2913.43, 2913.44, 2913.45, 2913.47, former section 2913.47 or 2913.48, or section 2913.51, 2915.05, or 2921.41 of the Revised Code;	1185 1186 1187 1188 1189 1190
(2) A violation of an existing or former municipal ordinance or law of this or any other state, or of the United States, substantially equivalent to any section listed in division (K)(1) of this section or a violation of section 2913.41, 2913.81, or 2915.06 of the Revised Code as it existed prior to July 1, 1996;	1191 1192 1193 1194 1195
(3) An offense under an existing or former municipal ordinance or law of this or any other state, or of the United States, involving robbery, burglary, breaking and entering, theft, embezzlement, wrongful conversion, forgery, counterfeiting, deceit, or fraud;	1196 1197 1198 1199 1200

(4) A conspiracy or attempt to commit, or complicity in committing, any offense under division (K)(1), (2), or (3) of this section. 1201
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(L) "Computer services" includes, but is not limited to, the use of a computer system, computer network, computer program, data that is prepared for computer use, or data that is contained within a computer system or computer network. 1204
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(M) "Computer" means an electronic device that performs logical, arithmetic, and memory functions by the manipulation of electronic or magnetic impulses. "Computer" includes, but is not limited to, all input, output, processing, storage, computer program, or communication facilities that are connected, or related, in a computer system or network to an electronic device of that nature. 1208
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(N) "Computer system" means a computer and related devices, whether connected or unconnected, including, but not limited to, data input, output, and storage devices, data communications links, and computer programs and data that make the system capable of performing specified special purpose data processing tasks. 1215
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(O) "Computer network" means a set of related and remotely connected computers and communication facilities that includes more than one computer system that has the capability to transmit among the connected computers and communication facilities through the use of computer facilities. 1220
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(P) "Computer program" means an ordered set of data representing coded instructions or statements that, when executed by a computer, cause the computer to process data. 1225
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(Q) "Computer software" means computer programs, procedures, and other documentation associated with the operation of a computer system. 1228
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1230

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

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

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

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

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

(W) "Rented property" means personal property in which the right of possession and use of the property is for a short and possibly indeterminate term in return for consideration; the rentee generally controls the duration of possession of the property, within any applicable minimum or maximum term; and the

amount of consideration generally is determined by the duration of 1262
possession of the property. 1263

(X) "Telecommunication" means the origination, emission, 1264
dissemination, transmission, or reception of data, images, 1265
signals, sounds, or other intelligence or equivalence of 1266
intelligence of any nature over any communications system by any 1267
method, including, but not limited to, a fiber optic, electronic, 1268
magnetic, optical, digital, or analog method. 1269

(Y) "Telecommunications device" means any instrument, 1270
equipment, machine, or other device that facilitates 1271
telecommunication, including, but not limited to, a computer, 1272
computer network, computer chip, computer circuit, scanner, 1273
telephone, cellular telephone, pager, personal communications 1274
device, transponder, receiver, radio, modem, or device that 1275
enables the use of a modem. 1276

(Z) "Telecommunications service" means the providing, 1277
allowing, facilitating, or generating of any form of 1278
telecommunication through the use of a telecommunications device 1279
over a telecommunications system. 1280

(AA) "Counterfeit telecommunications device" means a 1281
telecommunications device that, alone or with another 1282
telecommunications device, has been altered, constructed, 1283
manufactured, or programmed to acquire, intercept, receive, or 1284
otherwise facilitate the use of a telecommunications service or 1285
information service without the authority or consent of the 1286
provider of the telecommunications service or information service. 1287
"Counterfeit telecommunications device" includes, but is not 1288
limited to, a clone telephone, clone microchip, tumbler telephone, 1289
or tumbler microchip; a wireless scanning device capable of 1290
acquiring, intercepting, receiving, or otherwise facilitating the 1291
use of telecommunications service or information service without 1292
immediate detection; or a device, equipment, hardware, or software 1293

designed for, or capable of, altering or changing the electronic 1294
serial number in a wireless telephone. 1295

(BB)(1) "Information service" means, subject to division 1296
(BB)(2) of this section, the offering of a capability for 1297
generating, acquiring, storing, transforming, processing, 1298
retrieving, utilizing, or making available information via 1299
telecommunications, including, but not limited to, electronic 1300
publishing. 1301

(2) "Information service" does not include any use of a 1302
capability of a type described in division (BB)(1) of this section 1303
for the management, control, or operation of a telecommunications 1304
system or the management of a telecommunications service. 1305

(CC) "Elderly person" means a person who is sixty-five years 1306
of age or older. 1307

(DD) "Disabled adult" means a person who is eighteen years of 1308
age or older and has some impairment of body or mind that makes 1309
the person unfit to work at any substantially remunerative 1310
employment that the person otherwise would be able to perform and 1311
that will, with reasonable probability, continue for a period of 1312
at least twelve months without any present indication of recovery 1313
from the impairment, or who is eighteen years of age or older and 1314
has been certified as permanently and totally disabled by an 1315
agency of this state or the United States that has the function of 1316
so classifying persons. 1317

(EE) "Firearm" and "dangerous ordnance" have the same 1318
meanings as in section 2923.11 of the Revised Code. 1319

(FF) "Motor vehicle" has the same meaning as in section 1320
4501.01 of the Revised Code. 1321

(GG) "Dangerous drug" has the same meaning as in section 1322
4729.01 of the Revised Code. 1323

(HH) "Drug abuse offense" has the same meaning as in section 1324
2925.01 of the Revised Code. 1325

Sec. 5575.01. (A) In the maintenance and repair of roads, the 1326
board of township trustees may proceed either by contract or force 1327
account, ~~provided the board has~~ but, unless the exemption 1328
specified in division (C) of this section applies, if the board 1329
wishes to proceed by force account, it first ~~caused~~ shall cause 1330
the county engineer to complete the force account assessment form 1331
developed by the auditor of state under section 117.16 of the 1332
Revised Code. Except as otherwise provided in sections 505.08 and 1333
505.101 of the Revised Code, when the board proceeds by contract, 1334
the contract shall, if the amount involved exceeds forty-five 1335
thousand dollars, be let by the board to the lowest responsible 1336
bidder after advertisement for bids once, not later than two 1337
weeks, prior to the date fixed for the letting of ~~such the~~ 1338
contract, in a newspaper published in the county and of general 1339
circulation within the township, ~~but or, if there is no such paper~~ 1340
newspaper is published in the county, then in one a newspaper 1341
having general circulation in the township. If the amount involved 1342
is forty-five thousand dollars or less, a contract may be let 1343
without competitive bidding, or the work may be done by force 1344
account. Such a contract shall be performed under the supervision 1345
of a member of the board or the township road superintendent. 1346

(B) Before undertaking the construction or reconstruction of 1347
a township road, the board shall cause to be made by the county 1348
engineer an estimate of the cost of ~~such the~~ work, which estimate 1349
shall include labor, material, freight, fuel, hauling, use of 1350
machinery and equipment, and all other items of cost. If the board 1351
finds it in the best interest of the public, it may, in lieu of 1352
constructing the road by contract, proceed to construct the road 1353
by force account. Except as otherwise provided under sections 1354

505.08 and 505.101 of the Revised Code, where the total estimate 1355
cost of the work exceeds fifteen thousand dollars per mile, the 1356
board shall invite and receive competitive bids for furnishing all 1357
the labor, materials, and equipment and doing the work, as 1358
provided in section 5575.02 of the Revised Code, and shall 1359
consider and reject them before ordering the work done by force 1360
account. When such bids are received, considered, and rejected, 1361
and the work is done by force account, ~~such~~ the work shall be 1362
performed in compliance with the plans and specifications upon 1363
which the bids were based. 1364

(C) Force account assessment forms are not required under 1365
division (A) of this section for road maintenance or repair 1366
projects of less than fifteen thousand dollars, or under division 1367
(B) of this section for road construction or reconstruction 1368
projects of less than five thousand dollars per mile. 1369

(D) All force account work under this section shall be done 1370
under the direction of a member of the board or the township road 1371
superintendent. 1372

Sec. 5705.41. No subdivision or taxing unit shall: 1373

(A) Make any appropriation of money except as provided in 1374
Chapter 5705. of the Revised Code; provided, that the 1375
authorization of a bond issue shall be deemed to be an 1376
appropriation of the proceeds of the bond issue for the purpose 1377
for which such bonds were issued, but no expenditure shall be made 1378
from any bond fund until first authorized by the taxing authority; 1379

(B) Make any expenditure of money unless it has been 1380
appropriated as provided in such chapter; 1381

(C) Make any expenditure of money except by a proper warrant 1382
drawn against an appropriate fund; 1383

(D)(1) Except as otherwise provided in division (D)(2) of 1384

this section and section 5705.44 of the Revised Code, make any 1385
contract or give any order involving the expenditure of money 1386
unless there is attached thereto a certificate of the fiscal 1387
officer of the subdivision that the amount required to meet the 1388
obligation or, in the case of a continuing contract to be 1389
performed in whole or in part in an ensuing fiscal year, the 1390
amount required to meet the obligation in the fiscal year in which 1391
the contract is made, has been lawfully appropriated for such 1392
purpose and is in the treasury or in process of collection to the 1393
credit of an appropriate fund free from any previous encumbrances. 1394
This certificate need be signed only by the subdivision's fiscal 1395
officer. Every such contract made without such a certificate shall 1396
be void, and no warrant shall be issued in payment of any amount 1397
due thereon. If no certificate is furnished as required, upon 1398
receipt by the taxing authority of the subdivision or taxing unit 1399
of a certificate of the fiscal officer stating that there was at 1400
the time of the making of such contract or order and at the time 1401
of the execution of such certificate a sufficient sum appropriated 1402
for the purpose of such contract and in the treasury or in process 1403
of collection to the credit of an appropriate fund free from any 1404
previous encumbrances, such taxing authority may authorize the 1405
drawing of a warrant in payment of amounts due upon such contract, 1406
but such resolution or ordinance shall be passed within thirty 1407
days after the taxing authority receives such certificate; 1408
provided that, if the amount involved is less than one hundred 1409
dollars in the case of counties or three thousand dollars in the 1410
case of all other subdivisions or taxing units, the fiscal officer 1411
may authorize it to be paid without such affirmation of the taxing 1412
authority of the subdivision or taxing unit, if such expenditure 1413
is otherwise valid. 1414

(2) Annually, the board of county commissioners may adopt a 1415
resolution exempting ~~for the current fiscal year~~ county purchases 1416
of ~~seven hundred fifty~~ one thousand dollars or less from the 1417

requirement of division (D)(1) of this section that a certificate 1418
be attached to any contract or order involving the expenditure of 1419
money. The resolution shall state the dollar amount that is 1420
exempted from the certificate requirement and whether the 1421
exemption applies to all purchases, to one or more specific 1422
classes of purchases, or to the purchase of one or more specific 1423
items. Prior to the adoption of the resolution, the board shall 1424
give written notice to the county auditor that it intends to adopt 1425
the resolution. The notice shall state the dollar amount that is 1426
proposed to be exempted and whether the exemption would apply to 1427
all purchases, to one or more specific classes of purchases, or to 1428
the purchase of one or more specific items. The county auditor may 1429
review and comment on the proposal, and shall send any comments to 1430
the board within fifteen days after receiving the notice. The 1431
board shall wait at least fifteen days after giving the notice to 1432
the auditor before adopting the resolution. A person authorized to 1433
make a county purchase in a county that has adopted such a 1434
resolution shall prepare and file with the county auditor, within 1435
three business days after incurring an obligation not requiring a 1436
certificate, or within any other period of time the board of 1437
county commissioners specifies in the resolution, a written or 1438
electronically transferred document specifying the purpose and 1439
amount of the expenditure, the date of the purchase, the name of 1440
the vendor, the specific appropriation items from which the 1441
expenditures are to be made, and ~~such~~ any additional information 1442
as the auditor of state may prescribe. 1443

(3) Upon certification by the auditor or other chief fiscal 1444
officer that a certain sum of money, not in excess of an amount 1445
established by resolution or ordinance adopted by a majority of 1446
the members of the legislative authority of the subdivision or 1447
taxing unit, has been lawfully appropriated, authorized, or 1448
directed for a certain purpose and is in the treasury or in the 1449
process of collection to the credit of a specific line-item 1450

appropriation account in a certain fund free from previous and 1451
then outstanding obligations or certifications, then for such 1452
purpose and from such line-item appropriation account in such 1453
fund, over a period not extending beyond the end of the fiscal 1454
year, expenditures may be made, orders for payment issued, and 1455
contracts or obligations calling for or requiring the payment of 1456
money made and assumed; provided, that the aggregate sum of money 1457
included in and called for by such expenditures, orders, 1458
contracts, and obligations shall not exceed the sum so certified. 1459
Such a certification need be signed only by the fiscal officer of 1460
the subdivision or the taxing district and may, but need not, be 1461
limited to a specific vendor. An itemized statement of obligations 1462
incurred and expenditures made under such certificate shall be 1463
rendered to the auditor or other chief fiscal officer before 1464
another such certificate may be issued, and not more than one such 1465
certificate shall be outstanding at a time. 1466

In addition to providing the certification for expenditures 1467
as specified in this division, a subdivision also may make 1468
expenditures, issue orders for payment, and make contracts or 1469
obligations calling for or requiring the payment of money made and 1470
assumed for specified permitted purposes from a specific line-item 1471
appropriation account in a specified fund for a sum of money upon 1472
the certification by the fiscal officer of the subdivision that 1473
this sum of money has been lawfully appropriated, authorized, or 1474
directed for a permitted purpose and is in the treasury or in the 1475
process of collection to the credit of the specific line-item 1476
appropriation account in the specified fund free from previous and 1477
then-outstanding obligations or certifications; provided that the 1478
aggregate sum of money included in and called for by the 1479
expenditures, orders, and obligations shall not exceed the 1480
certified sum. The purposes for which a subdivision may lawfully 1481
appropriate, authorize, or issue such a certificate are the 1482
services of an accountant, architect, attorney at law, physician, 1483

professional engineer, construction project manager, consultant, 1484
surveyor, or appraiser by or on behalf of the subdivision or 1485
contracting authority; fuel oil, gasoline, food items, roadway 1486
materials, and utilities; and any purchases exempt from 1487
competitive bidding under section 125.04 of the Revised Code and 1488
any other specific expenditure that is a recurring and reasonably 1489
predictable operating expense. Such a certification shall not 1490
extend beyond the end of the fiscal year or, in the case of a 1491
board of county commissioners that has established a quarterly 1492
spending plan under section 5705.392 of the Revised Code, beyond 1493
the quarter to which the plan applies. Such a certificate shall be 1494
signed by the fiscal officer and may, but need not, be limited to 1495
a specific vendor. An itemized statement of obligations incurred 1496
and expenditures made under such a certificate shall be rendered 1497
to the fiscal officer for each certificate issued. More than one 1498
such certificate may be outstanding at any time. 1499

In any case in which a contract is entered into upon a per 1500
unit basis, the head of the department, board, or commission for 1501
the benefit of which the contract is made shall make an estimate 1502
of the total amount to become due upon such contract, which 1503
estimate shall be certified in writing to the fiscal officer of 1504
the subdivision. Such a contract may be entered into if the 1505
appropriation covers such estimate, or so much thereof as may be 1506
due during the current year. In such a case the certificate of the 1507
fiscal officer based upon the estimate shall be a sufficient 1508
compliance with the law requiring a certificate. 1509

Any certificate of the fiscal officer attached to a contract 1510
shall be binding upon the political subdivision as to the facts 1511
set forth therein. Upon request of any person receiving an order 1512
or entering into a contract with any political subdivision, the 1513
certificate of the fiscal officer shall be attached to such order 1514
or contract. "Contract" as used in this section excludes current 1515

payrolls of regular employees and officers. 1516

(E) Taxes and other revenue in process of collection, or the 1517
proceeds to be derived from authorized bonds, notes, or 1518
certificates of indebtedness sold and in process of delivery, 1519
shall for the purpose of this section be deemed in the treasury or 1520
in process of collection and in the appropriate fund. This section 1521
applies neither to the investment of sinking funds by the trustees 1522
of such funds, nor to investments made under sections 731.56 to 1523
731.59 of the Revised Code. 1524

No district authority shall, in transacting its own affairs, 1525
do any of the things prohibited to a subdivision by this section, 1526
but the appropriation referred to shall become the appropriation 1527
by the district authority, and the fiscal officer referred to 1528
shall mean the fiscal officer of the district authority. 1529

Sec. 5709.62. (A) In any municipal corporation that is 1530
defined by the United States office of management and budget as a 1531
central city of a metropolitan statistical area, or in a city 1532
designated as an urban cluster in a rural statistical area, the 1533
legislative authority of the municipal corporation may designate 1534
one or more areas within its municipal corporation as proposed 1535
enterprise zones. Upon designating an area, the legislative 1536
authority shall petition the director of development for 1537
certification of the area as having the characteristics set forth 1538
in division (A)(1) of section 5709.61 of the Revised Code as 1539
amended by Substitute Senate Bill No. 19 of the 120th general 1540
assembly. Except as otherwise provided in division (E) of this 1541
section, on and after July 1, 1994, legislative authorities shall 1542
not enter into agreements under this section unless the 1543
legislative authority has petitioned the director and the director 1544
has certified the zone under this section as amended by that act; 1545
however, all agreements entered into under this section as it 1546

existed prior to July 1, 1994, and the incentives granted under 1547
those agreements shall remain in effect for the period agreed to 1548
under those agreements. Within sixty days after receiving such a 1549
petition, the director shall determine whether the area has the 1550
characteristics set forth in division (A)(1) of section 5709.61 of 1551
the Revised Code, and shall forward the findings to the 1552
legislative authority of the municipal corporation. If the 1553
director certifies the area as having those characteristics, and 1554
thereby certifies it as a zone, the legislative authority may 1555
enter into an agreement with an enterprise under division (C) of 1556
this section. 1557

(B) Any enterprise that wishes to enter into an agreement 1558
with a municipal corporation under division (C) of this section 1559
shall submit a proposal to the legislative authority of the 1560
municipal corporation on a form prescribed by the director of 1561
development, together with the application fee established under 1562
section 5709.68 of the Revised Code. The form shall require the 1563
following information: 1564

(1) An estimate of the number of new employees whom the 1565
enterprise intends to hire, or of the number of employees whom the 1566
enterprise intends to retain, within the zone at a facility that 1567
is a project site, and an estimate of the amount of payroll of the 1568
enterprise attributable to these employees; 1569

(2) An estimate of the amount to be invested by the 1570
enterprise to establish, expand, renovate, or occupy a facility, 1571
including investment in new buildings, additions or improvements 1572
to existing buildings, machinery, equipment, furniture, fixtures, 1573
and inventory; 1574

(3) A listing of the enterprise's current investment, if any, 1575
in a facility as of the date of the proposal's submission. 1576

The enterprise shall review and update the listings required 1577

under this division to reflect material changes, and any agreement 1578
entered into under division (C) of this section shall set forth 1579
final estimates and listings as of the time the agreement is 1580
entered into. The legislative authority may, on a separate form 1581
and at any time, require any additional information necessary to 1582
determine whether an enterprise is in compliance with an agreement 1583
and to collect the information required to be reported under 1584
section 5709.68 of the Revised Code. 1585

(C) Upon receipt and investigation of a proposal under 1586
division (B) of this section, if the legislative authority finds 1587
that the enterprise submitting the proposal is qualified by 1588
financial responsibility and business experience to create and 1589
preserve employment opportunities in the zone and improve the 1590
economic climate of the municipal corporation, the legislative 1591
authority, on or before October 15, 2009, may do one of the 1592
following: 1593

(1) Enter into an agreement with the enterprise under which 1594
the enterprise agrees to establish, expand, renovate, or occupy a 1595
facility and hire new employees, or preserve employment 1596
opportunities for existing employees, in return for one or more of 1597
the following incentives: 1598

(a) Exemption for a specified number of years, not to exceed 1599
ten, of a specified portion, up to seventy-five per cent, of the 1600
assessed value of tangible personal property first used in 1601
business at the project site as a result of the agreement. An 1602
exemption granted pursuant to this division applies to inventory 1603
required to be listed pursuant to sections 5711.15 and 5711.16 of 1604
the Revised Code, except that, in the instance of an expansion or 1605
other situations in which an enterprise was in business at the 1606
facility prior to the establishment of the zone, the inventory 1607
that is exempt is that amount or value of inventory in excess of 1608
the amount or value of inventory required to be listed in the 1609

personal property tax return of the enterprise in the return for 1610
the tax year in which the agreement is entered into. 1611

(b) Exemption for a specified number of years, not to exceed 1612
ten, of a specified portion, up to seventy-five per cent, of the 1613
increase in the assessed valuation of real property constituting 1614
the project site subsequent to formal approval of the agreement by 1615
the legislative authority; 1616

(c) Provision for a specified number of years, not to exceed 1617
ten, of any optional services or assistance that the municipal 1618
corporation is authorized to provide with regard to the project 1619
site. 1620

(2) Enter into an agreement under which the enterprise agrees 1621
to remediate an environmentally contaminated facility, to spend an 1622
amount equal to at least two hundred fifty per cent of the true 1623
value in money of the real property of the facility prior to 1624
remediation as determined for the purposes of property taxation to 1625
establish, expand, renovate, or occupy the remediated facility, 1626
and to hire new employees or preserve employment opportunities for 1627
existing employees at the remediated facility, in return for one 1628
or more of the following incentives: 1629

(a) Exemption for a specified number of years, not to exceed 1630
ten, of a specified portion, not to exceed fifty per cent, of the 1631
assessed valuation of the real property of the facility prior to 1632
remediation; 1633

(b) Exemption for a specified number of years, not to exceed 1634
ten, of a specified portion, not to exceed one hundred per cent, 1635
of the increase in the assessed valuation of the real property of 1636
the facility during or after remediation; 1637

(c) The incentive under division (C)(1)(a) of this section, 1638
except that the percentage of the assessed value of such property 1639
exempted from taxation shall not exceed one hundred per cent; 1640

(d) The incentive under division (C)(1)(c) of this section. 1641

(3) Enter into an agreement with an enterprise that plans to 1642
purchase and operate a large manufacturing facility that has 1643
ceased operation or announced its intention to cease operation, in 1644
return for exemption for a specified number of years, not to 1645
exceed ten, of a specified portion, up to one hundred per cent, of 1646
the assessed value of tangible personal property used in business 1647
at the project site as a result of the agreement, or of the 1648
assessed valuation of real property constituting the project site, 1649
or both. 1650

(D)(1) Notwithstanding divisions (C)(1)(a) and (b) of this 1651
section, the portion of the assessed value of tangible personal 1652
property or of the increase in the assessed valuation of real 1653
property exempted from taxation under those divisions may exceed 1654
seventy-five per cent in any year for which that portion is 1655
exempted if the average percentage exempted for all years in which 1656
the agreement is in effect does not exceed sixty per cent, or if 1657
the board of education of the city, local, or exempted village 1658
school district within the territory of which the property is or 1659
will be located approves a percentage in excess of seventy-five 1660
per cent. 1661

(2) Notwithstanding any provision of the Revised Code to the 1662
contrary, the exemptions described in divisions (C)(1)(a), (b), 1663
and (c), (C)(2)(a), (b), and (c), and (C)(3) of this section may 1664
be for up to fifteen years if the board of education of the city, 1665
local, or exempted village school district within the territory in 1666
which the property is or will be located approves a number of 1667
years in excess of ten, but only if the project that is part of 1668
the agreement includes a fixed asset investment of at least one 1669
hundred million dollars or the director of development determines 1670
there are extraordinary circumstances. For 1671

(3) For the purpose of obtaining ~~such approval~~ the approval 1672
of a city, local, or exempted village school district under 1673
division (D)(1) or (2) of this section, the legislative authority 1674
shall deliver to the board of education a notice not later than 1675
forty-five days prior to approving the agreement, excluding 1676
Saturdays, Sundays, and legal holidays as defined in section 1.14 1677
of the Revised Code. The notice shall state the percentage to be 1678
exempted, an estimate of the true value of the property to be 1679
exempted, and the number of years the property is to be exempted. 1680
The board of education, by resolution adopted by a majority of the 1681
board, shall approve or disapprove the agreement and certify a 1682
copy of the resolution to the legislative authority not later than 1683
fourteen days prior to the date stipulated by the legislative 1684
authority as the date upon which approval of the agreement is to 1685
be formally considered by the legislative authority. The board of 1686
education may include in the resolution conditions under which the 1687
board would approve the agreement, including the execution of an 1688
agreement to compensate the school district under division (B) of 1689
section 5709.82 of the Revised Code. The legislative authority may 1690
approve the agreement at any time after the board of education 1691
certifies its resolution approving the agreement to the 1692
legislative authority, or, if the board approves the agreement 1693
conditionally, at any time after the conditions are agreed to by 1694
the board and the legislative authority. 1695

If a board of education has adopted a resolution waiving its 1696
right to approve agreements and the resolution remains in effect, 1697
approval of an agreement by the board is not required under this 1698
division. If a board of education has adopted a resolution 1699
allowing a legislative authority to deliver the notice required 1700
under this division fewer than forty-five business days prior to 1701
the legislative authority's approval of the agreement, the 1702
legislative authority shall deliver the notice to the board not 1703

later than the number of days prior to such approval as prescribed 1704
by the board in its resolution. If a board of education adopts a 1705
resolution waiving its right to approve agreements or shortening 1706
the notification period, the board shall certify a copy of the 1707
resolution to the legislative authority. If the board of education 1708
rescinds such a resolution, it shall certify notice of the 1709
rescission to the legislative authority. 1710

~~(2)~~(4) The legislative authority shall comply with section 1711
5709.83 of the Revised Code unless the board of education has 1712
adopted a resolution under that section waiving its right to 1713
receive such notice. 1714

(E) This division applies to zones certified by the director 1715
of development under this section prior to July 22, 1994. 1716

On or before October 15, 2009, the legislative authority that 1717
designated a zone to which this division applies may enter into an 1718
agreement with an enterprise if the legislative authority makes 1719
the finding required under that division and determines that the 1720
enterprise satisfies one of the criteria described in divisions 1721
(E)(1) to (5) of this section: 1722

(1) The enterprise currently has no operations in this state 1723
and, subject to approval of the agreement, intends to establish 1724
operations in the zone; 1725

(2) The enterprise currently has operations in this state 1726
and, subject to approval of the agreement, intends to establish 1727
operations at a new location in the zone that would not result in 1728
a reduction in the number of employee positions at any of the 1729
enterprise's other locations in this state; 1730

(3) The enterprise, subject to approval of the agreement, 1731
intends to relocate operations, currently located in another 1732
state, to the zone; 1733

(4) The enterprise, subject to approval of the agreement, 1734

intends to expand operations at an existing site in the zone that 1735
the enterprise currently operates; 1736

(5) The enterprise, subject to approval of the agreement, 1737
intends to relocate operations, currently located in this state, 1738
to the zone, and the director of development has issued a waiver 1739
for the enterprise under division (B) of section 5709.633 of the 1740
Revised Code. 1741

The agreement shall require the enterprise to agree to 1742
establish, expand, renovate, or occupy a facility in the zone and 1743
hire new employees, or preserve employment opportunities for 1744
existing employees, in return for one or more of the incentives 1745
described in division (C) of this section. 1746

(F) All agreements entered into under this section shall be 1747
in the form prescribed under section 5709.631 of the Revised Code. 1748
After an agreement is entered into under this division, if the 1749
legislative authority revokes its designation of a zone, or if the 1750
director of development revokes the zone's certification, any 1751
entitlements granted under the agreement shall continue for the 1752
number of years specified in the agreement. 1753

(G) Except as otherwise provided in this division, an 1754
agreement entered into under this section shall require that the 1755
enterprise pay an annual fee equal to the greater of one per cent 1756
of the dollar value of incentives offered under the agreement or 1757
five hundred dollars; provided, however, that if the value of the 1758
incentives exceeds two hundred fifty thousand dollars, the fee 1759
shall not exceed two thousand five hundred dollars. The fee shall 1760
be payable to the legislative authority once per year for each 1761
year the agreement is effective on the days and in the form 1762
specified in the agreement. Fees paid shall be deposited in a 1763
special fund created for such purpose by the legislative authority 1764
and shall be used by the legislative authority exclusively for the 1765
purpose of complying with section 5709.68 of the Revised Code and 1766

by the tax incentive review council created under section 5709.85 1767
of the Revised Code exclusively for the purposes of performing the 1768
duties prescribed under that section. The legislative authority 1769
may waive or reduce the amount of the fee charged against an 1770
enterprise, but such a waiver or reduction does not affect the 1771
obligations of the legislative authority or the tax incentive 1772
review council to comply with section 5709.68 or 5709.85 of the 1773
Revised Code. 1774

(H) When an agreement is entered into pursuant to this 1775
section, the legislative authority authorizing the agreement shall 1776
forward a copy of the agreement to the director of development and 1777
to the tax commissioner within fifteen days after the agreement is 1778
entered into. If any agreement includes terms not provided for in 1779
section 5709.631 of the Revised Code affecting the revenue of a 1780
city, local, or exempted village school district or causing 1781
revenue to be foregone by the district, including any compensation 1782
to be paid to the school district pursuant to section 5709.82 of 1783
the Revised Code, those terms also shall be forwarded in writing 1784
to the director of development along with the copy of the 1785
agreement forwarded under this division. 1786

(I) After an agreement is entered into, the enterprise shall 1787
file with each personal property tax return required to be filed, 1788
or annual report required to be filed under section 5727.08 of the 1789
Revised Code, while the agreement is in effect, an informational 1790
return, on a form prescribed by the tax commissioner for that 1791
purpose, setting forth separately the property, and related costs 1792
and values, exempted from taxation under the agreement. 1793

(J) Enterprises may agree to give preference to residents of 1794
the zone within which the agreement applies relative to residents 1795
of this state who do not reside in the zone when hiring new 1796
employees under the agreement. 1797

(K) An agreement entered into under this section may include 1798

a provision requiring the enterprise to create one or more 1799
temporary internship positions for students enrolled in a course 1800
of study at a school or other educational institution in the 1801
vicinity, and to create a scholarship or provide another form of 1802
educational financial assistance for students holding such a 1803
position in exchange for the student's commitment to work for the 1804
enterprise at the completion of the internship. 1805

Sec. 5709.63. (A) With the consent of the legislative 1806
authority of each affected municipal corporation or of a board of 1807
township trustees, a board of county commissioners may, in the 1808
manner set forth in section 5709.62 of the Revised Code, designate 1809
one or more areas in one or more municipal corporations or in 1810
unincorporated areas of the county as proposed enterprise zones. A 1811
board of county commissioners may designate no more than one area 1812
within a township, or within adjacent townships, as a proposed 1813
enterprise zone. The board shall petition the director of 1814
development for certification of the area as having the 1815
characteristics set forth in division (A)(1) or (2) of section 1816
5709.61 of the Revised Code as amended by Substitute Senate Bill 1817
No. 19 of the 120th general assembly. Except as otherwise provided 1818
in division (D) of this section, on and after July 1, 1994, boards 1819
of county commissioners shall not enter into agreements under this 1820
section unless the board has petitioned the director and the 1821
director has certified the zone under this section as amended by 1822
that act; however, all agreements entered into under this section 1823
as it existed prior to July 1, 1994, and the incentives granted 1824
under those agreements shall remain in effect for the period 1825
agreed to under those agreements. The director shall make the 1826
determination in the manner provided under section 5709.62 of the 1827
Revised Code. Any enterprise wishing to enter into an agreement 1828
with the board under division (B) or (D) of this section shall 1829
submit a proposal to the board on the form and accompanied by the 1830

application fee prescribed under division (B) of section 5709.62 1831
of the Revised Code. The enterprise shall review and update the 1832
estimates and listings required by the form in the manner required 1833
under that division. The board may, on a separate form and at any 1834
time, require any additional information necessary to determine 1835
whether an enterprise is in compliance with an agreement and to 1836
collect the information required to be reported under section 1837
5709.68 of the Revised Code. 1838

(B) If the board of county commissioners finds that an 1839
enterprise submitting a proposal is qualified by financial 1840
responsibility and business experience to create and preserve 1841
employment opportunities in the zone and to improve the economic 1842
climate of the municipal corporation or municipal corporations or 1843
the unincorporated areas in which the zone is located and to which 1844
the proposal applies, the board, on or before October 15, 2009, 1845
and with the consent of the legislative authority of each affected 1846
municipal corporation or of the board of township trustees may do 1847
either of the following: 1848

(1) Enter into an agreement with the enterprise under which 1849
the enterprise agrees to establish, expand, renovate, or occupy a 1850
facility in the zone and hire new employees, or preserve 1851
employment opportunities for existing employees, in return for the 1852
following incentives: 1853

(a) When the facility is located in a municipal corporation, 1854
the board may enter into an agreement for one or more of the 1855
incentives provided in division (C) of section 5709.62 of the 1856
Revised Code, subject to division (D) of that section; 1857

(b) When the facility is located in an unincorporated area, 1858
the board may enter into an agreement for one or more of the 1859
following incentives: 1860

(i) Exemption for a specified number of years, not to exceed 1861

ten, of a specified portion, up to sixty per cent, of the assessed 1862
value of tangible personal property first used in business at a 1863
project site as a result of the agreement. An exemption granted 1864
pursuant to this division applies to inventory required to be 1865
listed pursuant to sections 5711.15 and 5711.16 of the Revised 1866
Code, except, in the instance of an expansion or other situations 1867
in which an enterprise was in business at the facility prior to 1868
the establishment of the zone, the inventory that is exempt is 1869
that amount or value of inventory in excess of the amount or value 1870
of inventory required to be listed in the personal property tax 1871
return of the enterprise in the return for the tax year in which 1872
the agreement is entered into. 1873

(ii) Exemption for a specified number of years, not to exceed 1874
ten, of a specified portion, up to sixty per cent, of the increase 1875
in the assessed valuation of real property constituting the 1876
project site subsequent to formal approval of the agreement by the 1877
board; 1878

(iii) Provision for a specified number of years, not to 1879
exceed ten, of any optional services or assistance the board is 1880
authorized to provide with regard to the project site; 1881

(iv) The incentive described in division (C)(2) of section 1882
5709.62 of the Revised Code. 1883

(2) Enter into an agreement with an enterprise that plans to 1884
purchase and operate a large manufacturing facility that has 1885
ceased operation or has announced its intention to cease 1886
operation, in return for exemption for a specified number of 1887
years, not to exceed ten, of a specified portion, up to one 1888
hundred per cent, of tangible personal property used in business 1889
at the project site as a result of the agreement, or of real 1890
property constituting the project site, or both. 1891

(C)(1)(a) Notwithstanding divisions (B)(1)(b)(i) and (ii) of 1892

this section, the portion of the assessed value of tangible 1893
personal property or of the increase in the assessed valuation of 1894
real property exempted from taxation under those divisions may 1895
exceed sixty per cent in any year for which that portion is 1896
exempted if the average percentage exempted for all years in which 1897
the agreement is in effect does not exceed fifty per cent, or if 1898
the board of education of the city, local, or exempted village 1899
school district within the territory of which the property is or 1900
will be located approves a percentage in excess of sixty per cent. 1901

(b) Notwithstanding any provision of the Revised Code to the 1902
contrary, the exemptions described in divisions (B)(1)(b)(i), 1903
(ii), (iii), and (iv) and (B)(2) of this section may be for up to 1904
fifteen years if the board of education of the city, local, or 1905
exempted village school district within the territory in which the 1906
property is or will be located approves a number of years in 1907
excess of ten, but only if the project that is part of the 1908
agreement includes a fixed asset investment of at least one 1909
hundred million dollars or the director of development determines 1910
there are extraordinary circumstances. For 1911

(c) For the purpose of obtaining ~~such approval~~ the approval 1912
of a city, local, or exempted village school district under 1913
division (C)(1)(a) or (b) of this section, the board of 1914
commissioners shall deliver to the board of education a notice not 1915
later than forty-five days prior to approving the agreement, 1916
excluding Saturdays, Sundays, and legal holidays as defined in 1917
section 1.14 of the Revised Code. The notice shall state the 1918
percentage to be exempted, an estimate of the true value of the 1919
property to be exempted, and the number of years the property is 1920
to be exempted. The board of education, by resolution adopted by a 1921
majority of the board, shall approve or disapprove the agreement 1922
and certify a copy of the resolution to the board of commissioners 1923
not later than fourteen days prior to the date stipulated by the 1924

board of commissioners as the date upon which approval of the 1925
agreement is to be formally considered by the board of 1926
commissioners. The board of education may include in the 1927
resolution conditions under which the board would approve the 1928
agreement, including the execution of an agreement to compensate 1929
the school district under division (B) of section 5709.82 of the 1930
Revised Code. The board of county commissioners may approve the 1931
agreement at any time after the board of education certifies its 1932
resolution approving the agreement to the board of county 1933
commissioners, or, if the board of education approves the 1934
agreement conditionally, at any time after the conditions are 1935
agreed to by the board of education and the board of county 1936
commissioners. 1937

If a board of education has adopted a resolution waiving its 1938
right to approve agreements and the resolution remains in effect, 1939
approval of an agreement by the board of education is not required 1940
under division (C) of this section. If a board of education has 1941
adopted a resolution allowing a board of county commissioners to 1942
deliver the notice required under this division fewer than 1943
forty-five business days prior to approval of the agreement by the 1944
board of county commissioners, the board of county commissioners 1945
shall deliver the notice to the board of education not later than 1946
the number of days prior to such approval as prescribed by the 1947
board of education in its resolution. If a board of education 1948
adopts a resolution waiving its right to approve agreements or 1949
shortening the notification period, the board of education shall 1950
certify a copy of the resolution to the board of county 1951
commissioners. If the board of education rescinds such a 1952
resolution, it shall certify notice of the rescission to the board 1953
of county commissioners. 1954

(2) The board of county commissioners shall comply with 1955
section 5709.83 of the Revised Code unless the board of education 1956

has adopted a resolution under that section waiving its right to receive such notice. 1957
1958

(D) This division applies to zones certified by the director of development under this section prior to July 22, 1994. 1959
1960

On or before October 15, 2009, and with the consent of the legislative authority of each affected municipal corporation or board of township trustees of each affected township, the board of commissioners that designated a zone to which this division applies may enter into an agreement with an enterprise if the board makes the finding required under that division and determines that the enterprise satisfies one of the criteria described in divisions (D)(1) to (5) of this section: 1961
1962
1963
1964
1965
1966
1967
1968

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone; 1969
1970
1971

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state; 1972
1973
1974
1975
1976

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone; 1977
1978
1979

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates; 1980
1981
1982

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of development has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code. 1983
1984
1985
1986
1987

The agreement shall require the enterprise to agree to 1988
establish, expand, renovate, or occupy a facility in the zone and 1989
hire new employees, or preserve employment opportunities for 1990
existing employees, in return for one or more of the incentives 1991
described in division (B) of this section. 1992

(E) All agreements entered into under this section shall be 1993
in the form prescribed under section 5709.631 of the Revised Code. 1994
After an agreement under this section is entered into, if the 1995
board of county commissioners revokes its designation of the zone, 1996
or if the director of development revokes the zone's 1997
certification, any entitlements granted under the agreement shall 1998
continue for the number of years specified in the agreement. 1999

(F) Except as otherwise provided in this paragraph, an 2000
agreement entered into under this section shall require that the 2001
enterprise pay an annual fee equal to the greater of one per cent 2002
of the dollar value of incentives offered under the agreement or 2003
five hundred dollars; provided, however, that if the value of the 2004
incentives exceeds two hundred fifty thousand dollars, the fee 2005
shall not exceed two thousand five hundred dollars. The fee shall 2006
be payable to the board of commissioners once per year for each 2007
year the agreement is effective on the days and in the form 2008
specified in the agreement. Fees paid shall be deposited in a 2009
special fund created for such purpose by the board and shall be 2010
used by the board exclusively for the purpose of complying with 2011
section 5709.68 of the Revised Code and by the tax incentive 2012
review council created under section 5709.85 of the Revised Code 2013
exclusively for the purposes of performing the duties prescribed 2014
under that section. The board may waive or reduce the amount of 2015
the fee charged against an enterprise, but such waiver or 2016
reduction does not affect the obligations of the board or the tax 2017
incentive review council to comply with section 5709.68 or 5709.85 2018
of the Revised Code, respectively. 2019

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

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

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

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

(K) An agreement entered into under this section may include 2051
a provision requiring the enterprise to create one or more 2052
temporary internship positions for students enrolled in a course 2053
of study at a school or other educational institution in the 2054
vicinity, and to create a scholarship or provide another form of 2055
educational financial assistance for students holding such a 2056
position in exchange for the student's commitment to work for the 2057
enterprise at the completion of the internship. 2058

Sec. 5709.67. (A) Except as otherwise provided in sections 2059
5709.61 to 5709.69 of the Revised Code, the director of 2060
development shall administer those sections and shall adopt ~~such~~ 2061
~~rules as are necessary to ensure that no zone is certified or~~ 2062
~~remains certified unless it meets any applicable requirements of~~ 2063
~~division (A) of section 5709.61 of the Revised Code, and to~~ 2064
~~determine the number of positions attributable to an enterprise~~ 2065
~~for the purposes of division (A)(3) of section 5709.64 of the~~ 2066
~~Revised Code~~ implement and administer the enterprise zone program. 2067
The director shall assign to each zone currently certified a 2068
unique designation by which the zone shall be identified for 2069
purposes of administering sections 5709.61 to 5709.69 of the 2070
Revised Code. The tax commissioner shall administer all other tax 2071
incentives provided under sections 5709.61 to 5709.69 of the 2072
Revised Code and shall adopt ~~such~~ rules ~~as are~~ necessary to carry 2073
out that duty. No tax incentive qualification certificate or 2074
employee tax credit certificate shall be issued or remain in 2075
effect unless the enterprise applying for or holding the 2076
certificate complies with all such rules. The director of job and 2077
family services shall administer the incentive provided under 2078
division (B)(1) of section 5709.66 of the Revised Code and shall 2079
adopt ~~such~~ rules ~~as are~~ necessary to carry out that duty. No 2080
extension of benefits certificate shall be issued or remain in 2081
effect unless the enterprise applying for or holding the 2082

certificate complies with all such rules.	2083
(B) Not later than the first day of August each year, the director of development shall report to the general assembly on all of the following for the preceding calendar year:	2084
(1) The cost to the state of the tax and other incentives provided under sections 5709.61 to 5709.69 of the Revised Code;	2085
(2) The number of tax incentive qualification certificates, employee tax credit certificates, and extension of benefits certificates issued;	2086
(3) The names of the municipal corporations and counties that have entered agreements under sections 5709.62, 5709.63, and 5709.632 of the Revised Code;	2087
(4) The number of new employees hired as a result of the tax and other incentives provided under sections 5709.61 to 5709.69 of the Revised Code;	2088
(5) Information on agreement terms concerning school district revenue that are not provided for in section 5709.631 of the Revised Code and that are forwarded to the director under division (H) of section 5709.62, division (H) of section 5709.63, or division (G) of section 5709.632 of the Revised Code.	2089
The report shall include a finding by the director as to whether the incentives provided under sections 5709.61 to 5709.69 of the Revised Code have resulted in the creation of more positions in the state than would have been created without the incentives. The director shall send a copy of the report to each member of the general assembly and to the director of the legislative service commission.	2090
(C) All forms used in connection with the administration of sections 5709.61 to 5709.69 of the Revised Code, except forms administered directly by the tax commissioner, by the director of	2091
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job and family services, or by a county or municipal corporation, 2113
are subject to review and approval by the state forms management 2114
control center under sections 125.91 to 125.98 of the Revised 2115
Code. 2116

Sec. 5709.82. (A) As used in this section: 2117

(1) "New employee" means both of the following: 2118

(a) Persons employed in the construction of real property 2119
exempted from taxation under the chapters or sections of the 2120
Revised Code enumerated in division (B) of this section; 2121

(b) Persons not described by division (A)(1)(a) of this 2122
section who are first employed at the site of such property and 2123
who within the two previous years have not been subject, prior to 2124
being employed at that site, to income taxation by the municipal 2125
corporation within whose territory the site is located on income 2126
derived from employment for the person's current employer. "New 2127
employee" does not include any person who replaces a person who is 2128
not a new employee under division (A)(1) of this section. 2129

(2) "Infrastructure costs" means costs incurred by a 2130
municipal corporation in a calendar year to acquire, construct, 2131
reconstruct, improve, plan, or equip real or tangible personal 2132
property that directly benefits or will directly benefit the 2133
exempted property. If the municipal corporation finances the 2134
acquisition, construction, reconstruction, improvement, planning, 2135
or equipping of real or tangible personal property that directly 2136
benefits the exempted property by issuing debt, "infrastructure 2137
costs" means the annual debt charges incurred by the municipal 2138
corporation from the issuance of such debt. Real or tangible 2139
personal property directly benefits exempted property only if the 2140
exempted property places or will place direct, additional demand 2141
on the real or tangible personal property for which such costs 2142
were or will be incurred. 2143

(3) "Taxing unit" has the same meaning as in division (H) of section 5705.01 of the Revised Code. 2144
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(B)(1) Except as otherwise provided under division (C) of 2146
this section, the legislative authority of any political 2147
subdivision that has acted under the authority of Chapter 725. or 2148
1728., sections 3735.65 to 3735.70, or section 5709.40, 5709.41, 2149
5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 5709.84, or 5709.88 2150
of the Revised Code to grant an exemption from taxation for real 2151
or tangible personal property may negotiate with the board of 2152
education of each city, local, exempted village, or joint 2153
vocational school district or other taxing unit within the 2154
territory of which the exempted property is located, and enter 2155
into an agreement whereby the school district or taxing unit is 2156
compensated for tax revenue ~~that foregone by~~ the school district 2157
~~would have received had the property not been exempted from~~ 2158
~~taxation or taxing unit as a result of the exemption.~~ Except as 2159
otherwise provided in division (B)(1) of this section, if a 2160
political subdivision enters into more than one agreement under 2161
this section with respect to a tax exemption, the political 2162
subdivision shall provide to each school district or taxing unit 2163
with which it contracts the same percentage of tax revenue 2164
foregone by the school district or taxing unit, which may be based 2165
on a good faith projection made at the time the exemption is 2166
granted. Such percentage shall be calculated on the basis of 2167
amounts paid by the political subdivision and any amounts paid by 2168
an owner under division (B)(2) of this section. A political 2169
subdivision may provide a school district or other taxing unit 2170
with a smaller percentage of foregone tax revenue than that 2171
provided to other school districts or taxing units only if the 2172
school district or taxing unit expressly consents in the agreement 2173
to receiving a smaller percentage. 2174

(2) An owner of property exempted from taxation under the 2175

authority described in division (B)(1) of this section may, by 2176
becoming a party to an agreement described in division (B)(1) of 2177
this section or by entering into a separate agreement with a 2178
school district or other taxing unit, agree to compensate the 2179
school district or taxing unit by paying cash or by providing 2180
property or services by gift, loan, or otherwise. 2181

(C) This division does not apply to the following: 2182

(1) The legislative authority of a municipal corporation that 2183
has acted under the authority of division (H) of section 715.70 or 2184
section 715.81 of the Revised Code to consent to the granting of 2185
an exemption from taxation for real or tangible personal property 2186
in a joint economic development district. 2187

(2) The legislative authority of a municipal corporation that 2188
has specified in an ordinance adopted under section 5709.40 or 2189
5709.41 of the Revised Code that payments in lieu of taxes 2190
provided for under section 5709.42 of the Revised Code shall be 2191
paid to the city, local, or exempted village school district in 2192
which the improvements are located in the amount of taxes that 2193
would have been payable to the school district if the improvements 2194
had not been exempted from taxation, as directed in the ordinance. 2195

If the legislative authority of any municipal corporation has 2196
acted under the authority of Chapter 725. or 1728. or section 2197
3735.671, 5709.40, 5709.41, 5709.62, 5709.63, 5709.632, or 2198
5709.88, or a housing officer under section 3735.67 of the Revised 2199
Code, to grant or consent to the granting of an exemption from 2200
taxation for real or tangible personal property on or after July 2201
1, 1994, the municipal corporation imposes a tax on incomes, and 2202
the payroll of new employees resulting from the exercise of that 2203
authority equals or exceeds one million dollars in any tax year 2204
for which such property is exempted, the legislative authority and 2205
the board of education of each city, local, or exempted village 2206

school district within the territory of which the exempted 2207
property is located shall attempt to negotiate an agreement 2208
providing for compensation to the school district for all or a 2209
portion of the tax revenue the school district would have received 2210
had the property not been exempted from taxation. The agreement 2211
may include as a party the owner of the property exempted or to be 2212
exempted from taxation and may include provisions obligating the 2213
owner to compensate the school district by paying cash or 2214
providing property or services by gift, loan, or otherwise. Such 2215
an obligation is enforceable by the board of education of the 2216
school district pursuant to the terms of the agreement. 2217

If the legislative authority and board of education fail to 2218
negotiate an agreement that is mutually acceptable within six 2219
months of formal approval by the legislative authority of the 2220
instrument granting the exemption, the legislative authority shall 2221
compensate the school district in the amount and manner prescribed 2222
by division (D) of this section. 2223

(D) Annually, the legislative authority of a municipal 2224
corporation subject to this division shall pay to the city, local, 2225
or exempted village school district within the territory of which 2226
the exempted property is located an amount equal to fifty per cent 2227
of the difference between the amount of taxes levied and collected 2228
by the municipal corporation on the incomes of new employees in 2229
the calendar year ending on the day the payment is required to be 2230
made, and the amount of any infrastructure costs incurred in that 2231
calendar year. For purposes of such computation, the amount of 2232
infrastructure costs shall not exceed thirty-five per cent of the 2233
amount of those taxes unless the board of education of the school 2234
district, by resolution adopted by a majority of the board, 2235
approves an amount in excess of that percentage. If the amount of 2236
those taxes or infrastructure costs must be estimated at the time 2237
the payment is made, payments in subsequent years shall be 2238

adjusted to compensate for any departure of those estimates from 2239
the actual amount of those taxes. 2240

A municipal corporation required to make a payment under this 2241
section shall make the payment from its general fund or a special 2242
fund established for the purpose. The payment is payable on the 2243
thirty-first day of December of the tax year for or in which the 2244
exemption from taxation commences and on that day for each 2245
subsequent tax year property is exempted and the legislative 2246
authority and board fail to negotiate an acceptable agreement 2247
under division (C) of this section. 2248

Section 2. That existing sections 122.17, 135.35, 301.27, 2249
505.10, 2913.01, 5575.01, 5705.41, 5709.62, 5709.63, 5709.67, and 2250
5709.82 of the Revised Code are hereby repealed. 2251