

## **As Passed by the House**

**126th General Assembly**

**Regular Session**

**2005-2006**

**Am. Sub. S. B. No. 236**

**Senators Carey, Roberts, Zurz, Harris, Padgett, Kearney, Spada, Armbruster,  
Prentiss, Fingerhut, Wilson, Austria, Miller**

**Representatives Calvert, Trakas, McGregor, J., Schlichter, Wagoner, Flowers,  
Martin, Peterson, Yates, Evans, C., Stewart, J., Hartnett, Miller, Allen,  
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Otterman, Patton, T., Redfern, Seitz, Setzer, Stewart, D., Strahorn, Uecker,  
Williams, Yuko**

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### **A B I L L**

To amend sections 151.01, 151.02, 184.01, 184.02, and	1
184.03 and to enact sections 122.013, 122.085,	2
122.086, 122.087, 122.088, 122.089, 122.0810,	3
122.0811, 122.0812, 122.0813, 122.0814, 122.0815,	4
122.0816, 122.0817, 122.0818, 122.0819, 122.0820,	5
151.10, 151.11, 184.10, 184.11, 184.111, 184.112,	6
184.113, 184.114, 184.115, 184.116, 184.12,	7
184.13, 184.14, 184.15, 184.151, 184.16, 184.17,	8
184.171, 184.172, 184.173, 184.18, 184.19, and	9
184.20 of the Revised Code, and to amend sections	10
203.99, 203.99.33, 203.99.51, and 209.99 of Am.	11
Sub. H.B. 66 of the 126th General Assembly to	12
implement certain provisions of Article VIII,	13
Section 2p of the Ohio Constitution regarding the	14
issuance of obligations to support research and	15
development projects and the development of	16
certain sites and facilities and to make an	17

appropriation.

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

**Section 1.** That sections 151.01, 151.02, 184.01, 184.02, and 19  
184.03 be amended and sections 122.013, 122.085, 122.086, 122.087, 20  
122.088, 122.089, 122.0810, 122.0811, 122.0812, 122.0813, 21  
122.0814, 122.0815, 122.0816, 122.0817, 122.0818, 122.0819, 22  
122.0820, 151.10, 151.11, 184.10, 184.11, 184.111, 184.112, 23  
184.113, 184.114, 184.115, 184.116, 184.12, 184.13, 184.14, 24  
184.15, 184.151, 184.16, 184.17, 184.171, 184.172, 184.173, 25  
184.18, 184.19, and 184.20 of the Revised Code be enacted to read 26  
as follows: 27

**Sec. 122.013.** The department of development shall post the 28  
following on the official internet site of the department: 29

(A) Annual reports of the progress and status of eligible 30  
projects made as required under division (E) of section 122.0814 31  
of the Revised Code; 32

(B) The annual report made by the director of development 33  
under section 122.0817 of the Revised Code; 34

(C) Reports made by the third frontier commission under 35  
section 184.15 of the Revised Code; 36

(D) Information on all support awarded under section 184.11 37  
of the Revised Code. 38

**Sec. 122.085.** As used in sections 122.085 to 122.0820 of the 39  
Revised Code: 40

(A)(1) "Allowable costs" includes costs related to the 41  
following: 42

(a) Acquisition of land and buildings; 43

<u>(b) Building construction;</u>	44
<u>(c) Making improvements to land and buildings, including the following:</u>	45
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<u>(i) Expanding, reconstructing, rehabilitating, remodeling, renovating, enlarging, modernizing, equipping, and furnishing buildings and structures, including leasehold improvements;</u>	47
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<u>(ii) Site preparation, including wetland mitigation.</u>	50
<u>(d) Planning or determining feasibility or practicability;</u>	51
<u>(e) Indemnity or surety bonds and premiums on insurance;</u>	52
<u>(f) Remediation, in compliance with state and federal environmental protection laws, of environmentally contaminated property on which hazardous substances exist under conditions that have caused or would likely cause the property to be identified as contaminated by the Ohio environmental protection agency or the United States environmental protection agency;</u>	53
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<u>(g) Infrastructure improvements, including the following:</u>	59
<u>(i) Demolition of buildings and other structures;</u>	60
<u>(ii) Installation or relocation of water, storm water and sanitary sewer lines, water and waste water treatment facilities, pump stations, and water storage mechanisms and other similar equipment or facilities;</u>	61
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<u>(iii) Construction of roads, bridges, traffic control devices, and parking lots and facilities;</u>	65
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<u>(iv) Construction of utility infrastructure such as natural gas, electric, and telecommunications, including broadband and hookups;</u>	67
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<u>(v) Water and railway access improvements;</u>	70
<u>(vi) Costs of professional services.</u>	71

(2) "Allowable costs" do not include administrative costs 72  
assessed by or fees paid to the recipient of a grant. 73

(B) "District public works integrating committees" means 74  
those committees established under section 164.04 of the Revised 75  
Code. 76

(C) "Eligible applicant" includes any political subdivision 77  
or non-profit economic development organization, and, with prior 78  
approval of the director of development, private, for-profit 79  
entities. "Eligible applicant" does not include public or private 80  
institutions of higher education. 81

(D) "Eligible project" includes projects that, upon 82  
completion, will be sites and facilities primarily intended for 83  
commercial, industrial, or manufacturing use. "Eligible projects" 84  
do not include sites and facilities intended primarily for 85  
residential, retail, or government use. 86

(E) "Professional services" includes legal, environmental, 87  
archeological, engineering, architectural, surveying, design, or 88  
other similar services performed in conjunction with an eligible 89  
project. "Professional services" also includes designs, plans, 90  
specifications, surveys, estimates of costs, and other work 91  
products. 92

**Sec. 122.086.** There is hereby created the job ready site 93  
program to provide grants to pay for allowable costs of eligible 94  
applicants for eligible projects. The program shall be 95  
administered by the department of development pursuant to 96  
guidelines established for it by the director of development. All 97  
grants shall be awarded through one of the following two 98  
processes: 99

(A) The annual competitive process under sections 122.087 to 100  
122.0811 and 122.0814 of the Revised Code; 101

(B) The discretionary process under sections 122.0812, 102  
122.0813, and 122.0814 of the Revised Code. 103

Sec. 122.087. The director of development shall establish an 104  
annual competitive process for making grants described in section 105  
122.086 of the Revised Code. At least two-thirds of the amounts 106  
that may be distributed as grants each year under the job ready 107  
site program shall be distributed under the annual competitive 108  
process. 109

Sec. 122.088. In order to be considered for a grant under the 110  
annual competitive process, an eligible applicant shall fill out 111  
an application provided by the department of development and shall 112  
file it with the district public works integrating committee with 113  
jurisdiction over the area in which the eligible project is 114  
located. 115

Sec. 122.089. An eligible applicant shall provide all of the 116  
following on the annual competitive process application: 117

(A) Contact information for the eligible applicant; 118

(B) A legal description of the property for which the grant 119  
is requested; 120

(C) A summary of the proposed eligible project that includes 121  
all of the following: 122

(1) A general description of the eligible project, including 123  
individuals, organizations, or other entities that will play a 124  
critical role in the implementation of the project; 125

(2) An explanation of the need for the eligible project, and 126  
the predicted economic impact; 127

(3) An explanation of the need for a grant from the job ready 128  
site program; 129

<u>(4) The commitments required pursuant to division (A)(3) of</u>	130
<u>section 122.0815 of the Revised Code.</u>	131
<u>(D) A detailed summary of costs for the eligible project,</u>	132
<u>including supporting documents for cost estimates;</u>	133
<u>(E) Sources of funding for the eligible project, including</u>	134
<u>documentation verifying the status of those funds;</u>	135
<u>(F) Summary results of preliminary engineering studies and</u>	136
<u>environmental reviews, if any have been conducted;</u>	137
<u>(G) A comprehensive marketing plan detailing how the eligible</u>	138
<u>project will be marketed upon completion, if appropriate;</u>	139
<u>(H) Copies of resolutions or ordinances related to the</u>	140
<u>eligible project, including resolutions or ordinances adopted by</u>	141
<u>the political subdivision with jurisdiction over the geographic</u>	142
<u>area in which the eligible project is located;</u>	143
<u>(I) Any other information the director requests on the</u>	144
<u>application form.</u>	145
 <b><u>Sec. 122.0810.</u></b> <u>(A) Each application for a grant pursuant to</u>	146
<u>the annual competitive process received by a district public works</u>	147
<u>integrating committee shall be evaluated by the executive</u>	148
<u>committee of the district committee. In conducting the evaluation,</u>	149
<u>the executive committee shall determine whether the application</u>	150
<u>for the proposed eligible project is complete and whether the</u>	151
<u>project meets the requirements of section 122.0815 of the Revised</u>	152
<u>Code. If the application is complete and the eligible project</u>	153
<u>meets the requirements of section 122.0815 of the Revised Code,</u>	154
<u>the executive committee shall prioritize the eligible project</u>	155
<u>pursuant to section 122.0816 of the Revised Code and pursuant to</u>	156
<u>local priorities, as those priorities are determined by the</u>	157
<u>executive committee, with all other eligible projects with</u>	158
<u>complete applications that meet the requirements of section</u>	159

122.0815 of the Revised Code. If the application is incomplete or  
the project does not meet the requirements of section 122.0815 of  
the Revised Code, the executive committee shall notify the  
applicant of the deficiencies and the period of time the applicant  
has to correct the deficiencies and submit the corrections to the  
executive committee. Failure to correct deficiencies within the  
time designated by the executive committee shall disqualify the  
project from consideration for a grant during the annual  
competitive process for that year.

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The executive committee, by the affirmative vote of a  
majority of all its members, shall select up to three eligible  
projects from the projects it has prioritized each year pursuant  
to the annual competitive process. The executive committee shall  
forward the applications and any accompanying information for each  
of the selected eligible projects to the department of development  
in the time and manner required by the guidelines governing the  
job ready site program.

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(B) For a district public works integrating committee that  
does not have an executive committee, the full committee shall  
perform the functions assigned to the executive committee under  
section 122.0816 of the Revised Code and division (A) of this  
section.

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(C) An executive committee, or a district committee that does  
not have an executive committee, may appoint a working group of  
committee members and staff to perform the functions of those  
committees as provided in this section.

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**Sec. 122.0811.** The department of development shall evaluate  
each eligible project selected pursuant to section 122.0810 of the  
Revised Code to determine whether the application for the proposed  
eligible project is complete and whether it meets the requirements

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of section 122.0815 of the Revised Code. If the application is  
complete and the project meets the requirements of section  
122.0815 of the Revised Code, the department shall notify the  
eligible applicant that the application is complete and shall  
prioritize the eligible project pursuant to section 122.0816 of  
the Revised Code with all other eligible projects with complete  
applications that meet the requirements. If the application is  
incomplete or the project does not meet the requirements of  
section 122.0815 of the Revised Code, the department shall notify  
the applicant of the deficiencies and the period of time the  
applicant has to correct the deficiencies and submit the  
corrections to the department. Failure to correct deficiencies  
within the time designated by the department shall disqualify the  
project from consideration for a grant during the annual  
competitive process for that year.

The director, on completion of the evaluations and  
prioritization, shall make a recommendation to the controlling  
board asking for approval to make grants for the eligible projects  
selected by the director. The director shall take into  
consideration the geographic diversity of awards when making the  
selection of eligible projects to receive grants.

**Sec. 122.0812.** The director of development shall establish a  
discretionary process that permits the director to make grants  
described in section 122.086 of the Revised Code in situations  
that include those in which the timing of a proposed eligible  
project is such that the annual competitive process is not  
suitable. The director, as part of the guidelines established for  
the job ready site program, shall establish all the procedures and  
requirements governing application for the discretionary grants.

**Sec. 122.0813.** On receipt of an application for a



discretionary grant for an eligible project, the director of  
development shall evaluate it to determine whether the application  
for the proposed eligible project is complete and whether the  
eligible project meets the requirements of section 122.0815 of the  
Revised Code. If the application is complete and the project meets  
the requirements of section 122.0815 of the Revised Code, the  
director shall make a recommendation to the controlling board  
asking for approval to make the discretionary grant for the  
eligible project. If the application is incomplete or the project  
does not meet the requirements of section 122.0815 of the Revised  
Code, the department shall notify the applicant of the  
deficiencies and work with the applicant to correct the  
deficiencies. If the deficiencies are corrected, the director  
shall make a recommendation to the controlling board asking for  
approval to make the discretionary grant for the eligible project.

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**Sec. 122.0814.** If the controlling board approves a grant for  
an eligible project pursuant to the annual competitive process or  
the discretionary process, the director of development shall enter  
into an agreement with the eligible applicant to provide the grant  
for the project. The agreement shall be executed prior to the  
payment or disbursement of any funds under the grant and shall  
contain the following provisions:

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(A) A designation of a single officer or employee of the  
eligible applicant who will serve as the manager of the eligible  
project;

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(B) A detailed description of the scope of the work required  
under the eligible project, including anticipated sources and uses  
of funds;

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(C) A designation of the percentage of the estimated total  
cost of the project for which the grant will provide funding,

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<u>which shall not exceed seventy-five per cent of the cost;</u>	250
<u>(D) Provisions for the recovery by the department of grant</u>	251
<u>funds for failure to meet the terms of the agreement;</u>	252
<u>(E) A requirement that annual reports be made by the eligible</u>	253
<u>applicant on the progress of the eligible project and any other</u>	254
<u>information about the status of the project as required by the</u>	255
<u>guidelines established for the job ready site program;</u>	256
<u>(F) Any other provisions the director determines necessary.</u>	257
 <u>Sec. 122.0815. (A) A project shall meet the following</u>	258
<u>requirements in order to be considered for a grant under the</u>	259
<u>annual competitive process:</u>	260
 <u>(1) The application for the grant is made by an eligible</u>	261
<u>applicant.</u>	262
 <u>(2) The project for which the application is made is an</u>	263
<u>eligible project.</u>	264
 <u>(3) The eligible applicant commits to all the following:</u>	265
 <u>(a) To use the grant to pay only allowable costs for the</u>	266
<u>eligible project;</u>	267
 <u>(b) Not to use the grant to fund more than seventy-five per</u>	268
<u>cent of the total cost of the eligible project;</u>	269
 <u>(c) Not to use more than ten per cent of the grant amount to</u>	270
<u>pay the costs of professional services under the eligible project.</u>	271
 <u>(4) The grant amount requested does not exceed five million</u>	272
<u>dollars.</u>	273
 <u>(5) The eligible applicant and the eligible project comply</u>	274
<u>with any other criteria the director of development determines is</u>	275
<u>necessary.</u>	276
 <u>(B) A project shall meet the requirements described in</u>	277

divisions (A)(1) to (4) of this section in order to be considered 278  
for a grant under the discretionary process. 279

Sec. 122.0816. The department of development and the 280  
executive committees of district public works integrating 281  
committees shall apply the following factors to eligible projects 282  
under the annual competitive process to determine a priority order 283  
for the eligible projects subject to that process: 284

(A) The potential economic impact of the eligible project; 285

(B) The potential impact of the eligible project on economic 286  
distress; 287

(C) The amount of local, federal, and private funding 288  
available for the eligible project; 289

(D) The demonstrated need for the eligible project; 290

(E) The strength of the eligible project's marketing plan, if 291  
appropriate; 292

(F) The level of financial need; 293

(G) Any other factor the director of development determines 294  
should be considered. 295

Sec. 122.0817. In accordance with the guidelines established 296  
to govern the job ready site program, the director of development 297  
shall publish an annual report that includes the following: 298

(A) Details on each grant awarded pursuant to the program; 299

(B) The status of projects funded in previous years; 300

(C) The amount of grants awarded for projects in economically 301  
distressed areas and, to the extent possible, the impact of those 302  
grants in those areas. 303

Sec. 122.0818. Eligible projects that receive a grant 304

pursuant to the job ready site program are public improvements  
pursuant to section 4115.03 of the Revised Code and shall be  
subject to the prevailing wage requirements of section 4115.04 of  
the Revised Code.

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**Sec. 122.0819.** The guidelines established to govern the job  
ready site program may provide for recovery of the costs, or a  
portion thereof, incurred by district public works integrating  
committees and executive committees in conducting their duties  
under the program.

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**Sec. 122.0820.** The job ready site development fund is hereby  
created in the state treasury. The fund shall consist of the net  
proceeds of obligations issued and sold by the issuing authority  
pursuant to sections 151.01 and 151.11 of the Revised Code.  
Investment earnings of the fund shall be credited to the fund.  
Moneys in the fund shall be used to make grants for eligible  
projects pursuant to sections 122.085 to 122.0820 of the Revised  
Code and associated administrative expenses.

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**Sec. 151.01.** (A) As used in sections 151.01 to ~~151.09~~ 151.11  
and 151.40 of the Revised Code and in the applicable bond  
proceedings unless otherwise provided:

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(1) "Bond proceedings" means the resolutions, orders,  
agreements, and credit enhancement facilities, and amendments and  
supplements to them, or any one or more or combination of them,  
authorizing, awarding, or providing for the terms and conditions  
applicable to or providing for the security or liquidity of, the  
particular obligations, and the provisions contained in those  
obligations.

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(2) "Bond service fund" means the respective bond service  
fund created by section 151.03, 151.04, 151.05, 151.06, 151.07,

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151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised Code, and 334  
any accounts in that fund, including all moneys and investments, 335  
and earnings from investments, credited and to be credited to that 336  
fund and accounts as and to the extent provided in the applicable 337  
bond proceedings. 338

(3) "Capital facilities" means capital facilities or projects 339  
as referred to in section 151.03, 151.04, 151.05, 151.06, 151.07, 340  
151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised Code. 341

(4) "Costs of capital facilities" means the costs of 342  
acquiring, constructing, reconstructing, rehabilitating, 343  
remodeling, renovating, enlarging, improving, equipping, or 344  
furnishing capital facilities, and of the financing of those 345  
costs. "Costs of capital facilities" includes, without limitation, 346  
and in addition to costs referred to in section 151.03, 151.04, 347  
151.05, 151.06, 151.07, 151.08, 151.09, 151.10, 151.11, or 151.40 348  
of the Revised Code, the cost of clearance and preparation of the 349  
site and of any land to be used in connection with capital 350  
facilities, the cost of any indemnity and surety bonds and 351  
premiums on insurance, all related direct administrative expenses 352  
and allocable portions of direct costs of the issuing authority, 353  
costs of engineering and architectural services, designs, plans, 354  
specifications, surveys, and estimates of cost, financing costs, 355  
interest on obligations from their date to the time when interest 356  
is to be paid from sources other than proceeds of obligations, 357  
amounts necessary to establish any reserves as required by the 358  
bond proceedings, the reimbursement of all moneys advanced or 359  
applied by or borrowed from any person or governmental agency or 360  
entity for the payment of any item of costs of capital facilities, 361  
and all other expenses necessary or incident to planning or 362  
determining feasibility or practicability with respect to capital 363  
facilities, and such other expenses as may be necessary or 364  
incident to the acquisition, construction, reconstruction, 365

rehabilitation, remodeling, renovation, enlargement, improvement, 366  
equipment, and furnishing of capital facilities, the financing of 367  
those costs, and the placing of the capital facilities in use and 368  
operation, including any one, part of, or combination of those 369  
classes of costs and expenses. For purposes of sections 122.085 to 370  
122.0820 of the Revised Code, "costs of capital facilities" 371  
includes "allowable costs" as defined in section 122.085 of the 372  
Revised Code. 373

(5) "Credit enhancement facilities," "financing costs," and 374  
"interest" or "interest equivalent" have the same meanings as in 375  
section 133.01 of the Revised Code. 376

(6) "Debt service" means principal, including any mandatory 377  
sinking fund or redemption requirements for retirement of 378  
obligations, interest and other accreted amounts, interest 379  
equivalent, and any redemption premium, payable on obligations. If 380  
not prohibited by the applicable bond proceedings, debt service 381  
may include costs relating to credit enhancement facilities that 382  
are related to and represent, or are intended to provide a source 383  
of payment of or limitation on, other debt service. 384

(7) "Issuing authority" means the Ohio public facilities 385  
commission created in section 151.02 of the Revised Code for 386  
obligations issued under section 151.03, 151.04, 151.05, 151.07, 387  
151.08, ~~or~~ 151.09, 151.10, or 151.11 of the Revised Code, or the 388  
treasurer of state, or the officer who by law performs the 389  
functions of that office, for obligations issued under section 390  
151.06 or 151.40 of the Revised Code. 391

(8) "Net proceeds" means amounts received from the sale of 392  
obligations, excluding amounts used to refund or retire 393  
outstanding obligations, amounts required to be deposited into 394  
special funds pursuant to the applicable bond proceedings, and 395  
amounts to be used to pay financing costs. 396

(9) "Obligations" means bonds, notes, or other evidences of obligation of the state, including any appertaining interest coupons, issued under Section 2k, 2l, 2m, 2n, 2o, 2p, or 15 of Article VIII, Ohio Constitution, and pursuant to sections 151.01 to ~~151.09~~ 151.11 or 151.40 of the Revised Code or other general assembly authorization.

(10) "Principal amount" means the aggregate of the amount as stated or provided for in the applicable bond proceedings as the amount on which interest or interest equivalent on particular obligations is initially calculated. Principal amount does not include any premium paid to the state by the initial purchaser of the obligations. "Principal amount" of a capital appreciation bond, as defined in division (C) of section 3334.01 of the Revised Code, means its face amount, and "principal amount" of a zero coupon bond, as defined in division (J) of section 3334.01 of the Revised Code, means the discounted offering price at which the bond is initially sold to the public, disregarding any purchase price discount to the original purchaser, if provided for pursuant to the bond proceedings.

(11) "Special funds" or "funds," unless the context indicates otherwise, means the bond service fund, and any other funds, including any reserve funds, created under the bond proceedings and stated to be special funds in those proceedings, including moneys and investments, and earnings from investments, credited and to be credited to the particular fund. Special funds do not include the school building program assistance fund created by section 3318.25 of the Revised Code, the higher education improvement fund created by division (F) of section 154.21 of the Revised Code, the highway capital improvement bond fund created by section 5528.53 of the Revised Code, the state parks and natural resources fund created by section 1557.02 of the Revised Code, the coal research and development fund created by section 1555.15 of

the Revised Code, the clean Ohio conservation fund created by 429  
section 164.27 of the Revised Code, the clean Ohio revitalization 430  
fund created by section 122.658 of the Revised Code, the job ready 431  
site development fund created by section 122.0820 of the Revised 432  
Code, the third frontier research and development fund created by 433  
section 184.19 of the Revised Code, or other funds created by the 434  
bond proceedings that are not stated by those proceedings to be 435  
special funds. 436

(B) Subject to Section 2l, 2m, 2n, 2o, 2p, or 15, and Section 437  
17, of Article VIII, Ohio Constitution, the state, by the issuing 438  
authority, is authorized to issue and sell, as provided in 439  
sections 151.03 to ~~151.09~~ 151.11 or 151.40 of the Revised Code, 440  
and in respective aggregate principal amounts as from time to time 441  
provided or authorized by the general assembly, general 442  
obligations of this state for the purpose of paying costs of 443  
capital facilities or projects identified by or pursuant to 444  
general assembly action. 445

(C) Each issue of obligations shall be authorized by 446  
resolution or order of the issuing authority. The bond proceedings 447  
shall provide for or authorize the manner for determining the 448  
principal amount or maximum principal amount of obligations of an 449  
issue, the principal maturity or maturities, the interest rate or 450  
rates, the date of and the dates of payment of interest on the 451  
obligations, their denominations, and the place or places of 452  
payment of debt service which may be within or outside the state. 453  
Unless otherwise provided by law, the latest principal maturity 454  
may not be later than the earlier of the thirty-first day of 455  
December of the twenty-fifth calendar year after the year of 456  
issuance of the particular obligations or of the twenty-fifth 457  
calendar year after the year in which the original obligation to 458  
pay was issued or entered into. Sections 9.96, 9.98, 9.981, 9.982, 459  
and 9.983 of the Revised Code apply to obligations. The purpose of 460



the obligations may be stated in the bond proceedings in general  
terms, such as, as applicable, "financing or assisting in the  
financing of projects as provided in Section 2l of Article VIII,  
Ohio Constitution," "financing or assisting in the financing of  
highway capital improvement projects as provided in Section 2m of  
Article VIII, Ohio Constitution," "paying costs of capital  
facilities for a system of common schools throughout the state as  
authorized by Section 2n of Article VIII, Ohio Constitution,"  
"paying costs of capital facilities for state-supported and  
state-assisted institutions of higher education as authorized by  
Section 2n of Article VIII, Ohio Constitution," "paying costs of  
coal research and development as authorized by Section 15 of  
Article VIII, Ohio Constitution," "financing or assisting in the  
financing of local subdivision capital improvement projects as  
authorized by Section 2m of Article VIII, Ohio Constitution,"  
"paying costs of conservation projects as authorized by Section 2o  
of Article VIII, Ohio Constitution," ~~or~~ "paying costs of  
revitalization projects as authorized by Section 2o of Article  
VIII, Ohio Constitution," "paying costs of preparing sites for  
industry, commerce, distribution, or research and development as  
authorized by Section 2p of Article VIII, Ohio Constitution," or  
"paying costs of research and development as authorized by Section  
2p of Article VIII, Ohio Constitution."

(D) The issuing authority may appoint or provide for the  
appointment of paying agents, bond registrars, securities  
depositories, clearing corporations, and transfer agents, and may  
without need for any other approval retain or contract for the  
services of underwriters, investment bankers, financial advisers,  
accounting experts, marketing, remarketing, indexing, and  
administrative agents, other consultants, and independent  
contractors, including printing services, as are necessary in the  
judgment of the issuing authority to carry out the issuing

authority's functions under this chapter. When the issuing  
authority is the Ohio public facilities commission, the issuing  
authority also may without need for any other approval retain or  
contract for the services of attorneys and other professionals for  
that purpose. Financing costs are payable, as may be provided in  
the bond proceedings, from the proceeds of the obligations, from  
special funds, or from other moneys available for the purpose.

(E) The bond proceedings may contain additional provisions  
customary or appropriate to the financing or to the obligations or  
to particular obligations including, but not limited to,  
provisions for:

(1) The redemption of obligations prior to maturity at the  
option of the state or of the holder or upon the occurrence of  
certain conditions, and at particular price or prices and under  
particular terms and conditions;

(2) The form of and other terms of the obligations;

(3) The establishment, deposit, investment, and application  
of special funds, and the safeguarding of moneys on hand or on  
deposit, in lieu of the applicability of provisions of Chapter  
131. or 135. of the Revised Code, but subject to any special  
provisions of sections 151.01 to ~~151.09~~ 151.11 or 151.40 of the  
Revised Code with respect to the application of particular funds  
or moneys. Any financial institution that acts as a depository of  
any moneys in special funds or other funds under the bond  
proceedings may furnish indemnifying bonds or pledge securities as  
required by the issuing authority.

(4) Any or every provision of the bond proceedings being  
binding upon the issuing authority and upon such governmental  
agency or entity, officer, board, commission, authority, agency,  
department, institution, district, or other person or body as may  
from time to time be authorized to take actions as may be

necessary to perform all or any part of the duty required by the 524  
provision; 525

(5) The maintenance of each pledge or instrument comprising 526  
part of the bond proceedings until the state has fully paid or 527  
provided for the payment of the debt service on the obligations or 528  
met other stated conditions; 529

(6) In the event of default in any payments required to be 530  
made by the bond proceedings, or by any other agreement of the 531  
issuing authority made as part of a contract under which the 532  
obligations were issued or secured, including a credit enhancement 533  
facility, the enforcement of those payments by mandamus, a suit in 534  
equity, an action at law, or any combination of those remedial 535  
actions; 536

(7) The rights and remedies of the holders or owners of 537  
obligations or of book-entry interests in them, and of third 538  
parties under any credit enhancement facility, and provisions for 539  
protecting and enforcing those rights and remedies, including 540  
limitations on rights of individual holders or owners; 541

(8) The replacement of mutilated, destroyed, lost, or stolen 542  
obligations; 543

(9) The funding, refunding, or advance refunding, or other 544  
provision for payment, of obligations that will then no longer be 545  
outstanding for purposes of this section or of the applicable bond 546  
proceedings; 547

(10) Amendment of the bond proceedings; 548

(11) Any other or additional agreements with the owners of 549  
obligations, and such other provisions as the issuing authority 550  
determines, including limitations, conditions, or qualifications, 551  
relating to any of the foregoing. 552

(F) The great seal of the state or a facsimile of it may be 553

affixed to or printed on the obligations. The obligations 554  
requiring execution by or for the issuing authority shall be 555  
signed as provided in the bond proceedings. Any obligations may be 556  
signed by the individual who on the date of execution is the 557  
authorized signer although on the date of these obligations that 558  
individual is not an authorized signer. In case the individual 559  
whose signature or facsimile signature appears on any obligation 560  
ceases to be an authorized signer before delivery of the 561  
obligation, that signature or facsimile is nevertheless valid and 562  
sufficient for all purposes as if that individual had remained the 563  
authorized signer until delivery. 564

(G) Obligations are investment securities under Chapter 1308. 565  
of the Revised Code. Obligations may be issued in bearer or in 566  
registered form, registrable as to principal alone or as to both 567  
principal and interest, or both, or in certificated or 568  
uncertificated form, as the issuing authority determines. 569  
Provision may be made for the exchange, conversion, or transfer of 570  
obligations and for reasonable charges for registration, exchange, 571  
conversion, and transfer. Pending preparation of final 572  
obligations, the issuing authority may provide for the issuance of 573  
interim instruments to be exchanged for the final obligations. 574

(H) Obligations may be sold at public sale or at private 575  
sale, in such manner, and at such price at, above or below par, 576  
all as determined by and provided by the issuing authority in the 577  
bond proceedings. 578

(I) Except to the extent that rights are restricted by the 579  
bond proceedings, any owner of obligations or provider of a credit 580  
enhancement facility may by any suitable form of legal proceedings 581  
protect and enforce any rights relating to obligations or that 582  
facility under the laws of this state or granted by the bond 583  
proceedings. Those rights include the right to compel the 584  
performance of all applicable duties of the issuing authority and 585

the state. Each duty of the issuing authority and that authority's  
officers, staff, and employees, and of each state entity or  
agency, or using district or using institution, and its officers,  
members, staff, or employees, undertaken pursuant to the bond  
proceedings, is hereby established as a duty of the entity or  
individual having authority to perform that duty, specifically  
enjoined by law and resulting from an office, trust, or station  
within the meaning of section 2731.01 of the Revised Code. The  
individuals who are from time to time the issuing authority,  
members or officers of the issuing authority, or those members'  
designees acting pursuant to section ~~154.02~~ 151.02 of the Revised  
Code, or the issuing authority's officers, staff, or employees,  
are not liable in their personal capacities on any obligations or  
otherwise under the bond proceedings.

(J)(1) Subject to Section 2k, 2l, 2m, 2n, 2o, 2p, or 15, and  
Section 17, of Article VIII, Ohio Constitution and sections 151.01  
to ~~151.09~~ 151.11 or 151.40 of the Revised Code, the issuing  
authority may, in addition to the authority referred to in  
division (B) of this section, authorize and provide for the  
issuance of:

(a) Obligations in the form of bond anticipation notes, and  
may provide for the renewal of those notes from time to time by  
the issuance of new notes. The holders of notes or appertaining  
interest coupons have the right to have debt service on those  
notes paid solely from the moneys and special funds that are or  
may be pledged to that payment, including the proceeds of bonds or  
renewal notes or both, as the issuing authority provides in the  
bond proceedings authorizing the notes. Notes may be additionally  
secured by covenants of the issuing authority to the effect that  
the issuing authority and the state will do all things necessary  
for the issuance of bonds or renewal notes in such principal  
amount and upon such terms as may be necessary to provide moneys

to pay when due the debt service on the notes, and apply their  
proceeds to the extent necessary, to make full and timely payment  
of debt service on the notes as provided in the applicable bond  
proceedings. In the bond proceedings authorizing the issuance of  
bond anticipation notes the issuing authority shall set forth for  
the bonds anticipated an estimated schedule of annual principal  
payments the latest of which shall be no later than provided in  
division (C) of this section. While the notes are outstanding  
there shall be deposited, as shall be provided in the bond  
proceedings for those notes, from the sources authorized for  
payment of debt service on the bonds, amounts sufficient to pay  
the principal of the bonds anticipated as set forth in that  
estimated schedule during the time the notes are outstanding,  
which amounts shall be used solely to pay the principal of those  
notes or of the bonds anticipated.

(b) Obligations for the refunding, including funding and  
retirement, and advance refunding with or without payment or  
redemption prior to maturity, of any obligations previously  
issued. Refunding obligations may be issued in amounts sufficient  
to pay or to provide for repayment of the principal amount,  
including principal amounts maturing prior to the redemption of  
the remaining prior obligations, any redemption premium, and  
interest accrued or to accrue to the maturity or redemption date  
or dates, payable on the prior obligations, and related financing  
costs and any expenses incurred or to be incurred in connection  
with that issuance and refunding. Subject to the applicable bond  
proceedings, the portion of the proceeds of the sale of refunding  
obligations issued under division (J)(1)(b) of this section to be  
applied to debt service on the prior obligations shall be credited  
to an appropriate separate account in the bond service fund and  
held in trust for the purpose by the issuing authority or by a  
corporate trustee. Obligations authorized under this division

shall be considered to be issued for those purposes for which the  
prior obligations were issued.

(2) Except as otherwise provided in sections 151.01 to ~~151.09~~  
151.11 or 151.40 of the Revised Code, bonds or notes authorized  
pursuant to division (J) of this section are subject to the  
provisions of those sections pertaining to obligations generally.

(3) The principal amount of refunding or renewal obligations  
issued pursuant to division (J) of this section shall be in  
addition to the amount authorized by the general assembly as  
referred to in division (B) of the following sections: section  
151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, 151.10,  
151.11, or 151.40 of the Revised Code.

(K) Obligations are lawful investments for banks, savings and  
loan associations, credit union share guaranty corporations, trust  
companies, trustees, fiduciaries, insurance companies, including  
domestic for life and domestic not for life, trustees or other  
officers having charge of sinking and bond retirement or other  
special funds of the state and political subdivisions and taxing  
districts of this state, the sinking fund, the administrator of  
workers' compensation subject to the approval of the workers'  
compensation board, the state teachers retirement system, the  
public employees retirement system, the school employees  
retirement system, and the Ohio police and fire pension fund,  
notwithstanding any other provisions of the Revised Code or rules  
adopted pursuant to those provisions by any state agency with  
respect to investments by them, and are also acceptable as  
security for the repayment of the deposit of public moneys. The  
exemptions from taxation in Ohio as provided for in particular  
sections of the Ohio Constitution and section 5709.76 of the  
Revised Code apply to the obligations.

(L)(1) Unless otherwise provided or provided for in any

applicable bond proceedings, moneys to the credit of or in a  
special fund shall be disbursed on the order of the issuing  
authority. No such order is required for the payment, from the  
bond service fund or other special fund, when due of debt service  
or required payments under credit enhancement facilities.

(2) Payments received by the state under interest rate hedges  
entered into as credit enhancement facilities under this chapter  
shall be deposited to the credit of the bond service fund for the  
obligations to which those credit enhancement facilities relate.

(M) The full faith and credit, revenue, and taxing power of  
the state are and shall be pledged to the timely payment of debt  
service on outstanding obligations as it comes due, all in  
accordance with Section 2k, 2l, 2m, 2n, 2o, 2p, or 15 of Article  
VIII, Ohio Constitution, and section 151.03, 151.04, 151.05,  
151.06, 151.07, 151.08, ~~or~~ 151.09, 151.10, or 151.11 of the  
Revised Code. Moneys referred to in Section 5a of Article XII,  
Ohio Constitution, may not be pledged or used for the payment of  
debt service except on obligations referred to in section 151.06  
of the Revised Code. Net state lottery proceeds, as provided for  
and referred to in section 3770.06 of the Revised Code, may not be  
pledged or used for the payment of debt service except on  
obligations referred to in section 151.03 of the Revised Code. The  
state covenants, and that covenant shall be controlling  
notwithstanding any other provision of law, that the state and the  
applicable officers and agencies of the state, including the  
general assembly, shall, so long as any obligations are  
outstanding in accordance with their terms, maintain statutory  
authority for and cause to be levied, collected and applied  
sufficient pledged excises, taxes, and revenues of the state so  
that the revenues shall be sufficient in amounts to pay debt  
service when due, to establish and maintain any reserves and other  
requirements, and to pay financing costs, including costs of or



relating to credit enhancement facilities, all as provided for in 713  
the bond proceedings. Those excises, taxes, and revenues are and 714  
shall be deemed to be levied and collected, in addition to the 715  
purposes otherwise provided for by law, to provide for the payment 716  
of debt service and financing costs in accordance with sections 717  
151.01 to ~~151.09~~ 151.11 of the Revised Code and the bond 718  
proceedings. 719

(N) The general assembly may from time to time repeal or 720  
reduce any excise, tax, or other source of revenue pledged to the 721  
payment of the debt service pursuant to Section 2k, 2l, 2m, 2n, 722  
2o, 2p, or 15 of Article VIII, Ohio Constitution, and sections 723  
151.01 to ~~151.09~~ 151.11 or 151.40 of the Revised Code, and may 724  
levy, collect and apply any new or increased excise, tax, or 725  
revenue to meet the pledge, to the payment of debt service on 726  
outstanding obligations, of the state's full faith and credit, 727  
revenue and taxing power, or of designated revenues and receipts, 728  
except fees, excises or taxes referred to in Section 5a of Article 729  
XII, Ohio Constitution, for other than obligations referred to in 730  
section 151.06 of the Revised Code and except net state lottery 731  
proceeds for other than obligations referred to in section 151.03 732  
of the Revised Code. Nothing in division (N) of this section 733  
authorizes any impairment of the obligation of this state to levy 734  
and collect sufficient excises, taxes, and revenues to pay debt 735  
service on obligations outstanding in accordance with their terms. 736

(O) Each bond service fund is a trust fund and is hereby 737  
pledged to the payment of debt service on the applicable 738  
obligations. Payment of that debt service shall be made or 739  
provided for by the issuing authority in accordance with the bond 740  
proceedings without necessity for any act of appropriation. The 741  
bond proceedings may provide for the establishment of separate 742  
accounts in the bond service fund and for the application of those 743  
accounts only to debt service on specific obligations, and for 744

other accounts in the bond service fund within the general 745  
purposes of that fund. 746

(P) Subject to the bond proceedings pertaining to any 747  
obligations then outstanding in accordance with their terms, the 748  
issuing authority may in the bond proceedings pledge all, or such 749  
portion as the issuing authority determines, of the moneys in the 750  
bond service fund to the payment of debt service on particular 751  
obligations, and for the establishment and maintenance of any 752  
reserves for payment of particular debt service. 753

(Q) The issuing authority shall by the fifteenth day of July 754  
of each fiscal year, certify or cause to be certified to the 755  
office of budget and management the total amount of moneys 756  
required during the current fiscal year to meet in full all debt 757  
service on the respective obligations and any related financing 758  
costs payable from the applicable bond service fund and not from 759  
the proceeds of refunding or renewal obligations. The issuing 760  
authority shall make or cause to be made supplemental 761  
certifications to the office of budget and management for each 762  
debt service payment date and at such other times during each 763  
fiscal year as may be provided in the bond proceedings or 764  
requested by that office. Debt service, costs of credit 765  
enhancement facilities, and other financing costs shall be set 766  
forth separately in each certification. If and so long as the 767  
moneys to the credit of the bond service fund, together with any 768  
other moneys available for the purpose, are insufficient to meet 769  
in full all payments when due of the amount required as stated in 770  
the certificate or otherwise, the office of budget and management 771  
shall at the times as provided in the bond proceedings, and 772  
consistent with any particular provisions in sections 151.03 to 773  
~~151.09~~ 151.11 and 151.40 of the Revised Code, transfer a 774  
sufficient amount to the bond service fund from the pledged 775  
revenues in the case of obligations issued pursuant to section 776

151.40 of the Revised Code, and in the case of other obligations 777  
from the revenues derived from excises, taxes, and other revenues, 778  
including net state lottery proceeds in the case of obligations 779  
referred to in section 151.03 of the Revised Code. 780

(R) Unless otherwise provided in any applicable bond 781  
proceedings, moneys to the credit of special funds may be invested 782  
by or on behalf of the state only in one or more of the following: 783

(1) Notes, bonds, or other direct obligations of the United 784  
States or of any agency or instrumentality of the United States, 785  
or in no-front-end-load money market mutual funds consisting 786  
exclusively of those obligations, or in repurchase agreements, 787  
including those issued by any fiduciary, secured by those 788  
obligations, or in collective investment funds consisting 789  
exclusively of those obligations; 790

(2) Obligations of this state or any political subdivision of 791  
this state; 792

(3) Certificates of deposit of any national bank located in 793  
this state and any bank, as defined in section 1101.01 of the 794  
Revised Code, subject to inspection by the superintendent of 795  
financial institutions; 796

(4) The treasurer of state's pooled investment program under 797  
section 135.45 of the Revised Code. 798

The income from investments referred to in division (R) of 799  
this section shall, unless otherwise provided in sections 151.01 800  
to ~~151.09~~ 151.11 or 151.40 of the Revised Code, be credited to 801  
special funds or otherwise as the issuing authority determines in 802  
the bond proceedings. Those investments may be sold or exchanged 803  
at times as the issuing authority determines, provides for, or 804  
authorizes. 805

(S) The treasurer of state shall have responsibility for 806  
keeping records, making reports, and making payments, relating to 807

any arbitrage rebate requirements under the applicable bond 808  
proceedings. 809

**Sec. 151.02.** (A) Pursuant to the powers granted to the 810  
general assembly under Article VIII, Ohio Constitution, to 811  
authorize the issuance of obligations, and pursuant to other 812  
authority vested in the general assembly, there is hereby created 813  
a body, both corporate and politic, constituting an agency and 814  
instrumentality of the state of Ohio and performing essential 815  
functions of the state, to be known as the "Ohio public facilities 816  
commission," which in that name may contract and be contracted 817  
with, sue and be sued, and exercise all other authority vested in 818  
that commission by sections 151.01 to 151.05 and 151.07 to 151.11 819  
and Chapter 154. of the Revised Code. 820

(B) The commission shall consist of, in each case ex officio, 821  
the governor, the treasurer of state, the auditor of state, the 822  
secretary of state, the attorney general, and the director of 823  
budget and management. The governor shall serve as the chairman of 824  
the commission, the director of budget and management shall serve 825  
as its secretary, and the commission shall have such other 826  
officers as it determines, who may but need not be members of the 827  
commission. Four members of the commission constitute a quorum and 828  
the affirmative vote of four members is necessary for any action 829  
taken by vote of the commission. No vacancy in the membership of 830  
the commission shall impair the rights of a quorum by such vote to 831  
exercise all the rights and perform all the duties of the 832  
commission. Each of the state officers above identified may 833  
designate an employee or officer of that officer's office to 834  
attend meetings of the commission when that officer is absent or 835  
unable for any reason to attend and that designee, when present, 836  
shall be counted in determining whether a quorum is present at any 837  
meeting and may vote and participate in all proceedings and 838

actions of the commission. A designee may not execute or cause a  
facsimile signature to be placed on any obligation. That  
designation shall be in writing, executed by the designating  
member, and be filed with the secretary of the commission. A  
designation may be changed from time to time by a similar written  
designation. The commission may delegate to such of its members,  
officers, or employees as it determines those powers and duties as  
it deems appropriate. No member of the commission or designee  
shall, by reason of being or serving as a member of the  
commission, be required to abstain from action in any other  
capacity as an incumbent of a state office or position or from any  
action as a member of the commission in any matter affecting or in  
any way pertaining to both that office or position and the  
commission, or for any purpose be deemed to be disqualified from  
either such office or position or as a member of the commission by  
reason of so acting or to have violated any law by reason thereof.  
The commission may adopt and alter bylaws and rules for the  
conduct of its affairs, including provisions for meetings, and for  
the manner, subject to this chapter and Chapter 154. of the  
Revised Code, in which its powers and functions are to be  
exercised and embodied and may adopt and alter at will an official  
seal to be affixed to official documents, provided that the  
failure to affix any such seal shall not affect the legality of  
such documents. Members of the commission shall receive no added  
compensation for their services as such members but may be  
reimbursed, as determined by the commission, for their necessary  
and actual expenses incurred in the conduct of the commission's  
business.

(C) In connection with the exercise of its powers pursuant to  
this chapter, the commission may enter into contracts and execute  
all instruments necessary or incidental to the performance of the  
commission's duties and the execution of the authority's powers

and do all other acts necessary or proper to the fulfillment of  
the commission's purposes and to carry out the powers expressly  
granted in this chapter.

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Sec. 151.10. (A) As used in this section:

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(1) "Costs of research and development projects" includes  
related direct administrative expenses and allocable portions of  
the direct costs of those projects, costs of capital facilities,  
and working capital, all for the following:

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(a) Attracting researchers and research teams by endowing  
research chairs or otherwise;

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(b) Activities to develop and commercialize products and  
processes;

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(c) Intellectual property matters such as copyrights and  
patents;

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(d) Property interests including timesharing arrangements,  
capital formation, direct operating costs, and costs of research  
and facilities including interests in real property therefore; and

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(e) Support for public and private institutions of higher  
education, research organizations or institutions, and private  
sector entities.

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(2) "Obligations" means obligations as defined in section  
151.01 of the Revised Code issued to pay costs of projects for  
research and development purposes as referred to in division  
(A)(2) of Section 2p of Article VIII, Ohio Constitution.

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(3) "Project" means any research and development project, as  
defined in section 184.10 of the Revised Code, or facility,  
including undivided or other interests, acquired or to be  
acquired, constructed or to be constructed, or operating or to be  
operated by a person doing business in this state or by an

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educational or scientific institution located in this state with  
all or part of the cost of the project being paid from a grant or  
loan from the third frontier research and development fund or a  
loan guaranteed under Chapter 184. of the Revised Code, including  
all buildings and facilities determined necessary for the  
operation of the project, together with all property, rights,  
easements, and interests that may be required for the operation of  
the project.

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(B) The issuing authority shall issue general obligations of  
the state to pay costs of research and development projects  
pursuant to division (B)(2) of Section 2p of Article VIII, Ohio  
Constitution, section 151.01 of the Revised Code, and this  
section. The issuing authority shall issue obligations in the  
amount determined by the issuing authority to be required for  
those purposes. The total principal amount of obligations issued  
under this section shall not exceed five hundred million dollars.

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(C) Net proceeds of obligations shall be deposited into the  
third frontier research and development fund created by section  
184.19 of the Revised Code.

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(D) There is hereby created in the state treasury the third  
frontier research and development projects bond service fund. All  
moneys received by the state and required by the bond proceedings,  
consistent with section 151.01 of the Revised Code and this  
section, to be deposited, transferred, or credited to the bond  
service fund, and all other moneys transferred or allocated to or  
received for the purposes of that fund, shall be deposited and  
credited to the bond service fund, subject to any applicable  
provisions of the bond proceedings, but without necessity for any  
act of appropriation. During the period beginning with the date of  
the first issuance of obligations and continuing during the time  
that any obligations are outstanding in accordance with their  
terms, so long as moneys in the bond service fund are insufficient

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to pay debt service when due on those obligations payable from 932  
that fund, except the principal amounts of bond anticipation notes 933  
payable from the proceeds of renewal notes or bonds anticipated, 934  
and due in the particular fiscal year, a sufficient amount of 935  
revenues of the state is committed and, without necessity for 936  
further act of appropriation, shall be paid to the bond service 937  
fund for the purpose of paying that debt service when due. 938

Sec. 151.11. (A) As used in this section: 939

(1) "Costs of sites and facilities" includes related direct 940  
administrative expenses and allocable portions of the direct costs 941  
of those projects. "Costs of sites and facilities" includes 942  
"allowable costs" as defined in section 122.085 of the Revised 943  
Code. 944

(2) "Obligations" means obligations as defined in section 945  
151.01 of the Revised Code issued to pay costs of sites and 946  
facilities in Ohio for and in support of industry, commerce, 947  
distribution, and research and development purposes as referred to 948  
in division (A)(3) of Section 2p of Article VIII, Ohio 949  
Constitution. 950

(B) The issuing authority shall issue general obligations of 951  
the state to pay costs of sites and facilities pursuant to 952  
division (B)(3) of Section 2p of Article VIII, Ohio Constitution, 953  
section 151.01 of the Revised Code, and this section. The issuing 954  
authority shall issue obligations in the amount determined by the 955  
issuing authority to be required for those purposes. The total 956  
principal amount of obligations issued under this section shall 957  
not exceed one hundred fifty million dollars. 958

(C) Net proceeds of obligations shall be deposited into the 959  
job ready site development fund created by section 122.0820 of the 960  
Revised Code. 961



(D) There is hereby created in the state treasury the job 962  
ready site development bond service fund. All moneys received by 963  
the state and required by the bond proceedings, consistent with 964  
section 151.01 of the Revised Code and this section, to be 965  
deposited, transferred, or credited to the bond service fund, and 966  
all other moneys transferred or allocated to or received for the 967  
purposes of that fund, shall be deposited and credited to the bond 968  
service fund, subject to any applicable provisions of the bond 969  
proceedings, but without necessity for any act of appropriation. 970  
During the period beginning with the date of the first issuance of 971  
obligations and continuing during the time that any obligations 972  
are outstanding in accordance with their terms, so long as moneys 973  
in the bond service fund are insufficient to pay debt service when 974  
due on those obligations payable from that fund, except the 975  
principal amounts of bond anticipation notes payable from the 976  
proceeds of renewal notes or bonds anticipated, and due in the 977  
particular fiscal year, a sufficient amount of revenues of the 978  
state is committed and, without necessity for further act of 979  
appropriation, shall be paid to the bond service fund for the 980  
purpose of paying that debt service when due. 981

**Sec. 184.01.** (A) There is hereby created the third frontier 982  
commission in the department of development. The purpose of the 983  
commission is to coordinate and administer science and technology 984  
programs to promote the welfare of the people of the state and to 985  
maximize the economic growth of the state through expansion of 986  
both of the following: 987

(1) The state's high technology research and development 988  
capabilities; 989

(2) The state's product and process innovation and 990  
commercialization. 991

(B)(1) The commission shall consist of nine members: the 992

director of development, the chancellor of the Ohio board of 993  
regents, ~~and~~ the governor's science and technology advisor, and 994  
six persons appointed by the governor with the advice and consent 995  
of the senate. The 996

(2) Of the six persons appointed by the governor, one shall 997  
represent the central region, which is composed of the counties of 998  
Delaware, Fairfield, Fayette, Franklin, Hocking, Knox, Licking, 999  
Logan, Madison, Marion, Morrow, Perry, Pickaway, Ross, and Union; 1000  
one shall represent the west central region, which is composed of 1001  
the counties of Champaign, Clark, Darke, Greene, Miami, 1002  
Montgomery, Preble, and Shelby; one shall represent the northeast 1003  
region, which is composed of the counties of Ashland, Ashtabula, 1004  
Carroll, Crawford, Columbiana, Cuyahoga, Erie, Geauga, Holmes, 1005  
Huron, Lake, Lorain, Mahoning, Medina, Portage, Richland, Stark, 1006  
Summit, Trumbull, Tuscarawas, and Wayne; one shall represent the 1007  
northwest region, which is composed of the counties of Allen, 1008  
Auglaize, Defiance, Fulton, Hancock, Hardin, Henry, Lucas, Mercer, 1009  
Ottawa, Paulding, Putnam, Sandusky, Seneca, Van Wert, Williams, 1010  
Wood, and Wyandot; one shall represent the southeast region, which 1011  
shall represent the counties of Adams, Athens, Belmont, Coshocton, 1012  
Gallia, Guernsey, Harrison, Jackson, Jefferson, Lawrence, Meigs, 1013  
Monroe, Morgan, Muskingum, Noble, Pike, Scioto, Vinton, and 1014  
Washington; and one shall represent the southwest region, which is 1015  
composed of the counties of Butler, Brown, Clermont, Clinton, 1016  
Hamilton, Highland, and Warren. Of the initial appointments, two 1017  
shall be for one year, two shall be for two years, and two shall 1018  
be for three years as assigned by the governor. Thereafter, 1019  
appointments shall be for three-year terms. Members may be 1020  
reappointed and vacancies shall be filled in the same manner as 1021  
appointments. A person must have a background in business or 1022  
research in order to be eligible for appointment to the 1023  
commission. 1024

(3) The governor shall select a chairperson from among the 1025  
members, who shall serve in that role at the pleasure of the 1026  
governor. Sections 101.82 to 101.87 of the Revised Code do not 1027  
apply to the commission. 1028

(C) The commission shall meet at least once during each 1029  
quarter of the calendar year or at the call of the chairperson. A 1030  
majority of all members of the commission constitutes a quorum, 1031  
and no action shall be taken without the concurrence of a majority 1032  
of the members. 1033

(D) The commission shall administer any money that may be 1034  
appropriated to it by the general assembly. The commission may use 1035  
such money for research and commercialization and for any other 1036  
purposes that may be designated by the commission. 1037

(E) The department of development shall provide office space 1038  
and facilities for the commission. Administrative costs associated 1039  
with the operation of the commission or with any program or 1040  
activity administered by the commission shall be paid from amounts 1041  
appropriated to the commission or to the department of development 1042  
for such purposes. 1043

(F) The attorney general shall serve as the legal 1044  
representative for the commission and may appoint other counsel as 1045  
necessary for that purpose in accordance with section 109.07 of 1046  
the Revised Code. 1047

(G) Members of the commission shall serve without 1048  
compensation, but shall receive their reasonable and necessary 1049  
expenses incurred in the conduct of commission business. 1050

(H) Members of the commission shall file financial disclosure 1051  
statements described in division (B) of section 102.02 of the 1052  
Revised Code. 1053

**Sec. 184.02.** (A) The In addition to the powers and duties 1054

under sections 184.10 to 184.20 of the Revised Code, the 1055  
frontier commission may perform any act to ensure the performance 1056  
of any function necessary or appropriate to carry out the purposes 1057  
of, and exercise the powers granted under, sections 184.01 and 1058  
184.02 of the Revised Code. In addition, the commission may do any 1059  
of the following: 1060

(1) Adopt, amend, and rescind rules under section 111.15 of 1061  
the Revised Code for the administration of any aspect of its 1062  
operations; 1063

(2) Adopt bylaws governing its operations, including bylaws 1064  
that establish procedures and set policies as may be necessary to 1065  
assist with the furtherance of its purposes; 1066

(3) Appoint and set the compensation of employees needed to 1067  
carry out its duties; 1068

(4) Contract with, retain the services of, or designate, and 1069  
fix the compensation of, such financial consultants, accountants, 1070  
other consultants and advisors, and other independent contractors 1071  
as may be necessary or desirable to carry out its duties; 1072

(5) Solicit input and comments from the third frontier 1073  
advisory board, and specialized industry, professional, and other 1074  
relevant interest groups concerning its purposes; 1075

(6) Facilitate alignment of the state's science and 1076  
technology programs and activities; 1077

(7) Make grants and loans to individuals, public agencies, 1078  
private companies or organizations, or joint ventures for any of 1079  
the broad range of activities related to its purposes. 1080

(B) The In addition to the powers and duties under sections 1081  
184.10 to 184.20 of the Revised Code, the commission shall do all 1082  
of the following: 1083

(1) Establish a competitive process for the award of grants 1084

and loans that is designed to fund the most meritorious proposals 1085  
and, when appropriate, provide for peer review of proposals; 1086

(2) Within ninety days after the end of each fiscal year, 1087  
submit to the governor and the general assembly a report of the 1088  
activities of the commission during the preceding fiscal year; 1089

(3) With specific application to the biomedical research and 1090  
technology transfer trust fund, periodically make strategic 1091  
assessments of the types of state investments in biomedical 1092  
research and biotechnology in the state that would likely create 1093  
jobs and business opportunities in the state and produce the most 1094  
beneficial long-term improvements to the public health of Ohioans, 1095  
including, but not limited to, biomedical research and 1096  
biotechnology initiatives that address tobacco-related illnesses 1097  
as may be outlined in any master agreement. The commission shall 1098  
award grants and loans from the fund pursuant to a process 1099  
established under division (B)(1) of this section. 1100

**Sec. 184.03.** (A) There is hereby created the third frontier 1101  
advisory board that, upon request of the third frontier 1102  
commission, shall provide general advice to the commission on 1103  
various items including, but not limited to, the following: 1104

(1) Strategic planning for programs administered by the 1105  
commission; 1106

(2) Budget and funding priorities, funding processes, 1107  
request-for-proposal criteria, and other aspects of the management 1108  
and coordination of programs administered by the commission; 1109

(3) Metrics and methods of measuring the progress and impact 1110  
of programs administered by the commission; 1111

(4) Studies to be conducted to collect and analyze data 1112  
relevant to advancing the goals of programs administered by the 1113  
commission; 1114

(5) The commission's powers and duties under sections 184.10 1115  
to 184.20 of the Revised Code. 1116

(B) The board shall consist of sixteen members selected for 1117  
their knowledge of and experience in science and technology 1118  
matters that may affect the state in the near future. Of the 1119  
sixteen members, fourteen shall be appointed by the governor, one 1120  
shall be appointed by the speaker of the house of representatives, 1121  
and one shall be appointed by the president of the senate. 1122

(1) Of the fourteen members appointed by the governor, nine 1123  
shall be representative of or have experience with business 1124  
matters that affect the state and five shall be representative of 1125  
or have experience with matters affecting universities or 1126  
nonprofit research institutions in the state. 1127

(2) Of the governor's initial appointees that are 1128  
representative of or have experience with business matters that 1129  
affect the state, three shall serve an initial term of one year, 1130  
three shall serve an initial term of two years, and three shall 1131  
serve an initial term of three years. All of the initial 1132  
appointees that are representative of or have experience with 1133  
matters affecting university or nonprofit research institutions 1134  
shall serve an initial term of three years. Thereafter, each 1135  
member appointed by the governor shall serve a three-year term. 1136

(3) All appointees to the board shall serve at the pleasure 1137  
of their appointing authorities. 1138

(4) Not more than nine members of the board shall be of the 1139  
same political party. 1140

(C) The governor shall appoint the chairperson of the board 1141  
from among its members, and the chairperson shall serve in that 1142  
role at the pleasure of the governor. 1143

(D) A majority of the members of the board constitutes a 1144

quorum, and no action shall be taken without the affirmative vote  
of a majority of the members.

(E) Each member of the board shall hold office from the date  
of appointment until the end of the term for which the member was  
appointed. A member may be reappointed for an unlimited number of  
terms. A member appointed to fill a vacancy occurring prior to the  
expiration of the term for which the member's predecessor was  
appointed shall hold office for the remainder of such term. A  
vacancy in an unexpired term shall be filled in the same manner as  
the original appointment. A member of the board shall continue in  
office subsequent to the expiration date of the member's term  
until the member's successor takes office, or until a period of  
sixty days has elapsed, whichever occurs first. The governor may  
remove any member of the board for malfeasance, misfeasance, or  
nonfeasance after a hearing in accordance with Chapter 119. of the  
Revised Code.

(F) Members of the board shall not act as representatives of  
any specific disciplinary, regional, or organizational interest.  
Members shall represent a wide variety of experience valuable in  
technology research and development, product process innovation  
and commercialization, and creating and managing high-growth  
technology-based companies.

(G) Members of the board shall file financial disclosure  
statements described in division (B) of section 102.02 of the  
Revised Code.

(H) Members of the board shall serve without compensation but  
shall receive their reasonable and necessary expenses incurred in  
the conduct of board business.

(I) Before entering upon duties as a member of the board,  
each member shall take an oath as provided by Section 7 of Article  
XV, Ohio Constitution.

(J) The department of development shall provide office space 1176  
and facilities for the board. 1177

(K) Sections 101.82 to 101.87 of the Revised Code do not 1178  
apply to the board. 1179

Sec. 184.10. As used in sections 184.10 to 184.20 of the 1180  
Revised Code: 1181

(A) "In-state entity" includes individuals, public and 1182  
private entities, agencies, and institutions, private companies or 1183  
organizations, partnerships, business trusts, or other business 1184  
entities or ventures, or research organizations, whether for 1185  
profit or not for profit, that have substantial presence in Ohio. 1186

(B) "Research and development projects" means projects or 1187  
activities in support of Ohio industry, commerce, and business, 1188  
which include, without limitation, research and product 1189  
innovation, development, and commercialization through efforts by, 1190  
and may include collaboration among, Ohio business and industry, 1191  
state and local public entities and agencies, public and private 1192  
institutions, research organizations, or other in-state entities 1193  
specifically formed for the sole purpose of both investing in and 1194  
providing direct management support to any one or combination of 1195  
any of the foregoing entities or any other in-state entities. 1196  
Those projects and activities also include projects and activities 1197  
supporting any and all matters related to research and development 1198  
purposes including: attracting researchers and research teams by 1199  
endowing chairs or otherwise; developing and commercializing 1200  
products and processes; promoting, developing, and securing 1201  
intellectual property matters and rights such as copyrights and 1202  
patents; promoting, developing, and securing property interests, 1203  
including time sharing arrangements; and promoting, developing, 1204  
and securing financial rights and matters such as royalties, 1205  
licensing, and other financial gain or sharing resulting from 1206



research and development. 1207

Sec. 184.11. The third frontier commission may award support 1208  
to individuals, public and private entities, agencies, and 1209  
institutions, private companies or organizations, partnerships, 1210  
business trusts, or other business entities or ventures, research 1211  
organizations, whether for profit or not for profit, or 1212  
combinations or consortiums of any of the foregoing for the 1213  
purpose of supporting research and development projects. The 1214  
support may be in such manner as the commission determines, 1215  
including by any one or a combination of grants, loans, including 1216  
loans to lenders or the purchase of loans, subsidies, 1217  
contributions, advances, or guarantees, or by payment or 1218  
reimbursement from available money, or by providing staffing or 1219  
other support including computer or other technology capacity, or 1220  
equipment or facilities, including interests in real property. 1221

Sec. 184.111. Except with respect to support subject to an 1222  
agreement under section 184.114 of the Revised Code, the third 1223  
frontier commission may award the support described in section 1224  
184.11 of the Revised Code only to in-state entities. If an entity 1225  
awarded support is collaborating with any entity that is not an 1226  
in-state entity on the research and development project for which 1227  
the support was awarded, the in-state entity may provide any 1228  
portion of that support to the other entity only if the 1229  
commission, in its discretion and only under exceptional 1230  
circumstances that the commission determines, permits it. 1231

Sec. 184.112. The third frontier commission shall establish a 1232  
competitive process for making awards of the support described in 1233  
section 184.11 of the Revised Code that is designed to fund the 1234  
research and development projects that have the most merit. The 1235  
commission, on completion of that process, shall make a 1236

recommendation to the controlling board asking for approval to 1237  
award support for the research and development projects selected 1238  
by the commission. 1239

**Sec. 184.113.** The third frontier commission shall require 1240  
each individual, public and private entity, agency, and 1241  
institution, private company or organization, partnership, 1242  
business trust, or other business entity or venture, research 1243  
organization, or combination or consortium of any of the foregoing 1244  
that the controlling board approves to receive the support 1245  
described in section 184.11 of the Revised Code to enter into an 1246  
agreement governing the use of the support for the research and 1247  
development project. The agreement shall contain terms the 1248  
commission determines to be necessary, including provisions 1249  
stating that any support given by the commission may be used to 1250  
pay costs of or in support of or related to research and 1251  
development purposes, including, without limitation, capital 1252  
formation, direct operating costs, costs of research and 1253  
facilities, including interests in real property, and support for 1254  
public and private institutions of higher education, research 1255  
organizations or institutions, and private sector entities. 1256

**Sec. 184.114.** If the third frontier commission intends to 1257  
award support for a research and development project under section 1258  
184.11 of the Revised Code to an individual or private entity, 1259  
agency, institution, company, partnership, business trust, or 1260  
other business entity or venture, or organization, the agreement 1261  
governing the use of the support entered into under section 1262  
184.113 of the Revised Code shall require both of the following: 1263

(A) The project shall primarily benefit this state. 1264

(B) If the recipient of the support is not an in-state 1265  
entity, it shall become an in-state entity not later than six 1266

months after entering into the agreement. 1267

Sec. 184.115. An individual or private entity, agency, 1268  
institution, company, partnership, business trust, or other 1269  
business entity or venture, or organization that has received 1270  
support under section 184.11 of the Revised Code for a research 1271  
and development project and that violates the requirements of 1272  
section 184.114 of the Revised Code forfeits the support and must 1273  
repay the support amount or the equivalent in money plus interest 1274  
at the rate required by section 5703.47 of the Revised Code to the 1275  
third frontier commission. If all or a portion of the support 1276  
forfeited is other than in the form of a grant, recovery of the 1277  
support shall be governed by the agreement entered into under 1278  
section 184.113 of the Revised Code. 1279

Sec. 184.116. If the third frontier commission utilizes 1280  
independent reviewers to review the merits of proposed research 1281  
and development projects and to make recommendations to the 1282  
commission concerning which projects should be awarded support 1283  
under section 184.11 of the Revised Code and the commission takes 1284  
one of the following actions, the commission shall provide a 1285  
written explanation of the reasons for its action and present the 1286  
explanation at one of the commission's regularly scheduled public 1287  
meetings: 1288

(A) Awards support for a project that the reviewers do not 1289  
recommend; 1290

(B) Refuses to award support for a project the reviewers do 1291  
recommend; 1292

(C) Makes a support award that varies substantially from the 1293  
reviewers' recommendation. 1294

The commission, pursuant to Chapter 119. of the Revised Code, 1295  
shall adopt rules necessary and proper to govern explanations 1296

required under this section. 1297

Sec. 184.12. Individuals, Ohio businesses and industries, 1298  
local public entities and agencies, public and private education 1299  
institutions, including state-supported and state-assisted 1300  
institutions of higher education, the state and state agencies, 1301  
and research organizations and institutions may collaborate on 1302  
research and development projects. 1303

Sec. 184.13. The state shall have no ownership interest in 1304  
any business or private entity, agency, institution, company, 1305  
partnership, business trust, venture, or organization that has 1306  
received support for a research and development project under 1307  
section 184.11 of the Revised Code, and shall assume no shared 1308  
risk or shared liability. 1309

Sec. 184.14. The third frontier commission shall establish 1310  
procedures that permit public inspection of all support awarded 1311  
under section 184.11 of the Revised Code for research and 1312  
development projects and the processes used to determine which 1313  
projects shall receive support. 1314

Sec. 184.15. The third frontier commission shall publish a 1315  
report twice each year detailing all support awarded under section 1316  
184.11 of the Revised Code for research and development projects, 1317  
including the amount or type of support and the progress and 1318  
performance metrics for the projects. A copy of each report shall 1319  
be delivered to the governor, speaker and minority leader of the 1320  
house of representatives, and president and minority leader of the 1321  
senate. 1322

Sec. 184.151. The third frontier commission shall conduct 1323  
public meetings twice each year at which a representative of the 1324

department of development shall testify regarding the number of  
applicants for support for research and development projects and  
the other information contained in the most recent report made by  
the commission under section 184.15 of the Revised Code. The  
representative shall also testify regarding the monitoring  
activities of, and data obtained by, the department pursuant to  
section 184.16 of the Revised Code. In addition to oral testimony,  
the representative shall provide a written report of all the  
information for which testimony is required under this section.

**Sec. 184.16.** The department of development shall monitor each  
research and development project receiving support under section  
184.11 of the Revised Code to ensure the following:

(A) Fiscal accountability, so that the support is used in  
accordance with the agreement entered into under section 184.113  
of the Revised Code;

(B) Operating progress, so that the project is managed to  
achieve the requirements of the agreement entered into under  
section 184.113 of the Revised Code and so that problems may be  
promptly identified and remedied;

(C) Desired outcomes, including job creation and other  
anticipated economic impacts.

**Sec. 184.17.** As used in sections 184.171, 184.172, and  
184.173 of the Revised Code, "minority" means an individual who is  
a United States citizen and who is a member of one of the  
following economically disadvantaged groups: Blacks or African  
Americans, American Indians, Hispanics or Latinos, and Asians.

**Sec. 184.171.** The third frontier commission shall conduct  
outreach activities described in section 184.172 of the Revised

Code that seek to include minorities in the various projects and 1353  
initiatives sponsored, funded, encouraged, or otherwise promoted 1354  
by the commission. The commission shall direct the activities at 1355  
faculty and students involved in science and engineering 1356  
disciplines, professional scientists and engineers, technical 1357  
assistance providers, the investment community, minority-owned 1358  
businesses, and minority entrepreneurs. 1359

Sec. 184.172. The outreach activities the third frontier 1360  
commission shall conduct under section 184.171 of the Revised Code 1361  
shall include the following: 1362

(A) Identifying and partnering with historically black 1363  
colleges and universities to solicit and implement a minority 1364  
technology demonstration project funded by the national science 1365  
foundation; 1366

(B) Working with all institutions of higher education in the 1367  
state to support minority faculty and students involved in science 1368  
and engineering; 1369

(C) Developing a plan to contact by telephone minority-owned 1370  
businesses and entrepreneurs to notify them of and encourage them 1371  
to participate in the various third frontier projects and 1372  
initiatives; 1373

(D) Identifying minority professional and technical trade 1374  
associations and economic development assistance organizations and 1375  
notifying them of the various third frontier projects and 1376  
initiatives; 1377

(E) Partnering with regional technology councils to foster 1378  
local efforts to support minority-owned technology businesses or 1379  
otherwise identify networks of minority-owned technology 1380  
businesses, entrepreneurs, and individuals operating locally; 1381

(F) Identifying minority technology firms and marketing them 1382  
to the investment community including the Ohio venture capital 1383  
authority created under section 150.02 of the Revised Code and the 1384  
managers of all investment funds receiving third frontier project 1385  
support. 1386

**Sec. 184.173.** The third frontier commission shall conduct the 1387  
outreach activities described in sections 184.171 and 184.172 of 1388  
the Revised Code in conjunction with the EDGE program created 1389  
under section 123.152 of the Revised Code. 1390

**Sec. 184.18.** (A) As used in this section: 1392

(1) "Metropolitan statistical area" means an area of this 1393  
state that is designated a metropolitan statistical area or 1394  
primary metropolitan statistical area in United States office of 1395  
management and budget bulletin No. 04-03, February 18, 2004, and 1396  
its attachments, and the designated area is located entirely 1397  
within this state. An area of this state that is designated a 1398  
metropolitan statistical area or primary metropolitan statistical 1399  
area, but the designated area includes areas of one or more other 1400  
states, shall be considered a metropolitan statistical area only 1401  
if that area of this state could be designated a metropolitan 1402  
statistical area or primary metropolitan statistical area without 1403  
including the areas located in the other state or states. 1404

(2) "Rural area" means any area of this state not located 1405  
within a metropolitan statistical area. 1406

(B) The third frontier commission shall conduct outreach 1407  
activities that seek to include rural areas in the various 1408  
projects and initiatives sponsored, funded, encouraged, or 1409  
otherwise promoted by the commission. Those activities shall 1410  
include the following: 1411

(1) Working with all institutions of higher education in the 1412  
state to support faculty and students involved in science and 1413  
engineering who focus on third frontier projects and initiatives 1414  
in rural areas; 1415

(2) Developing a plan to contact by telephone businesses and 1416  
entrepreneurs in rural areas to notify them of and encourage them 1417  
to participate in the various third frontier projects and 1418  
initiatives; 1419

(3) Identifying professional and technical trade associations 1420  
and economic development assistance organizations in rural areas 1421  
and notifying them of the various third frontier projects and 1422  
initiatives; 1423

(4) Partnering with regional technology councils to foster 1424  
local efforts to support technology businesses in rural areas or 1425  
otherwise identify networks of technology businesses, 1426  
entrepreneurs, and individuals operating in rural areas; 1427

(5) Identifying technology firms in rural areas and marketing 1428  
them to the investment community including the Ohio venture 1429  
capital authority created under section 150.02 of the Revised Code 1430  
and the managers of all investment funds receiving third frontier 1431  
project support. 1432

**Sec. 184.19.** The third frontier research and development fund 1433  
is hereby created in the state treasury. The fund shall consist of 1434  
the net proceeds of the obligations issued and sold by the issuing 1435  
authority pursuant to sections 151.01 and 151.10 of the Revised 1436  
Code. Investment earnings of the fund shall be credited to the 1437  
fund. Moneys in the fund shall be used in accordance with sections 1438  
184.10 to 184.18 and 184.20 of the Revised Code and for associated 1439  
administrative expenses. 1440

**Sec. 184.20.** (A) A member of the third frontier commission or 1441



a member of the third frontier advisory board shall not do either 1442  
of the following: 1443

(1) Receive support under section 184.11 of the Revised Code; 1444

(2) Receive any financial gain from an entity that is awarded 1445  
support under section 184.11 of the Revised Code if that financial 1446  
gain is directly related to, or is the direct result of, the 1447  
awarding of such support. 1448

(B) A member who violates division (A) of this section shall 1449  
forfeit the support or financial gain received and shall pay the 1450  
amount forfeited to the third frontier commission. 1451

**Section 2.** That existing sections 151.01, 151.02, 184.01, 1452  
184.02, and 184.03 of the Revised Code are hereby repealed. 1453

**Section 3.** The Governor shall make the appointments to the 1454  
Third Frontier Commission required under section 184.01 of the 1455  
Revised Code not later than April 1, 2006. The Commission shall be 1456  
officially expanded on that date and the initial terms of office 1457  
of those persons appointed shall begin on that date. 1458

**Section 4.** That Sections 203.99, 203.99.33, 203.99.51, and 1459  
209.99 of Am. Sub. H.B. 66 of the 126th General Assembly be 1460  
amended to read as follows: 1461

**Sec. 203.99.** DEV DEPARTMENT OF DEVELOPMENT 1462

General Revenue Fund 1463

GRF 195-321 Operating Expenses	\$	2,738,908	\$	2,723,908	1464
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GRF 195-401 Thomas Edison Program	\$	17,554,838	\$	17,454,838	1465
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GRF 195-404 Small Business	\$	1,740,722	\$	1,740,722	1466
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Development

GRF 195-405 Minority Business	\$	1,580,291	\$	1,580,291	1467
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		Development Division				
GRF	195-407	Travel and Tourism	\$	6,812,845	\$	6,712,845 1468
GRF	195-410	Defense Conversion	\$	300,000	\$	200,000 1469
		Assistance				
GRF	195-412	Business Development	\$	11,750,000	\$	11,750,000 1470
		Grants				
GRF	195-415	Economic Development	\$	5,794,975	\$	5,894,975 1471
		Division and Regional Offices				
GRF	195-416	Governor's Office of	\$	4,122,372	\$	4,122,372 1472
		Appalachia				
GRF	195-422	Third Frontier Action	\$	16,790,000	\$	16,790,000 1473
		Fund				
GRF	195-426	Clean Ohio	\$	300,000	\$	300,000 1474
		Implementation				
GRF	195-432	International Trade	\$	4,223,787	\$	4,223,787 1475
GRF	195-434	Investment in Training	\$	12,227,500	\$	12,227,500 1476
		Grants				
GRF	195-436	Labor/Management	\$	811,869	\$	811,869 1477
		Cooperation				
GRF	195-497	CDBG Operating Match	\$	1,040,956	\$	1,040,956 1478
GRF	195-498	State Match Energy	\$	94,000	\$	94,000 1479
GRF	195-501	Appalachian Local	\$	380,080	\$	380,080 1480
		Development Districts				
GRF	195-502	Appalachian Regional	\$	246,803	\$	246,803 1481
		Commission Dues				
GRF	195-507	Travel and Tourism	\$	1,287,500	\$	1,162,500 1482
		Grants				
GRF	195-515	Economic Development	\$	10,000,000	\$	0 1483
		Contingency				
GRF	195-905	Third Frontier	\$	0	\$	13,910,000 1484
		Research & Commercialization				

		<u>Development</u>	General					
			Obligation Debt					
			Service					
GRF	195-912	<u>Job Ready Site</u>		\$	0	\$	<u>4,124,400</u>	1485
		<u>Development</u>	General					
			Obligation Debt					
			Service					
TOTAL GRF	General Revenue Fund			\$	99,797,446	\$	<del>103,367,446</del> <u>107,491,846</u>	1486
General Services Fund Group								1487
135	195-605	Supportive Services		\$	7,450,000	\$	7,539,686	1488
5AD	195-667	Investment in Training		\$	5,000,000	\$	5,000,000	1489
		Expansion						
5AD	195-668	Worker Guarantee		\$	3,000,000	\$	3,000,000	1490
		Program						
5AD	195-677	Economic Development		\$	0	\$	10,000,000	1491
		Contingency						
685	195-636	General Reimbursements		\$	1,000,000	\$	1,000,000	1492
TOTAL GSF	General Services Fund							1493
Group				\$	16,450,000	\$	26,539,686	1494
Federal Special Revenue Fund Group								1495
3AE	195-643	Workforce Development		\$	5,800,000	\$	5,800,000	1496
		Initiatives						
3K8	195-613	Community Development		\$	65,000,000	\$	65,000,000	1497
		Block Grant						
3K9	195-611	Home Energy Assistance		\$	90,500,000	\$	90,500,000	1498
		Block Grant						
3K9	195-614	HEAP Weatherization		\$	16,219,478	\$	16,219,478	1499
3L0	195-612	Community Services		\$	25,235,000	\$	25,235,000	1500
		Block Grant						
3V1	195-601	HOME Program		\$	40,000,000	\$	40,000,000	1501
308	195-602	Appalachian Regional		\$	600,660	\$	600,660	1502

		Commission					
308	195-603	Housing and Urban Development	\$	5,000,000	\$	5,000,000	1503
308	195-605	Federal Projects	\$	15,300,249	\$	15,300,249	1504
308	195-609	Small Business Administration	\$	4,296,381	\$	4,296,381	1505
308	195-618	Energy Federal Grants	\$	3,397,659	\$	3,397,659	1506
335	195-610	Oil Overcharge	\$	3,000,000	\$	3,000,000	1507
TOTAL FED Federal Special Revenue							1508
Fund Group			\$	274,349,427	\$	274,349,427	1509
State Special Revenue Fund Group							1510
4F2	195-639	State Special Projects	\$	290,183	\$	290,183	1511
4F2	195-676	Promote Ohio	\$	5,228,210	\$	5,228,210	1512
4S0	195-630	Enterprise Zone Operating	\$	275,000	\$	275,000	1513
4S1	195-634	Job Creation Tax Credit Operating	\$	375,800	\$	375,800	1514
4W1	195-646	Minority Business Enterprise Loan	\$	2,580,597	\$	2,580,597	1515
444	195-607	Water and Sewer Commission Loans	\$	523,775	\$	523,775	1516
450	195-624	Minority Business Bonding Program Administration	\$	53,967	\$	53,967	1517
451	195-625	Economic Development Financing Operating	\$	2,358,311	\$	2,358,311	1518
5CA	195-678	Shovel Ready Sites	\$	5,000,000	\$	5,000,000	1519
5CG	195-679	Alternative Fuel Transportation	\$	150,000	\$	150,000	1520
5CV	195-680	Defense Conversion Assistance	\$	1,000,000	\$	0	1521
5CY	195-682	Lung Cancer and Lung Disease Research	\$	10,000,000	\$	0	1522

5M4	195-659	Universal Service	\$	210,000,000	\$	210,000,000	1523
5M5	195-660	Energy Efficiency Loan and Grant	\$	12,000,000	\$	12,000,000	1524
5X1	195-651	Exempt Facility Inspection	\$	25,000	\$	25,000	1525
611	195-631	Water and Sewer Administration	\$	15,713	\$	15,713	1526
617	195-654	Volume Cap Administration	\$	200,000	\$	200,000	1527
646	195-638	Low- and Moderate- Income Housing Trust Fund	\$	53,000,000	\$	53,000,000	1528
TOTAL SSR State Special Revenue							1529
Fund Group			\$	303,076,556	\$	292,076,556	1530
Facilities Establishment Fund Group							1531
009	195-664	Innovation Ohio	\$	50,000,000	\$	50,000,000	1532
010	195-665	Research and Development	\$	50,000,000	\$	50,000,000	1533
037	195-615	Facilities Establishment	\$	63,931,149	\$	63,931,149	1534
4Z6	195-647	Rural Industrial Park Loan	\$	3,000,000	\$	3,000,000	1535
5D2	195-650	Urban Redevelopment Loans	\$	5,475,000	\$	5,475,000	1536
5H1	195-652	Family Farm Loan Guarantee	\$	1,000,000	\$	1,000,000	1537
5S8	195-627	Rural Development Initiative	\$	3,000,000	\$	3,000,000	1538
5S9	195-628	Capital Access Loan Program	\$	3,000,000	\$	3,000,000	1539
TOTAL 037 Facilities							1540
Establishment Fund Group			\$	179,406,149	\$	179,406,149	1541

Clean Ohio Revitalization Fund					1542		
003	195-663	Clean Ohio Operating	\$	350,000	\$	350,000	1543
TOTAL 003		Clean Ohio Revitalization	\$	350,000	\$	350,000	1544
Fund							
<u>Third Frontier Research &amp; Development Fund Group</u>							1545
011	195-686	<u>Third Frontier</u>	\$	713,028	\$	1,932,056	1546
		<u>Operating</u>					
011	195-687	<u>Third Frontier</u>	\$	100,000,000	\$	100,000,000	1547
		<u>Research &amp; Development</u>					
		<u>Projects</u>					
TOTAL 011 Third Frontier Research &			\$	100,713,028	\$	101,932,056	1548
<u>Development Fund Group</u>							
<u>Job Ready Site Development Fund Group</u>							1549
012	195-688	<u>Job Ready Site</u>	\$	622,200	\$	746,155	1550
		<u>Operating</u>					
TOTAL 012 Job Ready Site			\$	622,200	\$	746,155	1551
<u>Development Fund Group</u>							
TOTAL ALL BUDGET FUND GROUPS			\$	873,429,578	\$	876,089,264	1552
				974,764,806		982,891,875	

**Sec. 203.99.33. THIRD FRONTIER RESEARCH & COMMERCIALIZATION** 1554  
DEVELOPMENT GENERAL OBLIGATION DEBT SERVICE 1555

The foregoing appropriation item 195-905, Third Frontier 1556  
Research & ~~Commercialization~~ Development General Obligation Debt 1557  
Service, shall be used to pay all debt service and related 1558  
financing costs during the period from July 1, 2005, to June 30, 1559  
2007, on obligations to be issued for research and development 1560  
purposes, ~~as authorized by the Ohio Constitution and implementing~~ 1561  
~~statutes~~ under sections 151.01 and 151.10 of the Revised Code. The 1562  
Office of the Sinking Fund or the Director of Budget and 1563  
Management shall effectuate the required payments by intrastate 1564  
transfer voucher. 1565

JOB READY SITE DEVELOPMENT GENERAL OBLIGATION DEBT SERVICE 1566

The foregoing appropriation item 195-912, Job Ready Site 1567  
Development General Obligation Debt Service, shall be used to pay 1568  
all debt service and related financing costs during the period 1569  
from July 1, 2005, to June 30, 2007, on obligations to be issued 1570  
for job ready site development purposes under sections 151.01 and 1571  
151.11 of the Revised Code. The Office of the Sinking Fund or the 1572  
Director of Budget and Management shall effectuate the required 1573  
payments by intrastate transfer voucher. 1574

**Sec. 203.99.51. CLEAN OHIO OPERATING EXPENSES** 1575

The foregoing appropriation item 195-663, Clean Ohio 1576  
Operating, shall be used by the Department of Development in 1577  
administering sections 122.65 to 122.658 of the Revised Code. 1578

THIRD FRONTIER OPERATING 1579

The foregoing appropriation item 195-686, Third Frontier 1580  
Operating, shall be used for operating expenses incurred by the 1581  
Department of Development in administering sections 184.10 to 1582  
184.20 of the Revised Code. 1583

THIRD FRONTIER RESEARCH & DEVELOPMENT PROJECTS 1584

The foregoing appropriation item 195-687, Third Frontier 1585  
Research & Development Projects, shall be used by the Department 1586  
of Development to fund selected projects pursuant to sections 1587  
184.10 to 184.20 of the Revised Code. 1588

On or before June 30, 2006, any unencumbered balance of the 1589  
foregoing appropriation item 195-687, Third Frontier Research & 1590  
Development Projects, for fiscal year 2006 is hereby appropriated 1591  
for the same purpose for fiscal year 2007. 1592

AUTHORITY TO ISSUE AND SELL ORIGINAL OBLIGATIONS 1593

The Ohio Public Facilities Commission, upon request of the 1594

Department of Development, is hereby authorized to issue and sell, 1595  
in accordance with Section 2p of Article VIII, Ohio Constitution, 1596  
and particularly sections 151.01 and 151.10 of the Revised Code, 1597  
original obligations of the State of Ohio in an aggregate amount 1598  
not to exceed \$200,000,000. The authorized obligations shall be 1599  
issued and sold from time to time and in amounts necessary to 1600  
ensure sufficient moneys to the credit of the Third Frontier 1601  
Research & Development Fund (Fund 011) to pay costs of research 1602  
and development projects. 1603

JOB READY SITE OPERATING 1604

The foregoing appropriation item 195-688, Job Ready Site 1605  
Operating, shall be used for operating expenses incurred by the 1606  
Department of Development in administering sections 122.085 to 1607  
122.0820 of the Revised Code. Operating expenses include, but are 1608  
not limited to, certain expenses of the District Public Works 1609  
Integrating Committees, audit and accountability activities, and 1610  
costs associated with formal certifications verifying that site 1611  
infrastructure is in place and is functional. 1612

**Sec. 209.99. CSF COMMISSIONERS OF THE SINKING FUND** 1613

Debt Service Fund Group 1614

070 155-905 Third Frontier \$ 0 \$ 13,910,000 1615

Research & Development

Projects Bond Service

Fund

072 155-902 Highway Capital \$ 180,620,600 \$ 196,464,900 1616

Improvements Bond

Retirement Fund

073 155-903 Natural Resources Bond \$ 26,166,000 \$ 24,659,100 1617

Retirement Fund

074 155-904 Conservation Projects \$ 14,687,300 \$ 17,668,800 1618

Bond Service Fund



076	155-906	Coal Research and Development Bond Retirement Fund	\$	7,071,100	\$	8,980,800	1619
077	155-907	State Capital Improvements Bond Retirement Fund	\$	163,131,400	\$	174,545,100	1620
078	155-908	Common Schools Bond Retirement Fund	\$	200,724,700	\$	236,911,500	1621
079	155-909	Higher Education Bond Retirement Fund	\$	140,600,300	\$	158,114,100	1622
<u>090</u>	<u>155-912</u>	<u>Job Ready Site Development Bond Service Fund</u>	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>4,124,400</u>	1623
TOTAL DSF Debt Service Fund Group			\$	733,001,400	\$	<del>817,344,300</del> <u>835,378,700</u>	1624
TOTAL ALL BUDGET FUND GROUPS			\$	733,001,400	\$	<del>817,344,300</del> <u>835,378,700</u>	1625

ADDITIONAL APPROPRIATIONS 1626

Appropriation items in this section are for the purpose of 1627  
paying debt service and financing costs on bonds or notes of the 1628  
state issued under the Ohio Constitution and acts of the General 1629  
Assembly. If it is determined that additional appropriations are 1630  
necessary for this purpose, such amounts are appropriated. 1631

COMMISSIONER OF THE SINKING FUND HIGHWAY BOND TRANSFER 1632  
AUTHORIZATION 1633

Notwithstanding any other provision of law to the contrary, 1634  
the Commissioners of the Sinking Fund shall certify to the 1635  
Director of Budget and Management, and the director shall then 1636  
transfer, the cash balance remaining after provision for the 1637  
payment of all outstanding bonds, notes, coupons, and charges from 1638  
the Highway Obligation Bond Retirement Fund (Fund 071) to the 1639  
Highway Capital Improvements Bond Service Fund (Fund 072), created 1640

by section 151.06 of the Revised Code, as expeditiously as 1641  
possible after the effective date of this section. 1642

**Section 5.** That existing Sections 203.99, 203.99.33, 1643  
203.99.51, and 209.99 of Am. Sub. H.B. 66 of the 126th General 1644  
Assembly are hereby repealed. 1645

**Section 6.** All items set forth in this section are hereby 1646  
appropriated out of any moneys in the state treasury to the credit 1647  
of the Job Ready Site Development Fund (Fund 012) that are not 1648  
otherwise appropriated. The appropriations made in this section 1649  
are in addition to any other capital appropriations made for the 1650  
2004-2006 biennium. 1651

	Appropriations	
DEV DEPARTMENT OF DEVELOPMENT		1652
CAP-003 Job Ready Site Development	\$ 30,000,000	1653
TOTAL Department of Development	\$ 30,000,000	1654
TOTAL Job Ready Site Development Fund	\$ 30,000,000	1655

JOB READY SITE DEVELOPMENT 1656

The foregoing appropriation item CAP-003, Job Ready Site 1657  
Development, shall be used by the Department of Development in 1658  
accordance with sections 122.085 to 122.0820 of the Revised Code 1659  
and is subject to all provisions of Am. Sub. H.B. 16 of the 126th 1660  
General Assembly that are generally applicable to capital 1661  
appropriations. 1662

**Section 7.** The Ohio Public Facilities Commission, upon 1663  
request of the Department of Development, is hereby authorized to 1664  
issue and sell, in accordance with Section 2p of Article VIII, 1665  
Ohio Constitution, and particularly sections 151.01 and 151.11 of 1666  
the Revised Code, original obligations of the State of Ohio in an 1667  
aggregate amount not to exceed \$30,000,000. The authorized 1668

obligations shall be issued and sold from time to time and in 1669  
amounts necessary to ensure sufficient moneys to the credit of the 1670  
Job Ready Site Development Fund (Fund 012) to pay costs of sites 1671  
and facilities. 1672

**Section 8.** Except as otherwise specifically provided in this 1673  
act, a codified or uncoded section of law contained in this act 1674  
is not subject to the referendum. Therefore, under Ohio 1675  
Constitution, Article II, Section 1d and section 1.471 of the 1676  
Revised Code, the codified and uncoded sections of law in this 1677  
act, except as otherwise specifically provided in this act, go 1678  
into immediate effect when this act becomes law. 1679

**Section 9.** Sections 6 and 7 of this act are subject to the 1680  
referendum. Therefore, under Ohio Constitution, Article II, 1681  
Section 1c and section 1.471 of the Revised Code, those sections 1682  
take effect on the ninety-first day after this act is filed with 1683  
the Secretary of State. If, however, a referendum petition is 1684  
filed against the sections as enacted, those sections, unless 1685  
rejected at the referendum, take effect at the earliest time 1686  
permitted by law. 1687