

As Passed by the Senate

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**

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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, and 184.19 of 9
the Revised Code, and to amend sections 203.99, 10
203.99.33, 203.99.51, and 209.99 of Am. Sub. H.B. 11
66 of the 126th General Assembly to implement 12
certain provisions of Article VIII, Section 2p of 13
the Ohio Constitution regarding the issuance of 14
obligations to support research and development 15
projects and the development of certain sites and 16
facilities and to make an appropriation. 17

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 18
184.03 be amended and sections 122.013, 122.085, 122.086, 122.087, 19
122.088, 122.089, 122.0810, 122.0811, 122.0812, 122.0813, 20

122.0814, 122.0815, 122.0816, 122.0817, 122.0818, 122.0819, 21
122.0820, 151.10, 151.11, 184.10, 184.11, 184.111, 184.112, 22
184.113, 184.114, 184.115, 184.116, 184.12, 184.13, 184.14, 23
184.15, 184.151, 184.16, 184.17, 184.171, 184.172, 184.173, 24
184.18, and 184.19 of the Revised Code be enacted to read as 25
follows: 26

Sec. 122.013. The department of development shall post the 27
following on the official internet site of the department: 28

(A) Annual reports of the progress and status of eligible 29
projects made as required under division (E) of section 122.0814 30
of the Revised Code; 31

(B) The annual report made by the director of development 32
under section 122.0817 of the Revised Code; 33

(C) Reports made by the third frontier commission under 34
section 184.15 of the Revised Code; 35

(D) Information on all support awarded under section 184.11 36
of the Revised Code. 37

Sec. 122.085. As used in sections 122.085 to 122.0820 of the 38
Revised Code: 39

(A)(1) "Allowable costs" includes costs related to the 40
following: 41

(a) Acquisition of land and buildings; 42

(b) Building construction; 43

(c) Making improvements to land and buildings, including the 44
following: 45

(i) Expanding, reconstructing, rehabilitating, remodeling, 46
renovating, enlarging, modernizing, equipping, and furnishing 47
buildings and structures, including leasehold improvements; 48

<u>(ii) Site preparation, including wetland mitigation.</u>	49
<u>(d) Planning or determining feasibility or practicability;</u>	50
<u>(e) Indemnity or surety bonds and premiums on insurance;</u>	51
<u>(f) Remediation, in compliance with state and federal</u>	52
<u>environmental protection laws, of environmentally contaminated</u>	53
<u>property on which hazardous substances exist under conditions that</u>	54
<u>have caused or would likely cause the property to be identified as</u>	55
<u>contaminated by the Ohio environmental protection agency or the</u>	56
<u>United States environmental protection agency;</u>	57
<u>(g) Infrastructure improvements, including the following:</u>	58
<u>(i) Demolition of buildings and other structures;</u>	59
<u>(ii) Installation or relocation of water, storm water and</u>	60
<u>sanitary sewer lines, water and waste water treatment facilities,</u>	61
<u>pump stations, and water storage mechanisms and other similar</u>	62
<u>equipment or facilities;</u>	63
<u>(iii) Construction of roads, bridges, traffic control</u>	64
<u>devices, and parking lots and facilities;</u>	65
<u>(iv) Construction of utility infrastructure such as natural</u>	66
<u>gas, electric, and telecommunications, including broadband and</u>	67
<u>hookups;</u>	68
<u>(v) Water and railway access improvements;</u>	69
<u>(vi) Costs of professional services.</u>	70
<u>(2) "Allowable costs" do not include administrative costs</u>	71
<u>assessed by or fees paid to the recipient of a grant.</u>	72
<u>(B) "District public works integrating committees" means</u>	73
<u>those committees established under section 164.04 of the Revised</u>	74
<u>Code.</u>	75
<u>(C) "Eligible applicant" includes any political subdivision</u>	76
<u>or non-profit economic development organization, and, with prior</u>	77

approval of the director of development, private, for-profit 78
entities. "Eligible applicant" does not include public or private 79
institutions of higher education. 80

(D) "Eligible project" includes projects that, upon 81
completion, will be sites and facilities primarily intended for 82
commercial, industrial, or manufacturing use. "Eligible projects" 83
do not include sites and facilities intended primarily for 84
residential, retail, or government use. 85

(E) "Professional services" includes legal, environmental, 86
archeological, engineering, architectural, surveying, design, or 87
other similar services performed in conjunction with an eligible 88
project. "Professional services" also includes designs, plans, 89
specifications, surveys, estimates of costs, and other work 90
products. 91

Sec. 122.086. There is hereby created the job ready site 92
program to provide grants to pay for allowable costs of eligible 93
applicants for eligible projects. The program shall be 94
administered by the department of development pursuant to 95
guidelines established for it by the director of development. All 96
grants shall be awarded through one of the following two 97
processes: 98

(A) The annual competitive process under sections 122.087 to 99
122.0811 and 122.0814 of the Revised Code; 100

(B) The discretionary process under sections 122.0812, 101
122.0813, and 122.0814 of the Revised Code. 102

Sec. 122.087. The director of development shall establish an 103
annual competitive process for making grants described in section 104
122.086 of the Revised Code. At least two-thirds of the amounts 105
that may be distributed as grants each year under the job ready 106
site program shall be distributed under the annual competitive 107

process. 108

Sec. 122.088. In order to be considered for a grant under the 109
annual competitive process, an eligible applicant shall fill out 110
an application provided by the department of development and shall 111
file it with the district public works integrating committee with 112
jurisdiction over the area in which the eligible project is 113
located. 114

Sec. 122.089. An eligible applicant shall provide all of the 115
following on the annual competitive process application: 116

(A) Contact information for the eligible applicant; 117

(B) A legal description of the property for which the grant 118
is requested; 119

(C) A summary of the proposed eligible project that includes 120
all of the following: 121

(1) A general description of the eligible project, including 122
individuals, organizations, or other entities that will play a 123
critical role in the implementation of the project; 124

(2) An explanation of the need for the eligible project, and 125
the predicted economic impact; 126

(3) An explanation of the need for a grant from the job ready 127
site program; 128

(4) The commitments required pursuant to division (A)(3) of 129
section 122.0815 of the Revised Code. 130

(D) A detailed summary of costs for the eligible project, 131
including supporting documents for cost estimates; 132

(E) Sources of funding for the eligible project, including 133
documentation verifying the status of those funds; 134

<u>(F) Summary results of preliminary engineering studies and</u>	135
<u>environmental reviews, if any have been conducted;</u>	136
<u>(G) A comprehensive marketing plan detailing how the eligible</u>	137
<u>project will be marketed upon completion, if appropriate;</u>	138
<u>(H) Copies of resolutions or ordinances related to the</u>	139
<u>eligible project, including resolutions or ordinances adopted by</u>	140
<u>the political subdivision with jurisdiction over the geographic</u>	141
<u>area in which the eligible project is located;</u>	142
<u>(I) Any other information the director requests on the</u>	143
<u>application form.</u>	144
<u>Sec. 122.0810. (A) Each application for a grant pursuant to</u>	145
<u>the annual competitive process received by a district public works</u>	146
<u>integrating committee shall be evaluated by the executive</u>	147
<u>committee of the district committee. In conducting the evaluation,</u>	148
<u>the executive committee shall determine whether the application</u>	149
<u>for the proposed eligible project is complete and whether the</u>	150
<u>project meets the requirements of section 122.0815 of the Revised</u>	151
<u>Code. If the application is complete and the eligible project</u>	152
<u>meets the requirements of section 122.0815 of the Revised Code,</u>	153
<u>the executive committee shall prioritize the eligible project</u>	154
<u>pursuant to section 122.0816 of the Revised Code and pursuant to</u>	155
<u>local priorities, as those priorities are determined by the</u>	156
<u>executive committee, with all other eligible projects with</u>	157
<u>complete applications that meet the requirements of section</u>	158
<u>122.0815 of the Revised Code. If the application is incomplete or</u>	159
<u>the project does not meet the requirements of section 122.0815 of</u>	160
<u>the Revised Code, the executive committee shall notify the</u>	161
<u>applicant of the deficiencies and the period of time the applicant</u>	162
<u>has to correct the deficiencies and submit the corrections to the</u>	163
<u>executive committee. Failure to correct deficiencies within the</u>	164
<u>time designated by the executive committee shall disqualify the</u>	165

project from consideration for a grant during the annual 166
competitive process for that year. 167

The executive committee, by the affirmative vote of a 168
majority of all its members, shall select up to three eligible 169
projects from the projects it has prioritized each year pursuant 170
to the annual competitive process. The executive committee shall 171
forward the applications and any accompanying information for each 172
of the selected eligible projects to the department of development 173
in the time and manner required by the guidelines governing the 174
job ready site program. 175

(B) For a district public works integrating committee that 176
does not have an executive committee, the full committee shall 177
perform the functions assigned to the executive committee under 178
section 122.0816 of the Revised Code and division (A) of this 179
section. 180

(C) An executive committee, or a district committee that does 181
not have an executive committee, may appoint a working group of 182
committee members and staff to perform the functions of those 183
committees as provided in this section. 184

Sec. 122.0811. The department of development shall evaluate 185
each eligible project selected pursuant to section 122.0810 of the 186
Revised Code to determine whether the application for the proposed 187
eligible project is complete and whether it meets the requirements 188
of section 122.0815 of the Revised Code. If the application is 189
complete and the project meets the requirements of section 190
122.0815 of the Revised Code, the department shall notify the 191
eligible applicant that the application is complete and shall 192
prioritize the eligible project pursuant to section 122.0816 of 193
the Revised Code with all other eligible projects with complete 194
applications that meet the requirements. If the application is 195

incomplete or the project does not meet the requirements of 196
section 122.0815 of the Revised Code, the department shall notify 197
the applicant of the deficiencies and the period of time the 198
applicant has to correct the deficiencies and submit the 199
corrections to the department. Failure to correct deficiencies 200
within the time designated by the department shall disqualify the 201
project from consideration for a grant during the annual 202
competitive process for that year. 203

The director, on completion of the evaluations and 204
prioritization, shall make a recommendation to the controlling 205
board asking for approval to make grants for the eligible projects 206
selected by the director. The director shall take into 207
consideration the geographic diversity of awards when making the 208
selection of eligible projects to receive grants. 209

Sec. 122.0812. The director of development shall establish a 210
discretionary process that permits the director to make grants 211
described in section 122.086 of the Revised Code in situations 212
that include those in which the timing of a proposed eligible 213
project is such that the annual competitive process is not 214
suitable. The director, as part of the guidelines established for 215
the job ready site program, shall establish all the procedures and 216
requirements governing application for the discretionary grants. 217

Sec. 122.0813. On receipt of an application for a 218
discretionary grant for an eligible project, the director of 219
development shall evaluate it to determine whether the application 220
for the proposed eligible project is complete and whether the 221
eligible project meets the requirements of section 122.0815 of the 222
Revised Code. If the application is complete and the project meets 223
the requirements of section 122.0815 of the Revised Code, the 224
director shall make a recommendation to the controlling board 225

asking for approval to make the discretionary grant for the 226
eligible project. If the application is incomplete or the project 227
does not meet the requirements of section 122.0815 of the Revised 228
Code, the department shall notify the applicant of the 229
deficiencies and work with the applicant to correct the 230
deficiencies. If the deficiencies are corrected, the director 231
shall make a recommendation to the controlling board asking for 232
approval to make the discretionary grant for the eligible project. 233

Sec. 122.0814. If the controlling board approves a grant for 234
an eligible project pursuant to the annual competitive process or 235
the discretionary process, the director of development shall enter 236
into an agreement with the eligible applicant to provide the grant 237
for the project. The agreement shall be executed prior to the 238
payment or disbursement of any funds under the grant and shall 239
contain the following provisions: 240

(A) A designation of a single officer or employee of the 241
eligible applicant who will serve as the manager of the eligible 242
project; 243

(B) A detailed description of the scope of the work required 244
under the eligible project, including anticipated sources and uses 245
of funds; 246

(C) A designation of the percentage of the estimated total 247
cost of the project for which the grant will provide funding, 248
which shall not exceed seventy-five per cent of the cost; 249

(D) Provisions for the recovery by the department of grant 250
funds for failure to meet the terms of the agreement; 251

(E) A requirement that annual reports be made by the eligible 252
applicant on the progress of the eligible project and any other 253
information about the status of the project as required by the 254
guidelines established for the job ready site program; 255

(F) Any other provisions the director determines necessary. 256

Sec. 122.0815. (A) A project shall meet the following 257
requirements in order to be considered for a grant under the 258
annual competitive process: 259

(1) The application for the grant is made by an eligible 260
applicant. 261

(2) The project for which the application is made is an 262
eligible project. 263

(3) The eligible applicant commits to all the following: 264

(a) To use the grant to pay only allowable costs for the 265
eligible project; 266

(b) Not to use the grant to fund more than seventy-five per 267
cent of the total cost of the eligible project; 268

(c) Not to use more than ten per cent of the grant amount to 269
pay the costs of professional services under the eligible project. 270

(4) The grant amount requested does not exceed five million 271
dollars. 272

(5) The eligible applicant and the eligible project comply 273
with any other criteria the director of development determines is 274
necessary. 275

(B) A project shall meet the requirements described in 276
divisions (A)(1) to (4) of this section in order to be considered 277
for a grant under the discretionary process. 278

Sec. 122.0816. The department of development and the 279
executive committees of district public works integrating 280
committees shall apply the following factors to eligible projects 281
under the annual competitive process to determine a priority order 282
for the eligible projects subject to that process: 283

<u>(A) The potential economic impact of the eligible project;</u>	284
<u>(B) The potential impact of the eligible project on economic distress;</u>	285 286
<u>(C) The amount of local, federal, and private funding available for the eligible project;</u>	287 288
<u>(D) The demonstrated need for the eligible project;</u>	289
<u>(E) The strength of the eligible project's marketing plan, if appropriate;</u>	290 291
<u>(F) The level of financial need;</u>	292
<u>(G) Any other factor the director of development determines should be considered.</u>	293 294
<u>Sec. 122.0817. In accordance with the guidelines established to govern the job ready site program, the director of development shall publish an annual report that includes the following:</u>	295 296 297
<u>(A) Details on each grant awarded pursuant to the program;</u>	298
<u>(B) The status of projects funded in previous years;</u>	299
<u>(C) The amount of grants awarded for projects in economically distressed areas and, to the extent possible, the impact of those grants in those areas.</u>	300 301 302
<u>Sec. 122.0818. Eligible projects that receive a grant 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.</u>	303 304 305 306 307
<u>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</u>	308 309 310

committees and executive committees in conducting their duties 311
under the program. 312

Sec. 122.0820. The job ready site development fund is hereby 313
created in the state treasury. The fund shall consist of the net 314
proceeds of obligations issued and sold by the issuing authority 315
pursuant to sections 151.01 and 151.11 of the Revised Code. 316
Investment earnings of the fund shall be credited to the fund. 317
Moneys in the fund shall be used to make grants for eligible 318
projects pursuant to sections 122.085 to 122.0820 of the Revised 319
Code and associated administrative expenses. 320

Sec. 151.01. (A) As used in sections 151.01 to ~~151.09~~ 151.11 321
and 151.40 of the Revised Code and in the applicable bond 322
proceedings unless otherwise provided: 323

(1) "Bond proceedings" means the resolutions, orders, 324
agreements, and credit enhancement facilities, and amendments and 325
supplements to them, or any one or more or combination of them, 326
authorizing, awarding, or providing for the terms and conditions 327
applicable to or providing for the security or liquidity of, the 328
particular obligations, and the provisions contained in those 329
obligations. 330

(2) "Bond service fund" means the respective bond service 331
fund created by section 151.03, 151.04, 151.05, 151.06, 151.07, 332
151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised Code, and 333
any accounts in that fund, including all moneys and investments, 334
and earnings from investments, credited and to be credited to that 335
fund and accounts as and to the extent provided in the applicable 336
bond proceedings. 337

(3) "Capital facilities" means capital facilities or projects 338
as referred to in section 151.03, 151.04, 151.05, 151.06, 151.07, 339

151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised Code. 340

(4) "Costs of capital facilities" means the costs of 341
acquiring, constructing, reconstructing, rehabilitating, 342
remodeling, renovating, enlarging, improving, equipping, or 343
furnishing capital facilities, and of the financing of those 344
costs. "Costs of capital facilities" includes, without limitation, 345
and in addition to costs referred to in section 151.03, 151.04, 346
151.05, 151.06, 151.07, 151.08, 151.09, 151.10, 151.11, or 151.40 347
of the Revised Code, the cost of clearance and preparation of the 348
site and of any land to be used in connection with capital 349
facilities, the cost of any indemnity and surety bonds and 350
premiums on insurance, all related direct administrative expenses 351
and allocable portions of direct costs of the issuing authority, 352
costs of engineering and architectural services, designs, plans, 353
specifications, surveys, and estimates of cost, financing costs, 354
interest on obligations from their date to the time when interest 355
is to be paid from sources other than proceeds of obligations, 356
amounts necessary to establish any reserves as required by the 357
bond proceedings, the reimbursement of all moneys advanced or 358
applied by or borrowed from any person or governmental agency or 359
entity for the payment of any item of costs of capital facilities, 360
and all other expenses necessary or incident to planning or 361
determining feasibility or practicability with respect to capital 362
facilities, and such other expenses as may be necessary or 363
incident to the acquisition, construction, reconstruction, 364
rehabilitation, remodeling, renovation, enlargement, improvement, 365
equipment, and furnishing of capital facilities, the financing of 366
those costs, and the placing of the capital facilities in use and 367
operation, including any one, part of, or combination of those 368
classes of costs and expenses. For purposes of sections 122.085 to 369
122.0820 of the Revised Code, "costs of capital facilities" 370
includes "allowable costs" as defined in section 122.085 of the 371

<u>Revised Code.</u>	372
(5) "Credit enhancement facilities," "financing costs," and "interest" or "interest equivalent" have the same meanings as in section 133.01 of the Revised Code.	373 374 375
(6) "Debt service" means principal, including any mandatory sinking fund or redemption requirements for retirement of obligations, interest and other accreted amounts, interest equivalent, and any redemption premium, payable on obligations. If not prohibited by the applicable bond proceedings, debt service may include costs relating to credit enhancement facilities that are related to and represent, or are intended to provide a source of payment of or limitation on, other debt service.	376 377 378 379 380 381 382 383
(7) "Issuing authority" means the Ohio public facilities commission created in section 151.02 of the Revised Code for obligations issued under section 151.03, 151.04, 151.05, 151.07, 151.08, or 151.09 , <u>151.10, or 151.11</u> of the Revised Code, or the treasurer of state, or the officer who by law performs the functions of that office, for obligations issued under section 151.06 or 151.40 of the Revised Code.	384 385 386 387 388 389 390
(8) "Net proceeds" means amounts received from the sale of obligations, excluding amounts used to refund or retire outstanding obligations, amounts required to be deposited into special funds pursuant to the applicable bond proceedings, and amounts to be used to pay financing costs.	391 392 393 394 395
(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, <u>2p</u> , or 15 of Article VIII, Ohio Constitution, and pursuant to sections 151.01 to 151.09 <u>151.11</u> or 151.40 of the Revised Code or other general assembly authorization.	396 397 398 399 400 401
(10) "Principal amount" means the aggregate of the amount as	402

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
section 164.27 of the Revised Code, the clean Ohio revitalization
fund created by section 122.658 of the Revised Code, the job ready
site development fund created by section 122.0820 of the Revised
Code, the third frontier research and development fund created by
section 184.19 of the Revised Code, or other funds created by the
bond proceedings that are not stated by those proceedings to be

special funds. 435

(B) Subject to Section 2l, 2m, 2n, 2o, 2p, or 15, and Section 436
17, of Article VIII, Ohio Constitution, the state, by the issuing 437
authority, is authorized to issue and sell, as provided in 438
sections 151.03 to ~~151.09~~ 151.11 or 151.40 of the Revised Code, 439
and in respective aggregate principal amounts as from time to time 440
provided or authorized by the general assembly, general 441
obligations of this state for the purpose of paying costs of 442
capital facilities or projects identified by or pursuant to 443
general assembly action. 444

(C) Each issue of obligations shall be authorized by 445
resolution or order of the issuing authority. The bond proceedings 446
shall provide for or authorize the manner for determining the 447
principal amount or maximum principal amount of obligations of an 448
issue, the principal maturity or maturities, the interest rate or 449
rates, the date of and the dates of payment of interest on the 450
obligations, their denominations, and the place or places of 451
payment of debt service which may be within or outside the state. 452
Unless otherwise provided by law, the latest principal maturity 453
may not be later than the earlier of the thirty-first day of 454
December of the twenty-fifth calendar year after the year of 455
issuance of the particular obligations or of the twenty-fifth 456
calendar year after the year in which the original obligation to 457
pay was issued or entered into. Sections 9.96, 9.98, 9.981, 9.982, 458
and 9.983 of the Revised Code apply to obligations. The purpose of 459
the obligations may be stated in the bond proceedings in general 460
terms, such as, as applicable, "financing or assisting in the 461
financing of projects as provided in Section 2l of Article VIII, 462
Ohio Constitution," "financing or assisting in the financing of 463
highway capital improvement projects as provided in Section 2m of 464
Article VIII, Ohio Constitution," "paying costs of capital 465
facilities for a system of common schools throughout the state as 466

authorized by Section 2n of Article VIII, Ohio Constitution," 467
"paying costs of capital facilities for state-supported and 468
state-assisted institutions of higher education as authorized by 469
Section 2n of Article VIII, Ohio Constitution," "paying costs of 470
coal research and development as authorized by Section 15 of 471
Article VIII, Ohio Constitution," "financing or assisting in the 472
financing of local subdivision capital improvement projects as 473
authorized by Section 2m of Article VIII, Ohio Constitution," 474
"paying costs of conservation projects as authorized by Section 2o 475
of Article VIII, Ohio Constitution," ~~or~~ "paying costs of 476
revitalization projects as authorized by Section 2o of Article 477
VIII, Ohio Constitution," "paying costs of preparing sites for 478
industry, commerce, distribution, or research and development as 479
authorized by Section 2p of Article VIII, Ohio Constitution," or 480
"paying costs of research and development as authorized by Section 481
2p of Article VIII, Ohio Constitution." 482

(D) The issuing authority may appoint or provide for the 483
appointment of paying agents, bond registrars, securities 484
depositories, clearing corporations, and transfer agents, and may 485
without need for any other approval retain or contract for the 486
services of underwriters, investment bankers, financial advisers, 487
accounting experts, marketing, remarketing, indexing, and 488
administrative agents, other consultants, and independent 489
contractors, including printing services, as are necessary in the 490
judgment of the issuing authority to carry out the issuing 491
authority's functions under this chapter. When the issuing 492
authority is the Ohio public facilities commission, the issuing 493
authority also may without need for any other approval retain or 494
contract for the services of attorneys and other professionals for 495
that purpose. Financing costs are payable, as may be provided in 496
the bond proceedings, from the proceeds of the obligations, from 497
special funds, or from other moneys available for the purpose. 498

(E) The bond proceedings may contain additional provisions 499
customary or appropriate to the financing or to the obligations or 500
to particular obligations including, but not limited to, 501
provisions for: 502

(1) The redemption of obligations prior to maturity at the 503
option of the state or of the holder or upon the occurrence of 504
certain conditions, and at particular price or prices and under 505
particular terms and conditions; 506

(2) The form of and other terms of the obligations; 507

(3) The establishment, deposit, investment, and application 508
of special funds, and the safeguarding of moneys on hand or on 509
deposit, in lieu of the applicability of provisions of Chapter 510
131. or 135. of the Revised Code, but subject to any special 511
provisions of sections 151.01 to ~~151.09~~ 151.11 or 151.40 of the 512
Revised Code with respect to the application of particular funds 513
or moneys. Any financial institution that acts as a depository of 514
any moneys in special funds or other funds under the bond 515
proceedings may furnish indemnifying bonds or pledge securities as 516
required by the issuing authority. 517

(4) Any or every provision of the bond proceedings being 518
binding upon the issuing authority and upon such governmental 519
agency or entity, officer, board, commission, authority, agency, 520
department, institution, district, or other person or body as may 521
from time to time be authorized to take actions as may be 522
necessary to perform all or any part of the duty required by the 523
provision; 524

(5) The maintenance of each pledge or instrument comprising 525
part of the bond proceedings until the state has fully paid or 526
provided for the payment of the debt service on the obligations or 527
met other stated conditions; 528

(6) In the event of default in any payments required to be 529

made by the bond proceedings, or by any other agreement of the
issuing authority made as part of a contract under which the
obligations were issued or secured, including a credit enhancement
facility, the enforcement of those payments by mandamus, a suit in
equity, an action at law, or any combination of those remedial
actions;

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

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

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

(10) Amendment of the bond proceedings;

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

(F) The great seal of the state or a facsimile of it may be
affixed to or printed on the obligations. The obligations
requiring execution by or for the issuing authority shall be
signed as provided in the bond proceedings. Any obligations may be
signed by the individual who on the date of execution is the
authorized signer although on the date of these obligations that
individual is not an authorized signer. In case the individual
whose signature or facsimile signature appears on any obligation
ceases to be an authorized signer before delivery of the

obligation, that signature or facsimile is nevertheless valid and 561
sufficient for all purposes as if that individual had remained the 562
authorized signer until delivery. 563

(G) Obligations are investment securities under Chapter 1308. 564
of the Revised Code. Obligations may be issued in bearer or in 565
registered form, registrable as to principal alone or as to both 566
principal and interest, or both, or in certificated or 567
uncertificated form, as the issuing authority determines. 568
Provision may be made for the exchange, conversion, or transfer of 569
obligations and for reasonable charges for registration, exchange, 570
conversion, and transfer. Pending preparation of final 571
obligations, the issuing authority may provide for the issuance of 572
interim instruments to be exchanged for the final obligations. 573

(H) Obligations may be sold at public sale or at private 574
sale, in such manner, and at such price at, above or below par, 575
all as determined by and provided by the issuing authority in the 576
bond proceedings. 577

(I) Except to the extent that rights are restricted by the 578
bond proceedings, any owner of obligations or provider of a credit 579
enhancement facility may by any suitable form of legal proceedings 580
protect and enforce any rights relating to obligations or that 581
facility under the laws of this state or granted by the bond 582
proceedings. Those rights include the right to compel the 583
performance of all applicable duties of the issuing authority and 584
the state. Each duty of the issuing authority and that authority's 585
officers, staff, and employees, and of each state entity or 586
agency, or using district or using institution, and its officers, 587
members, staff, or employees, undertaken pursuant to the bond 588
proceedings, is hereby established as a duty of the entity or 589
individual having authority to perform that duty, specifically 590
enjoined by law and resulting from an office, trust, or station 591
within the meaning of section 2731.01 of the Revised Code. The 592

individuals who are from time to time the issuing authority, 593
members or officers of the issuing authority, or those members' 594
designees acting pursuant to section ~~154.02~~ 151.02 of the Revised 595
Code, or the issuing authority's officers, staff, or employees, 596
are not liable in their personal capacities on any obligations or 597
otherwise under the bond proceedings. 598

(J)(1) Subject to Section 2k, 2l, 2m, 2n, 2o, 2p, or 15, and 599
Section 17, of Article VIII, Ohio Constitution and sections 151.01 600
to ~~151.09~~ 151.11 or 151.40 of the Revised Code, the issuing 601
authority may, in addition to the authority referred to in 602
division (B) of this section, authorize and provide for the 603
issuance of: 604

(a) Obligations in the form of bond anticipation notes, and 605
may provide for the renewal of those notes from time to time by 606
the issuance of new notes. The holders of notes or appertaining 607
interest coupons have the right to have debt service on those 608
notes paid solely from the moneys and special funds that are or 609
may be pledged to that payment, including the proceeds of bonds or 610
renewal notes or both, as the issuing authority provides in the 611
bond proceedings authorizing the notes. Notes may be additionally 612
secured by covenants of the issuing authority to the effect that 613
the issuing authority and the state will do all things necessary 614
for the issuance of bonds or renewal notes in such principal 615
amount and upon such terms as may be necessary to provide moneys 616
to pay when due the debt service on the notes, and apply their 617
proceeds to the extent necessary, to make full and timely payment 618
of debt service on the notes as provided in the applicable bond 619
proceedings. In the bond proceedings authorizing the issuance of 620
bond anticipation notes the issuing authority shall set forth for 621
the bonds anticipated an estimated schedule of annual principal 622
payments the latest of which shall be no later than provided in 623
division (C) of this section. While the notes are outstanding 624

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 657
referred to in division (B) of the following sections: section 658
151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, 151.10, 659
151.11, or 151.40 of the Revised Code. 660

(K) Obligations are lawful investments for banks, savings and 661
loan associations, credit union share guaranty corporations, trust 662
companies, trustees, fiduciaries, insurance companies, including 663
domestic for life and domestic not for life, trustees or other 664
officers having charge of sinking and bond retirement or other 665
special funds of the state and political subdivisions and taxing 666
districts of this state, the sinking fund, the administrator of 667
workers' compensation subject to the approval of the workers' 668
compensation board, the state teachers retirement system, the 669
public employees retirement system, the school employees 670
retirement system, and the Ohio police and fire pension fund, 671
notwithstanding any other provisions of the Revised Code or rules 672
adopted pursuant to those provisions by any state agency with 673
respect to investments by them, and are also acceptable as 674
security for the repayment of the deposit of public moneys. The 675
exemptions from taxation in Ohio as provided for in particular 676
sections of the Ohio Constitution and section 5709.76 of the 677
Revised Code apply to the obligations. 678

(L)(1) Unless otherwise provided or provided for in any 679
applicable bond proceedings, moneys to the credit of or in a 680
special fund shall be disbursed on the order of the issuing 681
authority. No such order is required for the payment, from the 682
bond service fund or other special fund, when due of debt service 683
or required payments under credit enhancement facilities. 684

(2) Payments received by the state under interest rate hedges 685
entered into as credit enhancement facilities under this chapter 686
shall be deposited to the credit of the bond service fund for the 687
obligations to which those credit enhancement facilities relate. 688

(M) The full faith and credit, revenue, and taxing power of 689
the state are and shall be pledged to the timely payment of debt 690
service on outstanding obligations as it comes due, all in 691
accordance with Section 2k, 2l, 2m, 2n, 2o, 2p, or 15 of Article 692
VIII, Ohio Constitution, and section 151.03, 151.04, 151.05, 693
151.06, 151.07, 151.08, ~~or 151.09~~, 151.10, or 151.11 of the 694
Revised Code. Moneys referred to in Section 5a of Article XII, 695
Ohio Constitution, may not be pledged or used for the payment of 696
debt service except on obligations referred to in section 151.06 697
of the Revised Code. Net state lottery proceeds, as provided for 698
and referred to in section 3770.06 of the Revised Code, may not be 699
pledged or used for the payment of debt service except on 700
obligations referred to in section 151.03 of the Revised Code. The 701
state covenants, and that covenant shall be controlling 702
notwithstanding any other provision of law, that the state and the 703
applicable officers and agencies of the state, including the 704
general assembly, shall, so long as any obligations are 705
outstanding in accordance with their terms, maintain statutory 706
authority for and cause to be levied, collected and applied 707
sufficient pledged excises, taxes, and revenues of the state so 708
that the revenues shall be sufficient in amounts to pay debt 709
service when due, to establish and maintain any reserves and other 710
requirements, and to pay financing costs, including costs of or 711
relating to credit enhancement facilities, all as provided for in 712
the bond proceedings. Those excises, taxes, and revenues are and 713
shall be deemed to be levied and collected, in addition to the 714
purposes otherwise provided for by law, to provide for the payment 715
of debt service and financing costs in accordance with sections 716
151.01 to ~~151.09~~ 151.11 of the Revised Code and the bond 717
proceedings. 718

(N) The general assembly may from time to time repeal or 719
reduce any excise, tax, or other source of revenue pledged to the 720

payment of the debt service pursuant to Section 2k, 2l, 2m, 2n,
2o, 2p, or 15 of Article VIII, Ohio Constitution, and sections
151.01 to ~~151.09~~ 151.11 or 151.40 of the Revised Code, and may
levy, collect and apply any new or increased excise, tax, or
revenue to meet the pledge, to the payment of debt service on
outstanding obligations, of the state's full faith and credit,
revenue and taxing power, or of designated revenues and receipts,
except fees, excises or taxes referred to in Section 5a of Article
XII, Ohio Constitution, for other than obligations referred to in
section 151.06 of the Revised Code and except net state lottery
proceeds for other than obligations referred to in section 151.03
of the Revised Code. Nothing in division (N) of this section
authorizes any impairment of the obligation of this state to levy
and collect sufficient excises, taxes, and revenues to pay debt
service on obligations outstanding in accordance with their terms.

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

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

(Q) The issuing authority shall by the fifteenth day of July 753
of each fiscal year, certify or cause to be certified to the 754
office of budget and management the total amount of moneys 755
required during the current fiscal year to meet in full all debt 756
service on the respective obligations and any related financing 757
costs payable from the applicable bond service fund and not from 758
the proceeds of refunding or renewal obligations. The issuing 759
authority shall make or cause to be made supplemental 760
certifications to the office of budget and management for each 761
debt service payment date and at such other times during each 762
fiscal year as may be provided in the bond proceedings or 763
requested by that office. Debt service, costs of credit 764
enhancement facilities, and other financing costs shall be set 765
forth separately in each certification. If and so long as the 766
moneys to the credit of the bond service fund, together with any 767
other moneys available for the purpose, are insufficient to meet 768
in full all payments when due of the amount required as stated in 769
the certificate or otherwise, the office of budget and management 770
shall at the times as provided in the bond proceedings, and 771
consistent with any particular provisions in sections 151.03 to 772
~~151.09~~ 151.11 and 151.40 of the Revised Code, transfer a 773
sufficient amount to the bond service fund from the pledged 774
revenues in the case of obligations issued pursuant to section 775
151.40 of the Revised Code, and in the case of other obligations 776
from the revenues derived from excises, taxes, and other revenues, 777
including net state lottery proceeds in the case of obligations 778
referred to in section 151.03 of the Revised Code. 779

(R) Unless otherwise provided in any applicable bond 780
proceedings, moneys to the credit of special funds may be invested 781
by or on behalf of the state only in one or more of the following: 782

(1) Notes, bonds, or other direct obligations of the United 783
States or of any agency or instrumentality of the United States, 784

or in no-front-end-load money market mutual funds consisting 785
exclusively of those obligations, or in repurchase agreements, 786
including those issued by any fiduciary, secured by those 787
obligations, or in collective investment funds consisting 788
exclusively of those obligations; 789

(2) Obligations of this state or any political subdivision of 790
this state; 791

(3) Certificates of deposit of any national bank located in 792
this state and any bank, as defined in section 1101.01 of the 793
Revised Code, subject to inspection by the superintendent of 794
financial institutions; 795

(4) The treasurer of state's pooled investment program under 796
section 135.45 of the Revised Code. 797

The income from investments referred to in division (R) of 798
this section shall, unless otherwise provided in sections 151.01 799
to ~~151.09~~ 151.11 or 151.40 of the Revised Code, be credited to 800
special funds or otherwise as the issuing authority determines in 801
the bond proceedings. Those investments may be sold or exchanged 802
at times as the issuing authority determines, provides for, or 803
authorizes. 804

(S) The treasurer of state shall have responsibility for 805
keeping records, making reports, and making payments, relating to 806
any arbitrage rebate requirements under the applicable bond 807
proceedings. 808

Sec. 151.02. (A) Pursuant to the powers granted to the 809
general assembly under Article VIII, Ohio Constitution, to 810
authorize the issuance of obligations, and pursuant to other 811
authority vested in the general assembly, there is hereby created 812
a body, both corporate and politic, constituting an agency and 813
instrumentality of the state of Ohio and performing essential 814

functions of the state, to be known as the "Ohio public facilities 815
commission," which in that name may contract and be contracted 816
with, sue and be sued, and exercise all other authority vested in 817
that commission by sections 151.01 to 151.05 and 151.07 to 151.11 818
and Chapter 154. of the Revised Code. 819

(B) The commission shall consist of, in each case ex officio, 820
the governor, the treasurer of state, the auditor of state, the 821
secretary of state, the attorney general, and the director of 822
budget and management. The governor shall serve as the chairman of 823
the commission, the director of budget and management shall serve 824
as its secretary, and the commission shall have such other 825
officers as it determines, who may but need not be members of the 826
commission. Four members of the commission constitute a quorum and 827
the affirmative vote of four members is necessary for any action 828
taken by vote of the commission. No vacancy in the membership of 829
the commission shall impair the rights of a quorum by such vote to 830
exercise all the rights and perform all the duties of the 831
commission. Each of the state officers above identified may 832
designate an employee or officer of that officer's office to 833
attend meetings of the commission when that officer is absent or 834
unable for any reason to attend and that designee, when present, 835
shall be counted in determining whether a quorum is present at any 836
meeting and may vote and participate in all proceedings and 837
actions of the commission. A designee may not execute or cause a 838
facsimile signature to be placed on any obligation. That 839
designation shall be in writing, executed by the designating 840
member, and be filed with the secretary of the commission. A 841
designation may be changed from time to time by a similar written 842
designation. The commission may delegate to such of its members, 843
officers, or employees as it determines those powers and duties as 844
it deems appropriate. No member of the commission or designee 845
shall, by reason of being or serving as a member of the 846
commission, be required to abstain from action in any other 847

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.

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

(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:

(a) Attracting researchers and research teams by endowing

<u>research chairs or otherwise;</u>	879
<u>(b) Activities to develop and commercialize products and processes;</u>	880
<u>(c) Intellectual property matters such as copyrights and patents;</u>	881
<u>(d) Property interests including timesharing arrangements, capital formation, direct operating costs, and costs of research and facilities including interests in real property therefore; and</u>	882
<u>(e) Support for public and private institutions of higher education, research organizations or institutions, and private sector entities.</u>	883
<u>(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.</u>	887
<u>(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 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.</u>	888
<u>(B) The issuing authority shall issue general obligations of the state to pay costs of research and development projects</u>	889
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pursuant to division (B)(2) of Section 2p of Article VIII, Ohio 909
Constitution, section 151.01 of the Revised Code, and this 910
section. The issuing authority shall issue obligations in the 911
amount determined by the issuing authority to be required for 912
those purposes. The total principal amount of obligations issued 913
under this section shall not exceed five hundred million dollars. 914

(C) Net proceeds of obligations shall be deposited into the 915
third frontier research and development fund created by section 916
184.19 of the Revised Code. 917

(D) There is hereby created in the state treasury the third 918
frontier research and development projects bond service fund. All 919
moneys received by the state and required by the bond proceedings, 920
consistent with section 151.01 of the Revised Code and this 921
section, to be deposited, transferred, or credited to the bond 922
service fund, and all other moneys transferred or allocated to or 923
received for the purposes of that fund, shall be deposited and 924
credited to the bond service fund, subject to any applicable 925
provisions of the bond proceedings, but without necessity for any 926
act of appropriation. During the period beginning with the date of 927
the first issuance of obligations and continuing during the time 928
that any obligations are outstanding in accordance with their 929
terms, so long as moneys in the bond service fund are insufficient 930
to pay debt service when due on those obligations payable from 931
that fund, except the principal amounts of bond anticipation notes 932
payable from the proceeds of renewal notes or bonds anticipated, 933
and due in the particular fiscal year, a sufficient amount of 934
revenues of the state is committed and, without necessity for 935
further act of appropriation, shall be paid to the bond service 936
fund for the purpose of paying that debt service when due. 937

Sec. 151.11. (A) As used in this section: 938

(1) "Costs of sites and facilities" includes related direct 939

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

(2) "Obligations" means obligations as defined in section 944
151.01 of the Revised Code issued to pay costs of sites and 945
facilities in Ohio for and in support of industry, commerce, 946
distribution, and research and development purposes as referred to 947
in division (A)(3) of Section 2p of Article VIII, Ohio 948
Constitution. 949

(B) The issuing authority shall issue general obligations of 950
the state to pay costs of sites and facilities pursuant to 951
division (B)(3) of Section 2p of Article VIII, Ohio Constitution, 952
section 151.01 of the Revised Code, and this section. The issuing 953
authority shall issue obligations in the amount determined by the 954
issuing authority to be required for those purposes. The total 955
principal amount of obligations issued under this section shall 956
not exceed one hundred fifty million dollars. 957

(C) Net proceeds of obligations shall be deposited into the 958
job ready site development fund created by section 122.0820 of the 959
Revised Code. 960

(D) There is hereby created in the state treasury the job 961
ready site development bond service fund. All moneys received by 962
the state and required by the bond proceedings, consistent with 963
section 151.01 of the Revised Code and this section, to be 964
deposited, transferred, or credited to the bond service fund, and 965
all other moneys transferred or allocated to or received for the 966
purposes of that fund, shall be deposited and credited to the bond 967
service fund, subject to any applicable provisions of the bond 968
proceedings, but without necessity for any act of appropriation. 969
During the period beginning with the date of the first issuance of 970

obligations and continuing during the time that any obligations 971
are outstanding in accordance with their terms, so long as moneys 972
in the bond service fund are insufficient to pay debt service when 973
due on those obligations payable from that fund, except the 974
principal amounts of bond anticipation notes payable from the 975
proceeds of renewal notes or bonds anticipated, and due in the 976
particular fiscal year, a sufficient amount of revenues of the 977
state is committed and, without necessity for further act of 978
appropriation, shall be paid to the bond service fund for the 979
purpose of paying that debt service when due. 980

Sec. 184.01. (A) There is hereby created the third frontier 981
commission in the department of development. The purpose of the 982
commission is to coordinate and administer science and technology 983
programs to promote the welfare of the people of the state and to 984
maximize the economic growth of the state through expansion of 985
both of the following: 986

(1) The state's high technology research and development 987
capabilities; 988

(2) The state's product and process innovation and 989
commercialization. 990

(B)(1) The commission shall consist of nine members: the 991
director of development, the chancellor of the Ohio board of 992
regents, ~~and~~ the governor's science and technology advisor, and 993
six persons appointed by the governor with the advice and consent 994
of the senate. The 995

(2) Of the six persons appointed by the governor, one shall 996
represent the central region, which is composed of the counties of 997
Delaware, Fairfield, Fayette, Franklin, Hocking, Knox, Licking, 998
Logan, Madison, Marion, Morrow, Perry, Pickaway, Ross, and Union; 999
one shall represent the west central region, which is composed of 1000

the counties of Champaign, Clark, Darke, Greene, Miami, Montgomery, Preble, and Shelby; one shall represent the northeast region, which is composed of the counties of Ashland, Ashtabula, Carroll, Crawford, Columbiana, Cuyahoga, Erie, Geauga, Holmes, Huron, Lake, Lorain, Mahoning, Medina, Portage, Richland, Stark, Summit, Trumbull, Tuscarawas, and Wayne; one shall represent the northwest region, which is composed of the counties of Allen, Auglaize, Defiance, Fulton, Hancock, Hardin, Henry, Lucas, Mercer, Ottawa, Paulding, Putnam, Sandusky, Seneca, Van Wert, Williams, Wood, and Wyandot; one shall represent the southeast region, which shall represent the counties of Adams, Athens, Belmont, Coshocton, Gallia, Guernsey, Harrison, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Noble, Pike, Scioto, Vinton, and Washington; and one shall represent the southwest region, which is composed of the counties of Butler, Brown, Clermont, Clinton, Hamilton, Highland, and Warren. Of the initial appointments, two shall be for one year, two shall be for two years, and two shall be for three years as assigned by the governor. Thereafter, appointments shall be for three-year terms. Members may be reappointed and vacancies shall be filled in the same manner as appointments. A person must have a background in business or research in order to be eligible for appointment to the commission.

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

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

(D) The commission shall administer any money that may be 1033
appropriated to it by the general assembly. The commission may use 1034
such money for research and commercialization and for any other 1035
purposes that may be designated by the commission. 1036

(E) The department of development shall provide office space 1037
and facilities for the commission. Administrative costs associated 1038
with the operation of the commission or with any program or 1039
activity administered by the commission shall be paid from amounts 1040
appropriated to the commission or to the department of development 1041
for such purposes. 1042

(F) The attorney general shall serve as the legal 1043
representative for the commission and may appoint other counsel as 1044
necessary for that purpose in accordance with section 109.07 of 1045
the Revised Code. 1046

(G) Members of the commission shall serve without 1047
compensation, but shall receive their reasonable and necessary 1048
expenses incurred in the conduct of commission business. 1049

(H) Members of the commission shall file financial disclosure 1050
statements described in division (B) of section 102.02 of the 1051
Revised Code. 1052

Sec. 184.02. (A) The In addition to the powers and duties 1053
under sections 184.10 to 184.19 of the Revised Code, the third 1054
frontier commission may perform any act to ensure the performance 1055
of any function necessary or appropriate to carry out the purposes 1056
of, and exercise the powers granted under, sections 184.01 and 1057
184.02 of the Revised Code. In addition, the commission may do any 1058
of the following: 1059

(1) Adopt, amend, and rescind rules under section 111.15 of 1060
the Revised Code for the administration of any aspect of its 1061
operations; 1062

(2) Adopt bylaws governing its operations, including bylaws	1063
that establish procedures and set policies as may be necessary to	1064
assist with the furtherance of its purposes;	1065
(3) Appoint and set the compensation of employees needed to	1066
carry out its duties;	1067
(4) Contract with, retain the services of, or designate, and	1068
fix the compensation of, such financial consultants, accountants,	1069
other consultants and advisors, and other independent contractors	1070
as may be necessary or desirable to carry out its duties;	1071
(5) Solicit input and comments from the third frontier	1072
advisory board, and specialized industry, professional, and other	1073
relevant interest groups concerning its purposes;	1074
(6) Facilitate alignment of the state's science and	1075
technology programs and activities;	1076
(7) Make grants and loans to individuals, public agencies,	1077
private companies or organizations, or joint ventures for any of	1078
the broad range of activities related to its purposes.	1079
(B) <u>The In addition to the powers and duties under sections</u>	1080
<u>184.10 to 184.18 of the Revised Code, the commission shall do all</u>	1081
of the following:	1082
(1) Establish a competitive process for the award of grants	1083
and loans that is designed to fund the most meritorious proposals	1084
and, when appropriate, provide for peer review of proposals;	1085
(2) Within ninety days after the end of each fiscal year,	1086
submit to the governor and the general assembly a report of the	1087
activities of the commission during the preceding fiscal year;	1088
(3) With specific application to the biomedical research and	1089
technology transfer trust fund, periodically make strategic	1090
assessments of the types of state investments in biomedical	1091
research and biotechnology in the state that would likely create	1092

jobs and business opportunities in the state and produce the most
beneficial long-term improvements to the public health of Ohioans,
including, but not limited to, biomedical research and
biotechnology initiatives that address tobacco-related illnesses
as may be outlined in any master agreement. The commission shall
award grants and loans from the fund pursuant to a process
established under division (B)(1) of this section.

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

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

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

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

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

(5) The commission's powers and duties under sections 184.10
to 184.19 of the Revised Code.

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

(1) Of the fourteen members appointed by the governor, nine

shall be representative of or have experience with business 1123
matters that affect the state and five shall be representative of 1124
or have experience with matters affecting universities or 1125
nonprofit research institutions in the state. 1126

(2) Of the governor's initial appointees that are 1127
representative of or have experience with business matters that 1128
affect the state, three shall serve an initial term of one year, 1129
three shall serve an initial term of two years, and three shall 1130
serve an initial term of three years. All of the initial 1131
appointees that are representative of or have experience with 1132
matters affecting university or nonprofit research institutions 1133
shall serve an initial term of three years. Thereafter, each 1134
member appointed by the governor shall serve a three-year term. 1135

(3) All appointees to the board shall serve at the pleasure 1136
of their appointing authorities. 1137

(4) Not more than nine members of the board shall be of the 1138
same political party. 1139

(C) The governor shall appoint the chairperson of the board 1140
from among its members, and the chairperson shall serve in that 1141
role at the pleasure of the governor. 1142

(D) A majority of the members of the board constitutes a 1143
quorum, and no action shall be taken without the affirmative vote 1144
of a majority of the members. 1145

(E) Each member of the board shall hold office from the date 1146
of appointment until the end of the term for which the member was 1147
appointed. A member may be reappointed for an unlimited number of 1148
terms. A member appointed to fill a vacancy occurring prior to the 1149
expiration of the term for which the member's predecessor was 1150
appointed shall hold office for the remainder of such term. A 1151
vacancy in an unexpired term shall be filled in the same manner as 1152
the original appointment. A member of the board shall continue in 1153

office subsequent to the expiration date of the member's term 1154
until the member's successor takes office, or until a period of 1155
sixty days has elapsed, whichever occurs first. The governor may 1156
remove any member of the board for malfeasance, misfeasance, or 1157
nonfeasance after a hearing in accordance with Chapter 119. of the 1158
Revised Code. 1159

(F) Members of the board shall not act as representatives of 1160
any specific disciplinary, regional, or organizational interest. 1161
Members shall represent a wide variety of experience valuable in 1162
technology research and development, product process innovation 1163
and commercialization, and creating and managing high-growth 1164
technology-based companies. 1165

(G) Members of the board shall file financial disclosure 1166
statements described in division (B) of section 102.02 of the 1167
Revised Code. 1168

(H) Members of the board shall serve without compensation but 1169
shall receive their reasonable and necessary expenses incurred in 1170
the conduct of board business. 1171

(I) Before entering upon duties as a member of the board, 1172
each member shall take an oath as provided by Section 7 of Article 1173
XV, Ohio Constitution. 1174

(J) The department of development shall provide office space 1175
and facilities for the board. 1176

(K) Sections 101.82 to 101.87 of the Revised Code do not 1177
apply to the board. 1178

Sec. 184.10. As used in sections 184.10 to 184.19 of the 1179
Revised Code: 1180

(A) "In-state entity" includes individuals, public and 1181
private entities, agencies, and institutions, private companies or 1182
organizations, partnerships, business trusts, or other business 1183

entities or ventures, or research organizations, whether for 1184
profit or not for profit, that have substantial presence in Ohio. 1185

(B) "Research and development projects" means projects or 1186
activities in support of Ohio industry, commerce, and business, 1187
which include, without limitation, research and product 1188
innovation, development, and commercialization through efforts by, 1189
and may include collaboration among, Ohio business and industry, 1190
state and local public entities and agencies, public and private 1191
institutions, or research organizations. Those projects and 1192
activities also include projects and activities supporting any and 1193
all matters related to research and development purposes 1194
including: attracting researchers and research teams by endowing 1195
chairs or otherwise; developing and commercializing products and 1196
processes; promoting, developing, and securing intellectual 1197
property matters and rights such as copyrights and patents; 1198
promoting, developing, and securing property interests, including 1199
time sharing arrangements; and promoting, developing, and securing 1200
financial rights and matters such as royalties, licensing, and 1201
other financial gain or sharing resulting from research and 1202
development. 1203

Sec. 184.11. The third frontier commission may award support 1204
to individuals, public and private entities, agencies, and 1205
institutions, private companies or organizations, partnerships, 1206
business trusts, or other business entities or ventures, research 1207
organizations, whether for profit or not for profit, or 1208
combinations or consortiums of any of the foregoing for the 1209
purpose of supporting research and development projects. The 1210
support may be in such manner as the commission determines, 1211
including by any one or a combination of grants, loans, including 1212
loans to lenders or the purchase of loans, subsidies, 1213
contributions, advances, or guarantees, or by payment or 1214

reimbursement from available money, or by providing staffing or 1215
other support including computer or other technology capacity, or 1216
equipment or facilities, including interests in real property. 1217

Sec. 184.111. Except with respect to support subject to an 1218
agreement under section 184.114 of the Revised Code, the third 1219
frontier commission may award the support described in section 1220
184.11 of the Revised Code only to in-state entities. If an entity 1221
awarded support is collaborating with any entity that is not an 1222
in-state entity on the research and development project for which 1223
the support was awarded, the in-state entity may provide any 1224
portion of that support to the other entity only if the 1225
commission, in its discretion and only under exceptional 1226
circumstances that the commission determines, permits it. 1227

Sec. 184.112. The third frontier commission shall establish a 1228
competitive process for making awards of the support described in 1229
section 184.11 of the Revised Code that is designed to fund the 1230
research and development projects that have the most merit. The 1231
commission, on completion of that process, shall make a 1232
recommendation to the controlling board asking for approval to 1233
award support for the research and development projects selected 1234
by the commission. 1235

Sec. 184.113. The third frontier commission shall require 1236
each individual, public and private entity, agency, and 1237
institution, private company or organization, partnership, 1238
business trust, or other business entity or venture, research 1239
organization, or combination or consortium of any of the foregoing 1240
that the controlling board approves to receive the support 1241
described in section 184.11 of the Revised Code to enter into an 1242
agreement governing the use of the support for the research and 1243

development project. The agreement shall contain terms the 1244
commission determines to be necessary, including provisions 1245
stating that any support given by the commission may be used to 1246
pay costs of or in support of or related to research and 1247
development purposes, including, without limitation, capital 1248
formation, direct operating costs, costs of research and 1249
facilities, including interests in real property, and support for 1250
public and private institutions of higher education, research 1251
organizations or institutions, and private sector entities. 1252

Sec. 184.114. If the third frontier commission intends to 1253
award support for a research and development project under section 1254
184.11 of the Revised Code to an individual or private entity, 1255
agency, institution, company, partnership, business trust, or 1256
other business entity or venture, or organization, the agreement 1257
governing the use of the support entered into under section 1258
184.113 of the Revised Code shall require both of the following: 1259

(A) The project shall primarily benefit this state. 1260

(B) If the recipient of the support is not an in-state 1261
entity, it shall become an in-state entity not later than six 1262
months after entering into the agreement. 1263

Sec. 184.115. An individual or private entity, agency, 1264
institution, company, partnership, business trust, or other 1265
business entity or venture, or organization that has received 1266
support under section 184.11 of the Revised Code for a research 1267
and development project and that violates the requirements of 1268
section 184.114 of the Revised Code forfeits the support and must 1269
repay the support amount or the equivalent in money plus interest 1270
at the rate required by section 5703.47 of the Revised Code to the 1271
third frontier commission. If all or a portion of the support 1272
forfeited is other than in the form of a grant, recovery of the 1273

support shall be governed by the agreement entered into under 1274
section 184.113 of the Revised Code. 1275

Sec. 184.116. If the third frontier commission utilizes 1276
independent reviewers to review the merits of proposed research 1277
and development projects and to make recommendations to the 1278
commission concerning which projects should be awarded support 1279
under section 184.11 of the Revised Code and the commission takes 1280
one of the following actions, the commission shall provide a 1281
written explanation of the reasons for its action and present the 1282
explanation at one of the commission's regularly scheduled public 1283
meetings: 1284

(A) Awards support for a project that the reviewers do not 1285
recommend; 1286

(B) Refuses to award support for a project the reviewers do 1287
recommend; 1288

(C) Makes a support award that varies substantially from the 1289
reviewers' recommendation. 1290

The commission, pursuant to Chapter 119. of the Revised Code, 1291
shall adopt rules necessary and proper to govern explanations 1292
required under this section. 1293

Sec. 184.12. Individuals, Ohio businesses and industries, 1294
local public entities and agencies, public and private education 1295
institutions, including state-supported and state-assisted 1296
institutions of higher education, the state and state agencies, 1297
and research organizations and institutions may collaborate on 1298
research and development projects. 1299

Sec. 184.13. The state shall have no ownership interest in 1300
any business or private entity, agency, institution, company, 1301

partnership, business trust, venture, or organization that has 1302
received support for a research and development project under 1303
section 184.11 of the Revised Code, and shall assume no shared 1304
risk or shared liability. 1305

Sec. 184.14. The third frontier commission shall establish 1306
procedures that permit public inspection of all support awarded 1307
under section 184.11 of the Revised Code for research and 1308
development projects and the processes used to determine which 1309
projects shall receive support. 1310

Sec. 184.15. The third frontier commission shall publish a 1311
report twice each year detailing all support awarded under section 1312
184.11 of the Revised Code for research and development projects, 1313
including the amount or type of support and the progress and 1314
performance metrics for the projects. A copy of each report shall 1315
be delivered to the governor, speaker and minority leader of the 1316
house of representatives, and president and minority leader of the 1317
senate. 1318

Sec. 184.151. The third frontier commission shall conduct 1319
public meetings twice each year at which a representative of the 1320
department of development shall testify regarding the number of 1321
applicants for support for research and development projects and 1322
the other information contained in the most recent report made by 1323
the commission under section 184.15 of the Revised Code. The 1324
representative shall also testify regarding the monitoring 1325
activities of, and data obtained by, the department pursuant to 1326
section 184.16 of the Revised Code. In addition to oral testimony, 1327
the representative shall provide a written report of all the 1328
information for which testimony is required under this section. 1329

Sec. 184.16. The department of development shall monitor each 1330
research and development project receiving support under section 1331
184.11 of the Revised Code to ensure the following: 1332

(A) Fiscal accountability, so that the support is used in 1333
accordance with the agreement entered into under section 184.113 1334
of the Revised Code; 1335

(B) Operating progress, so that the project is managed to 1336
achieve the requirements of the agreement entered into under 1337
section 184.113 of the Revised Code and so that problems may be 1338
promptly identified and remedied; 1339

(C) Desired outcomes, including job creation and other 1340
anticipated economic impacts. 1341

Sec. 184.17. As used in sections 184.171, 184.172, and 1342
184.173 of the Revised Code, "minority" means an individual who is 1343
a United States citizen and who is a member of one of the 1344
following economically disadvantaged groups: Blacks or African 1345
Americans, American Indians, Hispanics or Latinos, and Asians. 1346

Sec. 184.171. The third frontier commission shall conduct 1347
outreach activities described in section 184.172 of the Revised 1348
Code that seek to include minorities in the various projects and 1349
initiatives sponsored, funded, encouraged, or otherwise promoted 1350
by the commission. The commission shall direct the activities at 1351
faculty and students involved in science and engineering 1352
disciplines, professional scientists and engineers, technical 1353
assistance providers, the investment community, minority-owned 1354
businesses, and minority entrepreneurs. 1355

Sec. 184.172. The outreach activities the third frontier 1356
commission shall conduct under section 184.171 of the Revised Code 1357

shall include the following: 1358

(A) Identifying and partnering with historically black colleges and universities to solicit and implement a minority technology demonstration project funded by the national science foundation; 1359
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(B) Working with all institutions of higher education in the state to support minority faculty and students involved in science and engineering; 1363
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(C) Developing a plan to contact by telephone minority-owned businesses and entrepreneurs to notify them of and encourage them to participate in the various third frontier projects and initiatives; 1366
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(D) Identifying minority professional and technical trade associations and economic development assistance organizations and notifying them of the various third frontier projects and initiatives; 1370
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(E) Partnering with regional technology councils to foster local efforts to support minority-owned technology businesses or otherwise identify networks of minority-owned technology businesses, entrepreneurs, and individuals operating locally; 1374
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(F) Identifying minority technology firms and marketing them to the investment community including the Ohio venture capital authority created under section 150.02 of the Revised Code and the managers of all investment funds receiving third frontier project support. 1378
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Sec. 184.173. The third frontier commission shall conduct the outreach activities described in sections 184.171 and 184.172 of the Revised Code in conjunction with the EDGE program created under section 123.152 of the Revised Code. 1383
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Sec. 184.18. (A) As used in this section: 1388

(1) "Metropolitan statistical area" means an area of this state that is designated a metropolitan statistical area or primary metropolitan statistical area in United States office of management and budget bulletin No. 04-03, February 18, 2004, and its attachments, and the designated area is located entirely within this state. An area of this state that is designated a metropolitan statistical area or primary metropolitan statistical area, but the designated area includes areas of one or more other states, shall be considered a metropolitan statistical area only if that area of this state could be designated a metropolitan statistical area or primary metropolitan statistical area without including the areas located in the other state or states. 1389
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(2) "Rural area" means any area of this state not located within a metropolitan statistical area. 1401
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(B) The third frontier commission shall conduct outreach activities that seek to include rural areas in the various projects and initiatives sponsored, funded, encouraged, or otherwise promoted by the commission. Those activities shall include the following: 1403
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(1) Working with all institutions of higher education in the state to support faculty and students involved in science and engineering who focus on third frontier projects and initiatives in rural areas; 1408
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(2) Developing a plan to contact by telephone businesses and entrepreneurs in rural areas to notify them of and encourage them to participate in the various third frontier projects and initiatives; 1412
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(3) Identifying professional and technical trade associations and economic development assistance organizations in rural areas 1416
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and notifying them of the various third frontier projects and 1418
initiatives; 1419

(4) Partnering with regional technology councils to foster 1420
local efforts to support technology businesses in rural areas or 1421
otherwise identify networks of technology businesses, 1422
entrepreneurs, and individuals operating in rural areas; 1423

(5) Identifying technology firms in rural areas and marketing 1424
them to the investment community including the Ohio venture 1425
capital authority created under section 150.02 of the Revised Code 1426
and the managers of all investment funds receiving third frontier 1427
project support. 1428

Sec. 184.19. The third frontier research and development fund 1429
is hereby created in the state treasury. The fund shall consist of 1430
the net proceeds of the obligations issued and sold by the issuing 1431
authority pursuant to sections 151.01 and 151.10 of the Revised 1432
Code. Investment earnings of the fund shall be credited to the 1433
fund. Moneys in the fund shall be used in accordance with sections 1434
184.10 to 184.18 of the Revised Code and for associated 1435
administrative expenses. 1436

Section 2. That existing sections 151.01, 151.02, 184.01, 1437
184.02, and 184.03 of the Revised Code are hereby repealed. 1438

Section 3. The Governor shall make the appointments to the 1439
Third Frontier Commission required under section 184.01 of the 1440
Revised Code not later than April 1, 2006. The Commission shall be 1441
officially expanded on that date and the initial terms of office 1442
of those persons appointed shall begin on that date. 1443

Section 4. That Sections 203.99, 203.99.33, 203.99.51, and 1444
209.99 of Am. Sub. H.B. 66 of the 126th General Assembly be 1445

amended to read as follows:				1446
Sec. 203.99.	DEV DEPARTMENT OF DEVELOPMENT			1447
General Revenue Fund				1448
GRF 195-321	Operating Expenses	\$ 2,738,908	\$ 2,723,908	1449
GRF 195-401	Thomas Edison Program	\$ 17,554,838	\$ 17,454,838	1450
GRF 195-404	Small Business	\$ 1,740,722	\$ 1,740,722	1451
	Development			
GRF 195-405	Minority Business	\$ 1,580,291	\$ 1,580,291	1452
	Development Division			
GRF 195-407	Travel and Tourism	\$ 6,812,845	\$ 6,712,845	1453
GRF 195-410	Defense Conversion	\$ 300,000	\$ 200,000	1454
	Assistance			
GRF 195-412	Business Development	\$ 11,750,000	\$ 11,750,000	1455
	Grants			
GRF 195-415	Economic Development	\$ 5,794,975	\$ 5,894,975	1456
	Division and Regional			
	Offices			
GRF 195-416	Governor's Office of	\$ 4,122,372	\$ 4,122,372	1457
	Appalachia			
GRF 195-422	Third Frontier Action	\$ 16,790,000	\$ 16,790,000	1458
	Fund			
GRF 195-426	Clean Ohio	\$ 300,000	\$ 300,000	1459
	Implementation			
GRF 195-432	International Trade	\$ 4,223,787	\$ 4,223,787	1460
GRF 195-434	Investment in Training	\$ 12,227,500	\$ 12,227,500	1461
	Grants			
GRF 195-436	Labor/Management	\$ 811,869	\$ 811,869	1462
	Cooperation			
GRF 195-497	CDBG Operating Match	\$ 1,040,956	\$ 1,040,956	1463
GRF 195-498	State Match Energy	\$ 94,000	\$ 94,000	1464
GRF 195-501	Appalachian Local	\$ 380,080	\$ 380,080	1465

	Development Districts			
GRF 195-502	Appalachian Regional	\$ 246,803	\$ 246,803	1466
	Commission Dues			
GRF 195-507	Travel and Tourism	\$ 1,287,500	\$ 1,162,500	1467
	Grants			
GRF 195-515	Economic Development	\$ 10,000,000	\$ 0	1468
	Contingency			
GRF 195-905	Third Frontier	\$ 0	\$ 13,910,000	1469
	Research & Commercialization			
	<u>Development General</u>			
	Obligation Debt			
	Service			
<u>GRF 195-912</u>	<u>Job Ready Site</u>	<u>\$ 0</u>	<u>\$ 4,124,400</u>	1470
	<u>Development General</u>			
	<u>Obligation Debt</u>			
	<u>Service</u>			
TOTAL GRF	General Revenue Fund	\$ 99,797,446	\$ 103,367,446 <u>107,491,846</u>	1471
	General Services Fund Group			1472
135 195-605	Supportive Services	\$ 7,450,000	\$ 7,539,686	1473
5AD 195-667	Investment in Training	\$ 5,000,000	\$ 5,000,000	1474
	Expansion			
5AD 195-668	Worker Guarantee	\$ 3,000,000	\$ 3,000,000	1475
	Program			
5AD 195-677	Economic Development	\$ 0	\$ 10,000,000	1476
	Contingency			
685 195-636	General Reimbursements	\$ 1,000,000	\$ 1,000,000	1477
TOTAL GSF	General Services Fund			1478
Group		\$ 16,450,000	\$ 26,539,686	1479
	Federal Special Revenue Fund Group			1480
3AE 195-643	Workforce Development	\$ 5,800,000	\$ 5,800,000	1481

		Initiatives				
3K8	195-613	Community Development	\$	65,000,000	\$	65,000,000 1482
		Block Grant				
3K9	195-611	Home Energy Assistance	\$	90,500,000	\$	90,500,000 1483
		Block Grant				
3K9	195-614	HEAP Weatherization	\$	16,219,478	\$	16,219,478 1484
3L0	195-612	Community Services	\$	25,235,000	\$	25,235,000 1485
		Block Grant				
3V1	195-601	HOME Program	\$	40,000,000	\$	40,000,000 1486
308	195-602	Appalachian Regional	\$	600,660	\$	600,660 1487
		Commission				
308	195-603	Housing and Urban	\$	5,000,000	\$	5,000,000 1488
		Development				
308	195-605	Federal Projects	\$	15,300,249	\$	15,300,249 1489
308	195-609	Small Business	\$	4,296,381	\$	4,296,381 1490
		Administration				
308	195-618	Energy Federal Grants	\$	3,397,659	\$	3,397,659 1491
335	195-610	Oil Overcharge	\$	3,000,000	\$	3,000,000 1492
TOTAL FED		Federal Special Revenue				1493
Fund Group			\$	274,349,427	\$	274,349,427 1494
State Special Revenue		Fund Group				1495
4F2	195-639	State Special Projects	\$	290,183	\$	290,183 1496
4F2	195-676	Promote Ohio	\$	5,228,210	\$	5,228,210 1497
4S0	195-630	Enterprise Zone	\$	275,000	\$	275,000 1498
		Operating				
4S1	195-634	Job Creation Tax	\$	375,800	\$	375,800 1499
		Credit Operating				
4W1	195-646	Minority Business	\$	2,580,597	\$	2,580,597 1500
		Enterprise Loan				
444	195-607	Water and Sewer	\$	523,775	\$	523,775 1501
		Commission Loans				
450	195-624	Minority Business	\$	53,967	\$	53,967 1502
		Bonding Program				

		Administration				
451	195-625	Economic Development	\$	2,358,311	\$	2,358,311 1503
		Financing Operating				
5CA	195-678	Shovel Ready Sites	\$	5,000,000	\$	5,000,000 1504
5CG	195-679	Alternative Fuel	\$	150,000	\$	150,000 1505
		Transportation				
5CV	195-680	Defense Conversion	\$	1,000,000	\$	0 1506
		Assistance				
5CY	195-682	Lung Cancer and Lung	\$	10,000,000	\$	0 1507
		Disease Research				
5M4	195-659	Universal Service	\$	210,000,000	\$	210,000,000 1508
5M5	195-660	Energy Efficiency Loan	\$	12,000,000	\$	12,000,000 1509
		and Grant				
5X1	195-651	Exempt Facility	\$	25,000	\$	25,000 1510
		Inspection				
611	195-631	Water and Sewer	\$	15,713	\$	15,713 1511
		Administration				
617	195-654	Volume Cap	\$	200,000	\$	200,000 1512
		Administration				
646	195-638	Low- and Moderate-	\$	53,000,000	\$	53,000,000 1513
		Income Housing Trust				
		Fund				
		TOTAL SSR State Special Revenue				1514
		Fund Group	\$	303,076,556	\$	292,076,556 1515
		Facilities Establishment Fund Group				1516
009	195-664	Innovation Ohio	\$	50,000,000	\$	50,000,000 1517
010	195-665	Research and	\$	50,000,000	\$	50,000,000 1518
		Development				
037	195-615	Facilities	\$	63,931,149	\$	63,931,149 1519
		Establishment				
4Z6	195-647	Rural Industrial Park	\$	3,000,000	\$	3,000,000 1520
		Loan				
5D2	195-650	Urban Redevelopment	\$	5,475,000	\$	5,475,000 1521

		Loans				
5H1	195-652	Family Farm Loan	\$	1,000,000	\$	1,000,000
		Guarantee				1522
5S8	195-627	Rural Development	\$	3,000,000	\$	3,000,000
		Initiative				1523
5S9	195-628	Capital Access Loan	\$	3,000,000	\$	3,000,000
		Program				1524
TOTAL	037	Facilities				1525
Establishment		Fund Group	\$	179,406,149	\$	179,406,149
		Clean Ohio Revitalization Fund				1526
003	195-663	Clean Ohio Operating	\$	350,000	\$	350,000
TOTAL	003	Clean Ohio Revitalization	\$	350,000	\$	350,000
		Fund				1527
		<u>Third Frontier Research & Development Fund Group</u>				1528
011	195-686	<u>Third Frontier</u>	\$	<u>713,028</u>	\$	<u>1,932,056</u>
		<u>Operating</u>				1531
011	195-687	<u>Third Frontier</u>	\$	<u>100,000,000</u>	\$	<u>100,000,000</u>
		<u>Research & Development</u>				1532
		<u>Projects</u>				
TOTAL	011	<u>Third Frontier Research &</u>	\$	<u>100,713,028</u>	\$	<u>101,932,056</u>
		<u>Development Fund Group</u>				1533
		<u>Job Ready Site Development Fund Group</u>				1534
012	195-688	<u>Job Ready Site</u>	\$	<u>622,200</u>	\$	<u>746,155</u>
		<u>Operating</u>				1535
TOTAL	012	<u>Job Ready Site</u>	\$	<u>622,200</u>	\$	<u>746,155</u>
		<u>Development Fund Group</u>				1536
TOTAL	ALL	BUDGET FUND GROUPS	\$	873,429,578	\$	876,089,264
				<u>974,764,806</u>		<u>982,891,875</u>
		Sec. 203.99.33. THIRD FRONTIER RESEARCH & COMMERCIALIZATION				1539
		<u>DEVELOPMENT</u> GENERAL OBLIGATION DEBT SERVICE				1540
		The foregoing appropriation item 195-905, Third Frontier				1541

Research & ~~Commercialization~~ Development General Obligation Debt 1542
Service, shall be used to pay all debt service and related 1543
financing costs during the period from July 1, 2005, to June 30, 1544
2007, on obligations to be issued for research and development 1545
purposes, ~~as authorized by the Ohio Constitution and implementing~~ 1546
~~statutes~~ under sections 151.01 and 151.10 of the Revised Code. The 1547
Office of the Sinking Fund or the Director of Budget and 1548
Management shall effectuate the required payments by intrastate 1549
transfer voucher. 1550

JOB READY SITE DEVELOPMENT GENERAL OBLIGATION DEBT SERVICE 1551

The foregoing appropriation item 195-912, Job Ready Site 1552
Development General Obligation Debt Service, shall be used to pay 1553
all debt service and related financing costs during the period 1554
from July 1, 2005, to June 30, 2007, on obligations to be issued 1555
for job ready site development purposes under sections 151.01 and 1556
151.11 of the Revised Code. The Office of the Sinking Fund or the 1557
Director of Budget and Management shall effectuate the required 1558
payments by intrastate transfer voucher. 1559

Sec. 203.99.51. CLEAN OHIO OPERATING EXPENSES 1560

The foregoing appropriation item 195-663, Clean Ohio 1561
Operating, shall be used by the Department of Development in 1562
administering sections 122.65 to 122.658 of the Revised Code. 1563

THIRD FRONTIER OPERATING 1564

The foregoing appropriation item 195-686, Third Frontier 1565
Operating, shall be used for operating expenses incurred by the 1566
Department of Development in administering sections 184.10 to 1567
184.19 of the Revised Code. 1568

THIRD FRONTIER RESEARCH & DEVELOPMENT PROJECTS 1569

The foregoing appropriation item 195-687, Third Frontier 1570
Research & Development Projects, shall be used by the Department 1571

of Development to fund selected projects pursuant to sections 1572
184.10 to 184.19 of the Revised Code. 1573

On or before June 30, 2006, any unencumbered balance of the 1574
foregoing appropriation item 195-687, Third Frontier Research & 1575
Development Projects, for fiscal year 2006 is hereby appropriated 1576
for the same purpose for fiscal year 2007. 1577

AUTHORITY TO ISSUE AND SELL ORIGINAL OBLIGATIONS 1578

The Ohio Public Facilities Commission, upon request of the 1579
Department of Development, is hereby authorized to issue and sell, 1580
in accordance with Section 2p of Article VIII, Ohio Constitution, 1581
and particularly sections 151.01 and 151.10 of the Revised Code, 1582
original obligations of the State of Ohio in an aggregate amount 1583
not to exceed \$200,000,000. The authorized obligations shall be 1584
issued and sold from time to time and in amounts necessary to 1585
ensure sufficient moneys to the credit of the Third Frontier 1586
Research & Development Fund (Fund 011) to pay costs of research 1587
and development projects. 1588

JOB READY SITE OPERATING 1589

The foregoing appropriation item 195-688, Job Ready Site 1590
Operating, shall be used for operating expenses incurred by the 1591
Department of Development in administering sections 122.085 to 1592
122.0820 of the Revised Code. Operating expenses include, but are 1593
not limited to, certain expenses of the District Public Works 1594
Integrating Committees, audit and accountability activities, and 1595
costs associated with formal certifications verifying that site 1596
infrastructure is in place and is functional. 1597

Sec. 209.99. CSF COMMISSIONERS OF THE SINKING FUND 1598

Debt Service Fund Group 1599

070 155-905 Third Frontier \$ 0 \$ 13,910,000 1600

Research & Development

		<u>Projects Bond Service</u>			
		<u>Fund</u>			
072	155-902	Highway Capital	\$ 180,620,600	\$ 196,464,900	1601
		Improvements Bond			
		Retirement Fund			
073	155-903	Natural Resources Bond	\$ 26,166,000	\$ 24,659,100	1602
		Retirement Fund			
074	155-904	Conservation Projects	\$ 14,687,300	\$ 17,668,800	1603
		Bond Service Fund			
076	155-906	Coal Research and	\$ 7,071,100	\$ 8,980,800	1604
		Development Bond			
		Retirement Fund			
077	155-907	State Capital	\$ 163,131,400	\$ 174,545,100	1605
		Improvements Bond			
		Retirement Fund			
078	155-908	Common Schools Bond	\$ 200,724,700	\$ 236,911,500	1606
		Retirement Fund			
079	155-909	Higher Education Bond	\$ 140,600,300	\$ 158,114,100	1607
		Retirement Fund			
<u>090</u>	<u>155-912</u>	<u>Job Ready Site</u>	<u>\$ 0</u>	<u>\$ 4,124,400</u>	1608
		<u>Development Bond</u>			
		<u>Service Fund</u>			
TOTAL DSF Debt Service Fund Group			\$ 733,001,400	\$ 817,344,300	1609
				<u>835,378,700</u>	
TOTAL ALL BUDGET FUND GROUPS			\$ 733,001,400	\$ 817,344,300	1610
				<u>835,378,700</u>	

ADDITIONAL APPROPRIATIONS

1611

Appropriation items in this section are for the purpose of 1612
 paying debt service and financing costs on bonds or notes of the 1613
 state issued under the Ohio Constitution and acts of the General 1614
 Assembly. If it is determined that additional appropriations are 1615
 necessary for this purpose, such amounts are appropriated. 1616

COMMISSIONER OF THE SINKING FUND HIGHWAY BOND TRANSFER 1617
AUTHORIZATION 1618

Notwithstanding any other provision of law to the contrary, 1619
the Commissioners of the Sinking Fund shall certify to the 1620
Director of Budget and Management, and the director shall then 1621
transfer, the cash balance remaining after provision for the 1622
payment of all outstanding bonds, notes, coupons, and charges from 1623
the Highway Obligation Bond Retirement Fund (Fund 071) to the 1624
Highway Capital Improvements Bond Service Fund (Fund 072), created 1625
by section 151.06 of the Revised Code, as expeditiously as 1626
possible after the effective date of this section. 1627

Section 5. That existing Sections 203.99, 203.99.33, 1628
203.99.51, and 209.99 of Am. Sub. H.B. 66 of the 126th General 1629
Assembly are hereby repealed. 1630

Section 6. All items set forth in this section are hereby 1631
appropriated out of any moneys in the state treasury to the credit 1632
of the Job Ready Site Development Fund (Fund 012) that are not 1633
otherwise appropriated. The appropriations made in this section 1634
are in addition to any other capital appropriations made for the 1635
2004-2006 biennium. 1636

	Appropriations	
DEV DEPARTMENT OF DEVELOPMENT		1637
CAP-003 Job Ready Site Development	\$ 30,000,000	1638
TOTAL Department of Development	\$ 30,000,000	1639
TOTAL Job Ready Site Development Fund	\$ 30,000,000	1640

JOB READY SITE DEVELOPMENT 1641

The foregoing appropriation item CAP-003, Job Ready Site 1642
Development, shall be used by the Department of Development in 1643
accordance with sections 122.085 to 122.0820 of the Revised Code 1644
and is subject to all provisions of Am. Sub. H.B. 16 of the 126th 1645

General Assembly that are generally applicable to capital 1646
appropriations. 1647

Section 7. The Ohio Public Facilities Commission, upon 1648
request of the Department of Development, is hereby authorized to 1649
issue and sell, in accordance with Section 2p of Article VIII, 1650
Ohio Constitution, and particularly sections 151.01 and 151.11 of 1651
the Revised Code, original obligations of the State of Ohio in an 1652
aggregate amount not to exceed \$30,000,000. The authorized 1653
obligations shall be issued and sold from time to time and in 1654
amounts necessary to ensure sufficient moneys to the credit of the 1655
Job Ready Site Development Fund (Fund 012) to pay costs of sites 1656
and facilities. 1657

Section 8. Except as otherwise specifically provided in this 1658
act, a codified or uncodified section of law contained in this act 1659
is not subject to the referendum. Therefore, under Ohio 1660
Constitution, Article II, Section 1d and section 1.471 of the 1661
Revised Code, the codified and uncodified sections of law in this 1662
act, except as otherwise specifically provided in this act, go 1663
into immediate effect when this act becomes law. 1664

Section 9. Sections 6 and 7 of this act are subject to the 1665
referendum. Therefore, under Ohio Constitution, Article II, 1666
Section 1c and section 1.471 of the Revised Code, those sections 1667
take effect on the ninety-first day after this act is filed with 1668
the Secretary of State. If, however, a referendum petition is 1669
filed against the sections as enacted, those sections, unless 1670
rejected at the referendum, take effect at the earliest time 1671
permitted by law. 1672