

**As Reported by the Senate Finance and Financial Institutions
Committee**

**126th General Assembly
Regular Session
2005-2006**

Sub. S. B. No. 236

Senators Carey, Roberts

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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, and 184.18 of the 9
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, and 24
184.18 of the Revised Code be enacted to read as follows: 25

Sec. 122.013. The department of development shall post the 26
following on the official internet site of the department: 27

(A) Annual reports of the progress and status of eligible 28
projects made as required under division (E) of section 122.0814 29
of the Revised Code; 30

(B) The annual report made by the director of development 31
under section 122.0817 of the Revised Code; 32

(C) Reports made by the third frontier commission under 33
section 184.15 of the Revised Code; 34

(D) Information on all support awarded under section 184.11 35
of the Revised Code. 36

Sec. 122.085. As used in sections 122.085 to 122.0820 of the 37
Revised Code: 38

(A)(1) "Allowable costs" includes costs related to the 39
following: 40

(a) Acquisition of land and buildings; 41

(b) Building construction; 42

(c) Making improvements to land and buildings, including the 43
following: 44

(i) Expanding, reconstructing, rehabilitating, remodeling, 45
renovating, enlarging, modernizing, equipping, and furnishing 46
buildings and structures, including leasehold improvements; 47

(ii) Site preparation, including wetland mitigation. 48

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

entities. "Eligible applicant" does not include public or private
institutions of higher education.

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

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

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

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

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

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

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Sec. 122.088. In order to be considered for a grant under the 108
annual competitive process, an eligible applicant shall fill out 109
an application provided by the department of development and shall 110
file it with the district public works integrating committee with 111
jurisdiction over the area in which the eligible project is 112
located. 113

Sec. 122.089. An eligible applicant shall provide all of the 114
following on the annual competitive process application: 115

(A) Contact information for the eligible applicant; 116

(B) A legal description of the property for which the grant 117
is requested; 118

(C) A summary of the proposed eligible project that includes 119
all of the following: 120

(1) A general description of the eligible project, including 121
individuals, organizations, or other entities that will play a 122
critical role in the implementation of the project; 123

(2) An explanation of the need for the eligible project, and 124
the predicted economic impact; 125

(3) An explanation of the need for a grant from the job ready 126
site program; 127

(4) The commitments required pursuant to division (A)(3) of 128
section 122.0815 of the Revised Code. 129

(D) A detailed summary of costs for the eligible project, 130
including supporting documents for cost estimates; 131

(E) Sources of funding for the eligible project, including 132
documentation verifying the status of those funds; 133

(F) Summary results of preliminary engineering studies and 134
environmental reviews, if any have been conducted; 135

(G) A comprehensive marketing plan detailing how the eligible project will be marketed upon completion, if appropriate; 136
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(H) Copies of resolutions or ordinances related to the eligible project, including resolutions or ordinances adopted by the political subdivision with jurisdiction over the geographic area in which the eligible project is located; 138
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(I) Any other information the director requests on the application form. 142
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Sec. 122.0810. (A) Each application for a grant pursuant to the annual competitive process received by a district public works integrating committee shall be evaluated by the executive committee of the district committee. In conducting the evaluation, the executive committee shall determine whether the application for the proposed eligible project is complete and whether the project meets the requirements of section 122.0815 of the Revised Code. If the application is complete and the eligible project meets the requirements of section 122.0815 of the Revised Code, the executive committee shall prioritize the eligible project pursuant to section 122.0816 of the Revised Code and pursuant to local priorities, as those priorities are determined by the executive committee, with all other eligible projects with complete applications that meet the requirements of section 122.0815 of the Revised Code. If the application is incomplete or the project does not meet the requirements of section 122.0815 of the Revised Code, the executive committee shall notify the applicant of the deficiencies and the period of time the applicant has to correct the deficiencies and submit the corrections to the executive committee. Failure to correct deficiencies within the time designated by the executive committee shall disqualify the project from consideration for a grant during the annual competitive process for that year. 144
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The executive committee, by the affirmative vote of a majority of all its members, shall select up to three eligible projects from the projects it has prioritized each year pursuant to the annual competitive process. The executive committee shall forward the applications and any accompanying information for each of the selected eligible projects to the department of development in the time and manner required by the guidelines governing the job ready site program. 167
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(B) For a district public works integrating committee that does not have an executive committee, the full committee shall perform the functions assigned to the executive committee under section 122.0816 of the Revised Code and division (A) of this section. 175
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(C) An executive committee, or a district committee that does not have an executive committee, may appoint a working group of committee members and staff to perform the functions of those committees as provided in this section. 180
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Sec. 122.0811. The department of development shall evaluate each eligible project selected pursuant to section 122.0810 of the Revised Code to determine whether the application for the proposed eligible project is complete and whether it meets the requirements of section 122.0815 of the Revised Code. If the application is complete and the project meets the requirements of section 122.0815 of the Revised Code, the department shall notify the eligible applicant that the application is complete and shall prioritize the eligible project pursuant to section 122.0816 of the Revised Code with all other eligible projects with complete applications that meet the requirements. If the application is incomplete or the project does not meet the requirements of section 122.0815 of the Revised Code, the department shall notify the applicant of the deficiencies and the period of time the 184
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applicant has to correct the deficiencies and submit the 198
corrections to the department. Failure to correct deficiencies 199
within the time designated by the department shall disqualify the 200
project from consideration for a grant during the annual 201
competitive process for that year. 202

The director, on completion of the evaluations and 203
prioritization, shall make a recommendation to the controlling 204
board asking for approval to make grants for the eligible projects 205
selected by the director. The director shall take into 206
consideration the geographic diversity of awards when making the 207
selection of eligible projects to receive grants. 208

Sec. 122.0812. The director of development shall establish a 209
discretionary process that permits the director to make grants 210
described in section 122.086 of the Revised Code in situations 211
that include those in which the timing of a proposed eligible 212
project is such that the annual competitive process is not 213
suitable. The director, as part of the guidelines established for 214
the job ready site program, shall establish all the procedures and 215
requirements governing application for the discretionary grants. 216

Sec. 122.0813. On receipt of an application for a 217
discretionary grant for an eligible project, the director of 218
development shall evaluate it to determine whether the application 219
for the proposed eligible project is complete and whether the 220
eligible project meets the requirements of section 122.0815 of the 221
Revised Code. If the application is complete and the project meets 222
the requirements of section 122.0815 of the Revised Code, the 223
director shall make a recommendation to the controlling board 224
asking for approval to make the discretionary grant for the 225
eligible project. If the application is incomplete or the project 226
does not meet the requirements of section 122.0815 of the Revised 227

Code, the department shall notify the applicant of the 228
deficiencies and work with the applicant to correct the 229
deficiencies. If the deficiencies are corrected, the director 230
shall make a recommendation to the controlling board asking for 231
approval to make the discretionary grant for the eligible project. 232

Sec. 122.0814. If the controlling board approves a grant for 233
an eligible project pursuant to the annual competitive process or 234
the discretionary process, the director of development shall enter 235
into an agreement with the eligible applicant to provide the grant 236
for the project. The agreement shall be executed prior to the 237
payment or disbursement of any funds under the grant and shall 238
contain the following provisions: 239

(A) A designation of a single officer or employee of the 240
eligible applicant who will serve as the manager of the eligible 241
project; 242

(B) A detailed description of the scope of the work required 243
under the eligible project, including anticipated sources and uses 244
of funds; 245

(C) A designation of the percentage of the estimated total 246
cost of the project for which the grant will provide funding, 247
which shall not exceed seventy-five per cent of the cost; 248

(D) Provisions for the recovery by the department of grant 249
funds for failure to meet the terms of the agreement; 250

(E) A requirement that annual reports be made by the eligible 251
applicant on the progress of the eligible project and any other 252
information about the status of the project as required by the 253
guidelines established for the job ready site program; 254

(F) Any other provisions the director determines necessary. 255

Sec. 122.0815. (A) A project shall meet the following requirements in order to be considered for a grant under the annual competitive process: 256
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(1) The application for the grant is made by an eligible applicant. 259
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(2) The project for which the application is made is an eligible project. 261
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(3) The eligible applicant commits to all the following: 263

(a) To use the grant to pay only allowable costs for the eligible project; 264
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(b) Not to use the grant to fund more than seventy-five per cent of the total cost of the eligible project; 266
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(c) Not to use more than ten per cent of the grant amount to pay the costs of professional services under the eligible project. 268
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(4) The grant amount requested does not exceed five million dollars. 270
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(5) The eligible applicant and the eligible project comply with any other criteria the director of development determines is necessary. 272
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(B) A project shall meet the requirements described in divisions (A)(1) to (4) of this section in order to be considered for a grant under the discretionary process. 275
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Sec. 122.0816. The department of development and the executive committees of district public works integrating committees shall apply the following factors to eligible projects under the annual competitive process to determine a priority order for the eligible projects subject to that process: 278
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(A) The potential economic impact of the eligible project; 283

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| <u>(B) The potential impact of the eligible project on economic distress;</u> | 284 |
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| <u>(C) The amount of local, federal, and private funding available for the eligible project;</u> | 286 |
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| <u>(D) The demonstrated need for the eligible project;</u> | 288 |
| <u>(E) The strength of the eligible project's marketing plan, if appropriate;</u> | 289 |
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| <u>(F) The level of financial need;</u> | 291 |
| <u>(G) Any other factor the director of development determines should be considered.</u> | 292 |
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| <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> | 294 |
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| <u>(A) Details on each grant awarded pursuant to the program;</u> | 297 |
| <u>(B) The status of projects funded in previous years;</u> | 298 |
| <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> | 299 |
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| <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> | 302 |
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| <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 committees and executive committees in conducting their duties</u> | 307 |
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under the program. 311

Sec. 122.0820. The job ready site development fund is hereby 312
created in the state treasury. The fund shall consist of the net 313
proceeds of obligations issued and sold by the issuing authority 314
pursuant to sections 151.01 and 151.11 of the Revised Code. 315
Investment earnings of the fund shall be credited to the fund. 316
Moneys in the fund shall be used to make grants for eligible 317
projects pursuant to sections 122.085 to 122.0820 of the Revised 318
Code and associated administrative expenses. 319

Sec. 151.01. (A) As used in sections 151.01 to ~~151.09~~ 151.11 320
and 151.40 of the Revised Code and in the applicable bond 321
proceedings unless otherwise provided: 322

(1) "Bond proceedings" means the resolutions, orders, 323
agreements, and credit enhancement facilities, and amendments and 324
supplements to them, or any one or more or combination of them, 325
authorizing, awarding, or providing for the terms and conditions 326
applicable to or providing for the security or liquidity of, the 327
particular obligations, and the provisions contained in those 328
obligations. 329

(2) "Bond service fund" means the respective bond service 330
fund created by section 151.03, 151.04, 151.05, 151.06, 151.07, 331
151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised Code, and 332
any accounts in that fund, including all moneys and investments, 333
and earnings from investments, credited and to be credited to that 334
fund and accounts as and to the extent provided in the applicable 335
bond proceedings. 336

(3) "Capital facilities" means capital facilities or projects 337
as referred to in section 151.03, 151.04, 151.05, 151.06, 151.07, 338
151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised Code. 339

(4) "Costs of capital facilities" means the costs of 340
acquiring, constructing, reconstructing, rehabilitating, 341
remodeling, renovating, enlarging, improving, equipping, or 342
furnishing capital facilities, and of the financing of those 343
costs. "Costs of capital facilities" includes, without limitation, 344
and in addition to costs referred to in section 151.03, 151.04, 345
151.05, 151.06, 151.07, 151.08, 151.09, 151.10, 151.11, or 151.40 346
of the Revised Code, the cost of clearance and preparation of the 347
site and of any land to be used in connection with capital 348
facilities, the cost of any indemnity and surety bonds and 349
premiums on insurance, all related direct administrative expenses 350
and allocable portions of direct costs of the issuing authority, 351
costs of engineering and architectural services, designs, plans, 352
specifications, surveys, and estimates of cost, financing costs, 353
interest on obligations from their date to the time when interest 354
is to be paid from sources other than proceeds of obligations, 355
amounts necessary to establish any reserves as required by the 356
bond proceedings, the reimbursement of all moneys advanced or 357
applied by or borrowed from any person or governmental agency or 358
entity for the payment of any item of costs of capital facilities, 359
and all other expenses necessary or incident to planning or 360
determining feasibility or practicability with respect to capital 361
facilities, and such other expenses as may be necessary or 362
incident to the acquisition, construction, reconstruction, 363
rehabilitation, remodeling, renovation, enlargement, improvement, 364
equipment, and furnishing of capital facilities, the financing of 365
those costs, and the placing of the capital facilities in use and 366
operation, including any one, part of, or combination of those 367
classes of costs and expenses. For purposes of sections 122.085 to 368
122.0820 of the Revised Code, "costs of capital facilities" 369
includes "allowable costs" as defined in section 122.085 of the 370
Revised Code. 371

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

(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.

(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~~, 151.10, or 151.11 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.

(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.

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

(10) "Principal amount" means the aggregate of the amount as stated or provided for in the applicable bond proceedings as the

amount on which interest or interest equivalent on particular 403
obligations is initially calculated. Principal amount does not 404
include any premium paid to the state by the initial purchaser of 405
the obligations. "Principal amount" of a capital appreciation 406
bond, as defined in division (C) of section 3334.01 of the Revised 407
Code, means its face amount, and "principal amount" of a zero 408
coupon bond, as defined in division (J) of section 3334.01 of the 409
Revised Code, means the discounted offering price at which the 410
bond is initially sold to the public, disregarding any purchase 411
price discount to the original purchaser, if provided for pursuant 412
to the bond proceedings. 413

(11) "Special funds" or "funds," unless the context indicates 414
otherwise, means the bond service fund, and any other funds, 415
including any reserve funds, created under the bond proceedings 416
and stated to be special funds in those proceedings, including 417
moneys and investments, and earnings from investments, credited 418
and to be credited to the particular fund. Special funds do not 419
include the school building program assistance fund created by 420
section 3318.25 of the Revised Code, the higher education 421
improvement fund created by division (F) of section 154.21 of the 422
Revised Code, the highway capital improvement bond fund created by 423
section 5528.53 of the Revised Code, the state parks and natural 424
resources fund created by section 1557.02 of the Revised Code, the 425
coal research and development fund created by section 1555.15 of 426
the Revised Code, the clean Ohio conservation fund created by 427
section 164.27 of the Revised Code, the clean Ohio revitalization 428
fund created by section 122.658 of the Revised Code, the job ready 429
site development fund created by section 122.0820 of the Revised 430
Code, the third frontier research and development fund created by 431
section 184.18 of the Revised Code, or other funds created by the 432
bond proceedings that are not stated by those proceedings to be 433
special funds. 434

(B) Subject to Section 2l, 2m, 2n, 2o, 2p, or 15, and Section 435
17, of Article VIII, Ohio Constitution, the state, by the issuing 436
authority, is authorized to issue and sell, as provided in 437
sections 151.03 to ~~151.09~~ 151.11 or 151.40 of the Revised Code, 438
and in respective aggregate principal amounts as from time to time 439
provided or authorized by the general assembly, general 440
obligations of this state for the purpose of paying costs of 441
capital facilities or projects identified by or pursuant to 442
general assembly action. 443

(C) Each issue of obligations shall be authorized by 444
resolution or order of the issuing authority. The bond proceedings 445
shall provide for or authorize the manner for determining the 446
principal amount or maximum principal amount of obligations of an 447
issue, the principal maturity or maturities, the interest rate or 448
rates, the date of and the dates of payment of interest on the 449
obligations, their denominations, and the place or places of 450
payment of debt service which may be within or outside the state. 451
Unless otherwise provided by law, the latest principal maturity 452
may not be later than the earlier of the thirty-first day of 453
December of the twenty-fifth calendar year after the year of 454
issuance of the particular obligations or of the twenty-fifth 455
calendar year after the year in which the original obligation to 456
pay was issued or entered into. Sections 9.96, 9.98, 9.981, 9.982, 457
and 9.983 of the Revised Code apply to obligations. The purpose of 458
the obligations may be stated in the bond proceedings in general 459
terms, such as, as applicable, "financing or assisting in the 460
financing of projects as provided in Section 2l of Article VIII, 461
Ohio Constitution," "financing or assisting in the financing of 462
highway capital improvement projects as provided in Section 2m of 463
Article VIII, Ohio Constitution," "paying costs of capital 464
facilities for a system of common schools throughout the state as 465
authorized by Section 2n of Article VIII, Ohio Constitution," 466

"paying costs of capital facilities for state-supported and
state-assisted institutions of higher education as authorized by
Section 2n of Article VIII, Ohio Constitution," "paying costs of
coal research and development as authorized by Section 15 of
Article VIII, Ohio Constitution," "financing or assisting in the
financing of local subdivision capital improvement projects as
authorized by Section 2m of Article VIII, Ohio Constitution,"
"paying costs of conservation projects as authorized by Section 2o
of Article VIII, Ohio Constitution," ~~or~~ "paying costs of
revitalization projects as authorized by Section 2o of Article
VIII, Ohio Constitution," "paying costs of preparing sites for
industry, commerce, distribution, or research and development as
authorized by Section 2p of Article VIII, Ohio Constitution," or
"paying costs of research and development as authorized by Section
2p of Article VIII, Ohio Constitution."

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

(E) The bond proceedings may contain additional provisions

customary or appropriate to the financing or to the obligations or 499
to particular obligations including, but not limited to, 500
provisions for: 501

(1) The redemption of obligations prior to maturity at the 502
option of the state or of the holder or upon the occurrence of 503
certain conditions, and at particular price or prices and under 504
particular terms and conditions; 505

(2) The form of and other terms of the obligations; 506

(3) The establishment, deposit, investment, and application 507
of special funds, and the safeguarding of moneys on hand or on 508
deposit, in lieu of the applicability of provisions of Chapter 509
131. or 135. of the Revised Code, but subject to any special 510
provisions of sections 151.01 to ~~151.09~~ 151.11 or 151.40 of the 511
Revised Code with respect to the application of particular funds 512
or moneys. Any financial institution that acts as a depository of 513
any moneys in special funds or other funds under the bond 514
proceedings may furnish indemnifying bonds or pledge securities as 515
required by the issuing authority. 516

(4) Any or every provision of the bond proceedings being 517
binding upon the issuing authority and upon such governmental 518
agency or entity, officer, board, commission, authority, agency, 519
department, institution, district, or other person or body as may 520
from time to time be authorized to take actions as may be 521
necessary to perform all or any part of the duty required by the 522
provision; 523

(5) The maintenance of each pledge or instrument comprising 524
part of the bond proceedings until the state has fully paid or 525
provided for the payment of the debt service on the obligations or 526
met other stated conditions; 527

(6) In the event of default in any payments required to be 528
made by the bond proceedings, or by any other agreement of the 529

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

sufficient for all purposes as if that individual had remained the 561
authorized signer until delivery. 562

(G) Obligations are investment securities under Chapter 1308. 563
of the Revised Code. Obligations may be issued in bearer or in 564
registered form, registrable as to principal alone or as to both 565
principal and interest, or both, or in certificated or 566
uncertificated form, as the issuing authority determines. 567
Provision may be made for the exchange, conversion, or transfer of 568
obligations and for reasonable charges for registration, exchange, 569
conversion, and transfer. Pending preparation of final 570
obligations, the issuing authority may provide for the issuance of 571
interim instruments to be exchanged for the final obligations. 572

(H) Obligations may be sold at public sale or at private 573
sale, in such manner, and at such price at, above or below par, 574
all as determined by and provided by the issuing authority in the 575
bond proceedings. 576

(I) Except to the extent that rights are restricted by the 577
bond proceedings, any owner of obligations or provider of a credit 578
enhancement facility may by any suitable form of legal proceedings 579
protect and enforce any rights relating to obligations or that 580
facility under the laws of this state or granted by the bond 581
proceedings. Those rights include the right to compel the 582
performance of all applicable duties of the issuing authority and 583
the state. Each duty of the issuing authority and that authority's 584
officers, staff, and employees, and of each state entity or 585
agency, or using district or using institution, and its officers, 586
members, staff, or employees, undertaken pursuant to the bond 587
proceedings, is hereby established as a duty of the entity or 588
individual having authority to perform that duty, specifically 589
enjoined by law and resulting from an office, trust, or station 590
within the meaning of section 2731.01 of the Revised Code. The 591
individuals who are from time to time the issuing authority, 592

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

(J)(1) Subject to Section 2k, 2l, 2m, 2n, 2o, 2p, or 15, and 598
Section 17, of Article VIII, Ohio Constitution and sections 151.01 599
to ~~151.09~~ 151.11 or 151.40 of the Revised Code, the issuing 600
authority may, in addition to the authority referred to in 601
division (B) of this section, authorize and provide for the 602
issuance of: 603

(a) Obligations in the form of bond anticipation notes, and 604
may provide for the renewal of those notes from time to time by 605
the issuance of new notes. The holders of notes or appertaining 606
interest coupons have the right to have debt service on those 607
notes paid solely from the moneys and special funds that are or 608
may be pledged to that payment, including the proceeds of bonds or 609
renewal notes or both, as the issuing authority provides in the 610
bond proceedings authorizing the notes. Notes may be additionally 611
secured by covenants of the issuing authority to the effect that 612
the issuing authority and the state will do all things necessary 613
for the issuance of bonds or renewal notes in such principal 614
amount and upon such terms as may be necessary to provide moneys 615
to pay when due the debt service on the notes, and apply their 616
proceeds to the extent necessary, to make full and timely payment 617
of debt service on the notes as provided in the applicable bond 618
proceedings. In the bond proceedings authorizing the issuance of 619
bond anticipation notes the issuing authority shall set forth for 620
the bonds anticipated an estimated schedule of annual principal 621
payments the latest of which shall be no later than provided in 622
division (C) of this section. While the notes are outstanding 623
there shall be deposited, as shall be provided in the bond 624

proceedings for those notes, from the sources authorized for 625
payment of debt service on the bonds, amounts sufficient to pay 626
the principal of the bonds anticipated as set forth in that 627
estimated schedule during the time the notes are outstanding, 628
which amounts shall be used solely to pay the principal of those 629
notes or of the bonds anticipated. 630

(b) Obligations for the refunding, including funding and 631
retirement, and advance refunding with or without payment or 632
redemption prior to maturity, of any obligations previously 633
issued. Refunding obligations may be issued in amounts sufficient 634
to pay or to provide for repayment of the principal amount, 635
including principal amounts maturing prior to the redemption of 636
the remaining prior obligations, any redemption premium, and 637
interest accrued or to accrue to the maturity or redemption date 638
or dates, payable on the prior obligations, and related financing 639
costs and any expenses incurred or to be incurred in connection 640
with that issuance and refunding. Subject to the applicable bond 641
proceedings, the portion of the proceeds of the sale of refunding 642
obligations issued under division (J)(1)(b) of this section to be 643
applied to debt service on the prior obligations shall be credited 644
to an appropriate separate account in the bond service fund and 645
held in trust for the purpose by the issuing authority or by a 646
corporate trustee. Obligations authorized under this division 647
shall be considered to be issued for those purposes for which the 648
prior obligations were issued. 649

(2) Except as otherwise provided in sections 151.01 to ~~151.09~~ 650
151.11 or 151.40 of the Revised Code, bonds or notes authorized 651
pursuant to division (J) of this section are subject to the 652
provisions of those sections pertaining to obligations generally. 653

(3) The principal amount of refunding or renewal obligations 654
issued pursuant to division (J) of this section shall be in 655
addition to the amount authorized by the general assembly as 656

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

(K) Obligations are lawful investments for banks, savings and 660
loan associations, credit union share guaranty corporations, trust 661
companies, trustees, fiduciaries, insurance companies, including 662
domestic for life and domestic not for life, trustees or other 663
officers having charge of sinking and bond retirement or other 664
special funds of the state and political subdivisions and taxing 665
districts of this state, the sinking fund, the administrator of 666
workers' compensation subject to the approval of the workers' 667
compensation board, the state teachers retirement system, the 668
public employees retirement system, the school employees 669
retirement system, and the Ohio police and fire pension fund, 670
notwithstanding any other provisions of the Revised Code or rules 671
adopted pursuant to those provisions by any state agency with 672
respect to investments by them, and are also acceptable as 673
security for the repayment of the deposit of public moneys. The 674
exemptions from taxation in Ohio as provided for in particular 675
sections of the Ohio Constitution and section 5709.76 of the 676
Revised Code apply to the obligations. 677

(L)(1) Unless otherwise provided or provided for in any 678
applicable bond proceedings, moneys to the credit of or in a 679
special fund shall be disbursed on the order of the issuing 680
authority. No such order is required for the payment, from the 681
bond service fund or other special fund, when due of debt service 682
or required payments under credit enhancement facilities. 683

(2) Payments received by the state under interest rate hedges 684
entered into as credit enhancement facilities under this chapter 685
shall be deposited to the credit of the bond service fund for the 686
obligations to which those credit enhancement facilities relate. 687

(M) The full faith and credit, revenue, and taxing power of 688
the state are and shall be pledged to the timely payment of debt 689
service on outstanding obligations as it comes due, all in 690
accordance with Section 2k, 2l, 2m, 2n, 2o, 2p, or 15 of Article 691
VIII, Ohio Constitution, and section 151.03, 151.04, 151.05, 692
151.06, 151.07, 151.08, ~~or 151.09~~, 151.10, or 151.11 of the 693
Revised Code. Moneys referred to in Section 5a of Article XII, 694
Ohio Constitution, may not be pledged or used for the payment of 695
debt service except on obligations referred to in section 151.06 696
of the Revised Code. Net state lottery proceeds, as provided for 697
and referred to in section 3770.06 of the Revised Code, may not be 698
pledged or used for the payment of debt service except on 699
obligations referred to in section 151.03 of the Revised Code. The 700
state covenants, and that covenant shall be controlling 701
notwithstanding any other provision of law, that the state and the 702
applicable officers and agencies of the state, including the 703
general assembly, shall, so long as any obligations are 704
outstanding in accordance with their terms, maintain statutory 705
authority for and cause to be levied, collected and applied 706
sufficient pledged excises, taxes, and revenues of the state so 707
that the revenues shall be sufficient in amounts to pay debt 708
service when due, to establish and maintain any reserves and other 709
requirements, and to pay financing costs, including costs of or 710
relating to credit enhancement facilities, all as provided for in 711
the bond proceedings. Those excises, taxes, and revenues are and 712
shall be deemed to be levied and collected, in addition to the 713
purposes otherwise provided for by law, to provide for the payment 714
of debt service and financing costs in accordance with sections 715
151.01 to ~~151.09~~ 151.11 of the Revised Code and the bond 716
proceedings. 717

(N) The general assembly may from time to time repeal or 718
reduce any excise, tax, or other source of revenue pledged to the 719

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

(O) Each bond service fund is a trust fund and is hereby 735
pledged to the payment of debt service on the applicable 736
obligations. Payment of that debt service shall be made or 737
provided for by the issuing authority in accordance with the bond 738
proceedings without necessity for any act of appropriation. The 739
bond proceedings may provide for the establishment of separate 740
accounts in the bond service fund and for the application of those 741
accounts only to debt service on specific obligations, and for 742
other accounts in the bond service fund within the general 743
purposes of that fund. 744

(P) Subject to the bond proceedings pertaining to any 745
obligations then outstanding in accordance with their terms, the 746
issuing authority may in the bond proceedings pledge all, or such 747
portion as the issuing authority determines, of the moneys in the 748
bond service fund to the payment of debt service on particular 749
obligations, and for the establishment and maintenance of any 750
reserves for payment of particular debt service. 751

(Q) The issuing authority shall by the fifteenth day of July 752
of each fiscal year, certify or cause to be certified to the 753
office of budget and management the total amount of moneys 754
required during the current fiscal year to meet in full all debt 755
service on the respective obligations and any related financing 756
costs payable from the applicable bond service fund and not from 757
the proceeds of refunding or renewal obligations. The issuing 758
authority shall make or cause to be made supplemental 759
certifications to the office of budget and management for each 760
debt service payment date and at such other times during each 761
fiscal year as may be provided in the bond proceedings or 762
requested by that office. Debt service, costs of credit 763
enhancement facilities, and other financing costs shall be set 764
forth separately in each certification. If and so long as the 765
moneys to the credit of the bond service fund, together with any 766
other moneys available for the purpose, are insufficient to meet 767
in full all payments when due of the amount required as stated in 768
the certificate or otherwise, the office of budget and management 769
shall at the times as provided in the bond proceedings, and 770
consistent with any particular provisions in sections 151.03 to 771
~~151.09~~ 151.11 and 151.40 of the Revised Code, transfer a 772
sufficient amount to the bond service fund from the pledged 773
revenues in the case of obligations issued pursuant to section 774
151.40 of the Revised Code, and in the case of other obligations 775
from the revenues derived from excises, taxes, and other revenues, 776
including net state lottery proceeds in the case of obligations 777
referred to in section 151.03 of the Revised Code. 778

(R) Unless otherwise provided in any applicable bond 779
proceedings, moneys to the credit of special funds may be invested 780
by or on behalf of the state only in one or more of the following: 781

(1) Notes, bonds, or other direct obligations of the United 782
States or of any agency or instrumentality of the United States, 783

or in no-front-end-load money market mutual funds consisting 784
exclusively of those obligations, or in repurchase agreements, 785
including those issued by any fiduciary, secured by those 786
obligations, or in collective investment funds consisting 787
exclusively of those obligations; 788

(2) Obligations of this state or any political subdivision of 789
this state; 790

(3) Certificates of deposit of any national bank located in 791
this state and any bank, as defined in section 1101.01 of the 792
Revised Code, subject to inspection by the superintendent of 793
financial institutions; 794

(4) The treasurer of state's pooled investment program under 795
section 135.45 of the Revised Code. 796

The income from investments referred to in division (R) of 797
this section shall, unless otherwise provided in sections 151.01 798
to ~~151.09~~ 151.11 or 151.40 of the Revised Code, be credited to 799
special funds or otherwise as the issuing authority determines in 800
the bond proceedings. Those investments may be sold or exchanged 801
at times as the issuing authority determines, provides for, or 802
authorizes. 803

(S) The treasurer of state shall have responsibility for 804
keeping records, making reports, and making payments, relating to 805
any arbitrage rebate requirements under the applicable bond 806
proceedings. 807

Sec. 151.02. (A) Pursuant to the powers granted to the 808
general assembly under Article VIII, Ohio Constitution, to 809
authorize the issuance of obligations, and pursuant to other 810
authority vested in the general assembly, there is hereby created 811
a body, both corporate and politic, constituting an agency and 812
instrumentality of the state of Ohio and performing essential 813

functions of the state, to be known as the "Ohio public facilities 814
commission," which in that name may contract and be contracted 815
with, sue and be sued, and exercise all other authority vested in 816
that commission by sections 151.01 to 151.05 and 151.07 to 151.11 817
and Chapter 154. of the Revised Code. 818

(B) The commission shall consist of, in each case ex officio, 819
the governor, the treasurer of state, the auditor of state, the 820
secretary of state, the attorney general, and the director of 821
budget and management. The governor shall serve as the chairman of 822
the commission, the director of budget and management shall serve 823
as its secretary, and the commission shall have such other 824
officers as it determines, who may but need not be members of the 825
commission. Four members of the commission constitute a quorum and 826
the affirmative vote of four members is necessary for any action 827
taken by vote of the commission. No vacancy in the membership of 828
the commission shall impair the rights of a quorum by such vote to 829
exercise all the rights and perform all the duties of the 830
commission. Each of the state officers above identified may 831
designate an employee or officer of that officer's office to 832
attend meetings of the commission when that officer is absent or 833
unable for any reason to attend and that designee, when present, 834
shall be counted in determining whether a quorum is present at any 835
meeting and may vote and participate in all proceedings and 836
actions of the commission. A designee may not execute or cause a 837
facsimile signature to be placed on any obligation. That 838
designation shall be in writing, executed by the designating 839
member, and be filed with the secretary of the commission. A 840
designation may be changed from time to time by a similar written 841
designation. The commission may delegate to such of its members, 842
officers, or employees as it determines those powers and duties as 843
it deems appropriate. No member of the commission or designee 844
shall, by reason of being or serving as a member of the 845
commission, be required to abstain from action in any other 846

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

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| <u>research chairs or otherwise;</u> | 878 |
| <u>(b) Activities to develop and commercialize products and processes;</u> | 879 |
| <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> | 884 |
| <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> | 885 |
| <u>(B) The issuing authority shall issue general obligations of the state to pay costs of research and development projects</u> | 886 |
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pursuant to division (B)(2) of Section 2p of Article VIII, Ohio 908
Constitution, section 151.01 of the Revised Code, and this 909
section. The issuing authority shall issue obligations in the 910
amount determined by the issuing authority to be required for 911
those purposes. The total principal amount of obligations issued 912
under this section shall not exceed five hundred million dollars. 913

(C) Net proceeds of obligations shall be deposited into the 914
third frontier research and development fund created by section 915
184.18 of the Revised Code. 916

(D) There is hereby created in the state treasury the third 917
frontier research and development projects bond service fund. All 918
moneys received by the state and required by the bond proceedings, 919
consistent with section 151.01 of the Revised Code and this 920
section, to be deposited, transferred, or credited to the bond 921
service fund, and all other moneys transferred or allocated to or 922
received for the purposes of that fund, shall be deposited and 923
credited to the bond service fund, subject to any applicable 924
provisions of the bond proceedings, but without necessity for any 925
act of appropriation. During the period beginning with the date of 926
the first issuance of obligations and continuing during the time 927
that any obligations are outstanding in accordance with their 928
terms, so long as moneys in the bond service fund are insufficient 929
to pay debt service when due on those obligations payable from 930
that fund, except the principal amounts of bond anticipation notes 931
payable from the proceeds of renewal notes or bonds anticipated, 932
and due in the particular fiscal year, a sufficient amount of 933
revenues of the state is committed and, without necessity for 934
further act of appropriation, shall be paid to the bond service 935
fund for the purpose of paying that debt service when due. 936

Sec. 151.11. (A) As used in this section: 937

(1) "Costs of sites and facilities" includes related direct 938

administrative expenses and allocable portions of the direct costs 939
of those projects. "Costs of sites and facilities" includes 940
"allowable costs" as defined in section 122.085 of the Revised 941
Code. 942

(2) "Obligations" means obligations as defined in section 943
151.01 of the Revised Code issued to pay costs of sites and 944
facilities in Ohio for and in support of industry, commerce, 945
distribution, and research and development purposes as referred to 946
in division (A)(3) of Section 2p of Article VIII, Ohio 947
Constitution. 948

(B) The issuing authority shall issue general obligations of 949
the state to pay costs of sites and facilities pursuant to 950
division (B)(3) of Section 2p of Article VIII, Ohio Constitution, 951
section 151.01 of the Revised Code, and this section. The issuing 952
authority shall issue obligations in the amount determined by the 953
issuing authority to be required for those purposes. The total 954
principal amount of obligations issued under this section shall 955
not exceed one hundred fifty million dollars. 956

(C) Net proceeds of obligations shall be deposited into the 957
job ready site development fund created by section 122.0820 of the 958
Revised Code. 959

(D) There is hereby created in the state treasury the job 960
ready site development bond service fund. All moneys received by 961
the state and required by the bond proceedings, consistent with 962
section 151.01 of the Revised Code and this section, to be 963
deposited, transferred, or credited to the bond service fund, and 964
all other moneys transferred or allocated to or received for the 965
purposes of that fund, shall be deposited and credited to the bond 966
service fund, subject to any applicable provisions of the bond 967
proceedings, but without necessity for any act of appropriation. 968
During the period beginning with the date of the first issuance of 969

obligations and continuing during the time that any obligations 970
are outstanding in accordance with their terms, so long as moneys 971
in the bond service fund are insufficient to pay debt service when 972
due on those obligations payable from that fund, except the 973
principal amounts of bond anticipation notes payable from the 974
proceeds of renewal notes or bonds anticipated, and due in the 975
particular fiscal year, a sufficient amount of revenues of the 976
state is committed and, without necessity for further act of 977
appropriation, shall be paid to the bond service fund for the 978
purpose of paying that debt service when due. 979

Sec. 184.01. (A) There is hereby created the third frontier 980
commission in the department of development. The purpose of the 981
commission is to coordinate and administer science and technology 982
programs to promote the welfare of the people of the state and to 983
maximize the economic growth of the state through expansion of 984
both of the following: 985

(1) The state's high technology research and development 986
capabilities; 987

(2) The state's product and process innovation and 988
commercialization. 989

(B)(1) The commission shall consist of nine members: the 990
director of development, the chancellor of the Ohio board of 991
regents, ~~and~~ the governor's science and technology advisor, and 992
six persons appointed by the governor with the advice and consent 993
of the senate. The 994

(2) Of the six persons appointed by the governor, one shall 995
represent the central region, which is composed of the counties of 996
Delaware, Fairfield, Fayette, Franklin, Hocking, Knox, Licking, 997
Logan, Madison, Marion, Morrow, Perry, Pickaway, Ross, and Union; 998
one shall represent the west central region, which is composed of 999

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

(3) The governor shall select a chairperson from among the 1023
members, who shall serve in that role at the pleasure of the 1024
governor. Sections 101.82 to 101.87 of the Revised Code do not 1025
apply to the commission. 1026

(C) The commission shall meet at least once during each 1027
quarter of the calendar year or at the call of the chairperson. A 1028
majority of all members of the commission constitutes a quorum, 1029
and no action shall be taken without the concurrence of a majority 1030
of the members. 1031

(D) The commission shall administer any money that may be 1032
appropriated to it by the general assembly. The commission may use 1033
such money for research and commercialization and for any other 1034
purposes that may be designated by the commission. 1035

(E) The department of development shall provide office space 1036
and facilities for the commission. Administrative costs associated 1037
with the operation of the commission or with any program or 1038
activity administered by the commission shall be paid from amounts 1039
appropriated to the commission or to the department of development 1040
for such purposes. 1041

(F) The attorney general shall serve as the legal 1042
representative for the commission and may appoint other counsel as 1043
necessary for that purpose in accordance with section 109.07 of 1044
the Revised Code. 1045

(G) Members of the commission shall serve without 1046
compensation, but shall receive their reasonable and necessary 1047
expenses incurred in the conduct of commission business. 1048

(H) Members of the commission shall file financial disclosure 1049
statements described in division (B) of section 102.02 of the 1050
Revised Code. 1051

Sec. 184.02. (A) The In addition to the powers and duties 1052
under sections 184.10 to 184.18 of the Revised Code, the third 1053
frontier commission may perform any act to ensure the performance 1054
of any function necessary or appropriate to carry out the purposes 1055
of, and exercise the powers granted under, sections 184.01 and 1056
184.02 of the Revised Code. In addition, the commission may do any 1057
of the following: 1058

(1) Adopt, amend, and rescind rules under section 111.15 of 1059
the Revised Code for the administration of any aspect of its 1060
operations; 1061

| | |
|--|------------------------------|
| (2) Adopt bylaws governing its operations, including bylaws that establish procedures and set policies as may be necessary to assist with the furtherance of its purposes; | 1062 1063 1064 |
| (3) Appoint and set the compensation of employees needed to carry out its duties; | 1065 1066 |
| (4) Contract with, retain the services of, or designate, and fix the compensation of, such financial consultants, accountants, other consultants and advisors, and other independent contractors as may be necessary or desirable to carry out its duties; | 1067 1068 1069 1070 |
| (5) Solicit input and comments from the third frontier advisory board, and specialized industry, professional, and other relevant interest groups concerning its purposes; | 1071 1072 1073 |
| (6) Facilitate alignment of the state's science and technology programs and activities; | 1074 1075 |
| (7) Make grants and loans to individuals, public agencies, private companies or organizations, or joint ventures for any of the broad range of activities related to its purposes. | 1076 1077 1078 |
| (B) <u>The In addition to the powers and duties under sections 184.10 to 184.18 of the Revised Code, the commission shall do all of the following:</u> | 1079 1080 1081 |
| (1) Establish a competitive process for the award of grants and loans that is designed to fund the most meritorious proposals and, when appropriate, provide for peer review of proposals; | 1082 1083 1084 |
| (2) Within ninety days after the end of each fiscal year, submit to the governor and the general assembly a report of the activities of the commission during the preceding fiscal year; | 1085 1086 1087 |
| (3) With specific application to the biomedical research and technology transfer trust fund, periodically make strategic assessments of the types of state investments in biomedical research and biotechnology in the state that would likely create | 1088 1089 1090 1091 |

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 184.18 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 1122
matters that affect the state and five shall be representative of 1123
or have experience with matters affecting universities or 1124
nonprofit research institutions in the state. 1125

(2) Of the governor's initial appointees that are 1126
representative of or have experience with business matters that 1127
affect the state, three shall serve an initial term of one year, 1128
three shall serve an initial term of two years, and three shall 1129
serve an initial term of three years. All of the initial 1130
appointees that are representative of or have experience with 1131
matters affecting university or nonprofit research institutions 1132
shall serve an initial term of three years. Thereafter, each 1133
member appointed by the governor shall serve a three-year term. 1134

(3) All appointees to the board shall serve at the pleasure 1135
of their appointing authorities. 1136

(4) Not more than nine members of the board shall be of the 1137
same political party. 1138

(C) The governor shall appoint the chairperson of the board 1139
from among its members, and the chairperson shall serve in that 1140
role at the pleasure of the governor. 1141

(D) A majority of the members of the board constitutes a 1142
quorum, and no action shall be taken without the affirmative vote 1143
of a majority of the members. 1144

(E) Each member of the board shall hold office from the date 1145
of appointment until the end of the term for which the member was 1146
appointed. A member may be reappointed for an unlimited number of 1147
terms. A member appointed to fill a vacancy occurring prior to the 1148
expiration of the term for which the member's predecessor was 1149
appointed shall hold office for the remainder of such term. A 1150
vacancy in an unexpired term shall be filled in the same manner as 1151
the original appointment. A member of the board shall continue in 1152

office subsequent to the expiration date of the member's term 1153
until the member's successor takes office, or until a period of 1154
sixty days has elapsed, whichever occurs first. The governor may 1155
remove any member of the board for malfeasance, misfeasance, or 1156
nonfeasance after a hearing in accordance with Chapter 119. of the 1157
Revised Code. 1158

(F) Members of the board shall not act as representatives of 1159
any specific disciplinary, regional, or organizational interest. 1160
Members shall represent a wide variety of experience valuable in 1161
technology research and development, product process innovation 1162
and commercialization, and creating and managing high-growth 1163
technology-based companies. 1164

(G) Members of the board shall file financial disclosure 1165
statements described in division (B) of section 102.02 of the 1166
Revised Code. 1167

(H) Members of the board shall serve without compensation but 1168
shall receive their reasonable and necessary expenses incurred in 1169
the conduct of board business. 1170

(I) Before entering upon duties as a member of the board, 1171
each member shall take an oath as provided by Section 7 of Article 1172
XV, Ohio Constitution. 1173

(J) The department of development shall provide office space 1174
and facilities for the board. 1175

(K) Sections 101.82 to 101.87 of the Revised Code do not 1176
apply to the board. 1177

Sec. 184.10. As used in sections 184.10 to 184.18 of the 1178
Revised Code: 1179

(A) "In-state entity" includes individuals, public and 1180
private entities, agencies, and institutions, private companies or 1181
organizations, partnerships, business trusts, or other business 1182

entities or ventures, or research organizations, whether for 1183
profit or not for profit, that have substantial presence in Ohio. 1184

(B) "Research and development projects" means projects or 1185
activities in support of Ohio industry, commerce, and business, 1186
which include, without limitation, research and product 1187
innovation, development, and commercialization through efforts by, 1188
and may include collaboration among, Ohio business and industry, 1189
state and local public entities and agencies, public and private 1190
institutions, or research organizations. Those projects and 1191
activities also include projects and activities supporting any and 1192
all matters related to research and development purposes 1193
including: attracting researchers and research teams by endowing 1194
chairs or otherwise; developing and commercializing products and 1195
processes; promoting, developing, and securing intellectual 1196
property matters and rights such as copyrights and patents; 1197
promoting, developing, and securing property interests, including 1198
time sharing arrangements; and promoting, developing, and securing 1199
financial rights and matters such as royalties, licensing, and 1200
other financial gain or sharing resulting from research and 1201
development. 1202

Sec. 184.11. The third frontier commission may award support 1203
to individuals, public and private entities, agencies, and 1204
institutions, private companies or organizations, partnerships, 1205
business trusts, or other business entities or ventures, research 1206
organizations, whether for profit or not for profit, or 1207
combinations or consortiums of any of the foregoing for the 1208
purpose of supporting research and development projects. The 1209
support may be in such manner as the commission determines, 1210
including by any one or a combination of grants, loans, including 1211
loans to lenders or the purchase of loans, subsidies, 1212
contributions, advances, or guarantees, or by payment or 1213

reimbursement from available money, or by providing staffing or 1214
other support including computer or other technology capacity, or 1215
equipment or facilities, including interests in real property. 1216

Sec. 184.111. Except with respect to support subject to an 1217
agreement under section 184.114 of the Revised Code, the third 1218
frontier commission may award the support described in section 1219
184.11 of the Revised Code only to in-state entities. If an entity 1220
awarded support is collaborating with any entity that is not an 1221
in-state entity on the research and development project for which 1222
the support was awarded, the in-state entity may provide any 1223
portion of that support to the other entity only if the 1224
commission, in its discretion and only under exceptional 1225
circumstances that the commission determines, permits it. 1226

Sec. 184.112. The third frontier commission shall establish a 1227
competitive process for making awards of the support described in 1228
section 184.11 of the Revised Code that is designed to fund the 1229
research and development projects that have the most merit. 1230

Sec. 184.113. The third frontier commission shall require 1231
each individual, public and private entity, agency, and 1232
institution, private company or organization, partnership, 1233
business trust, or other business entity or venture, research 1234
organization, or combination or consortium of any of the foregoing 1235
that the commission selects to receive the support described in 1236
section 184.11 of the Revised Code to enter into an agreement 1237
governing the use of the support for the research and development 1238
project. The agreement shall contain terms the commission 1239
determines to be necessary, including provisions stating that any 1240
support given by the commission may be used to pay costs of or in 1241
support of or related to research and development purposes, 1242

including, without limitation, capital formation, direct operating 1243
costs, costs of research and facilities, including interests in 1244
real property, and support for public and private institutions of 1245
higher education, research organizations or institutions, and 1246
private sector entities. 1247

Sec. 184.114. If the third frontier commission intends to 1248
award support for a research and development project under section 1249
184.11 of the Revised Code to an individual or private entity, 1250
agency, institution, company, partnership, business trust, or 1251
other business entity or venture, or organization, the agreement 1252
governing the use of the support entered into under section 1253
184.113 of the Revised Code shall require both of the following: 1254

(A) The project shall primarily benefit this state. 1255

(B) If the recipient of the support is not an in-state 1256
entity, it shall become an in-state entity not later than six 1257
months after entering into the agreement. 1258

Sec. 184.115. An individual or private entity, agency, 1259
institution, company, partnership, business trust, or other 1260
business entity or venture, or organization that has received 1261
support under section 184.11 of the Revised Code for a research 1262
and development project and that violates the requirements of 1263
section 184.114 of the Revised Code forfeits the support and must 1264
repay the support amount or the equivalent in money plus interest 1265
at the rate required by section 5703.47 of the Revised Code to the 1266
third frontier commission. If all or a portion of the support 1267
forfeited is other than in the form of a grant, recovery of the 1268
support shall be governed by the agreement entered into under 1269
section 184.113 of the Revised Code. 1270

Sec. 184.116. If the third frontier commission utilizes 1271

independent reviewers to review the merits of proposed research 1272
and development projects and to make recommendations to the 1273
commission concerning which projects should be awarded support 1274
under section 184.11 of the Revised Code and the commission takes 1275
one of the following actions, the commission shall provide a 1276
written explanation of the reasons for its action and present the 1277
explanation at one of the commission's regularly scheduled public 1278
meetings: 1279

(A) Awards support for a project that the reviewers do not 1280
recommend; 1281

(B) Refuses to award support for a project the reviewers do 1282
recommend; 1283

(C) Makes a support award that varies substantially from the 1284
reviewers' recommendation. 1285

The commission, pursuant to Chapter 119. of the Revised Code, 1286
shall adopt rules necessary and proper to govern explanations 1287
required under this section. 1288

Sec. 184.12. Individuals, Ohio businesses and industries, 1289
local public entities and agencies, public and private education 1290
institutions, including state-supported and state-assisted 1291
institutions of higher education, the state and state agencies, 1292
and research organizations and institutions may collaborate on 1293
research and development projects. 1294

Sec. 184.13. The state shall have no ownership interest in 1295
any business or private entity, agency, institution, company, 1296
partnership, business trust, venture, or organization that has 1297
received support for a research and development project under 1298
section 184.11 of the Revised Code, and shall assume no shared 1299
risk or shared liability. 1300

Sec. 184.14. The third frontier commission shall establish 1301
procedures that permit public inspection of all support awarded 1302
under section 184.11 of the Revised Code for research and 1303
development projects and the processes used to determine which 1304
projects shall receive support. 1305

Sec. 184.15. The third frontier commission shall publish a 1306
report twice each year detailing all support awarded under section 1307
184.11 of the Revised Code for research and development projects, 1308
including the amount or type of support and the progress and 1309
performance metrics for the projects. A copy of each report shall 1310
be delivered to the governor, speaker and minority leader of the 1311
house of representatives, and president and minority leader of the 1312
senate. 1313

Sec. 184.151. The third frontier commission shall conduct 1314
public meetings twice each year at which a representative of the 1315
department of development shall testify regarding the number of 1316
applicants for support for research and development projects and 1317
the other information contained in the most recent report made by 1318
the commission under section 184.15 of the Revised Code. The 1319
representative shall also testify regarding the monitoring 1320
activities of, and data obtained by, the department pursuant to 1321
section 184.16 of the Revised Code. In addition to oral testimony, 1322
the representative shall provide a written report of all the 1323
information for which testimony is required under this section. 1324

Sec. 184.16. The department of development shall monitor each 1325
research and development project receiving support under section 1326
184.11 of the Revised Code to ensure the following: 1327

(A) Fiscal accountability, so that the support is used in 1328
accordance with the agreement entered into under section 184.113 1329

| | |
|---|------|
| <u>of the Revised Code;</u> | 1330 |
| <u>(B) Operating progress, so that the project is managed to</u> | 1331 |
| <u>achieve the requirements of the agreement entered into under</u> | 1332 |
| <u>section 184.113 of the Revised Code and so that problems may be</u> | 1333 |
| <u>promptly identified and remedied;</u> | 1334 |
| <u>(C) Desired outcomes, including job creation and other</u> | 1335 |
| <u>anticipated economic impacts.</u> | 1336 |
| | |
| <u>Sec. 184.17. As used in sections 184.171, 184.172, and</u> | 1337 |
| <u>184.173 of the Revised Code, "minority" means an individual who is</u> | 1338 |
| <u>a United States citizen and who is a member of one of the</u> | 1339 |
| <u>following economically disadvantaged groups: Blacks or African</u> | 1340 |
| <u>Americans, American Indians, Hispanics or Latinos, and Asians.</u> | 1341 |
| | |
| <u>Sec. 184.171. The third frontier commission shall conduct</u> | 1342 |
| <u>outreach activities described in section 184.172 of the Revised</u> | 1343 |
| <u>Code that seek to include minorities in the various projects and</u> | 1344 |
| <u>initiatives sponsored, funded, encouraged, or otherwise promoted</u> | 1345 |
| <u>by the commission. The commission shall direct the activities at</u> | 1346 |
| <u>faculty and students involved in science and engineering</u> | 1347 |
| <u>disciplines, professional scientists and engineers, technical</u> | 1348 |
| <u>assistance providers, the investment community, minority-owned</u> | 1349 |
| <u>businesses, and minority entrepreneurs.</u> | 1350 |
| | |
| <u>Sec. 184.172. The outreach activities the third frontier</u> | 1351 |
| <u>commission shall conduct under section 184.171 of the Revised Code</u> | 1352 |
| <u>shall include the following:</u> | 1353 |
| | |
| <u>(A) Identifying and partnering with historically black</u> | 1354 |
| <u>colleges and universities to solicit and implement a minority</u> | 1355 |
| <u>technology demonstration project funded by the national science</u> | 1356 |
| <u>foundation;</u> | 1357 |
| | |
| <u>(B) Working with all institutions of higher education in the</u> | 1358 |

state to support minority faculty and students involved in science and engineering; 1359
1360

(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; 1361
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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; 1365
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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; 1369
1370
1371
1372

(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. 1373
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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. 1378
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Sec. 184.18. The third frontier research and development fund is hereby created in the state treasury. The fund shall consist of the net proceeds of the obligations issued and sold by the issuing authority pursuant to sections 151.01 and 151.10 of the Revised Code. Investment earnings of the fund shall be credited to the fund. Moneys in the fund shall be used in accordance with sections 184.10 to 184.173 of the Revised Code and for associated 1382
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administrative expenses. 1389

Section 2. That existing sections 151.01, 151.02, 184.01, 1390
184.02, and 184.03 of the Revised Code are hereby repealed. 1391

Section 3. The Governor shall make the appointments to the 1392
Third Frontier Commission required under section 184.01 of the 1393
Revised Code not later than April 1, 2006. The Commission shall be 1394
officially expanded on that date and the initial terms of office 1395
of those persons appointed shall begin on that date. 1396

Section 4. That Sections 203.99, 203.99.33, 203.99.51, and 1397
209.99 of Am. Sub. H.B. 66 of the 126th General Assembly be 1398
amended to read as follows: 1399

| | | | | | |
|---------------------|-------------------------------|---------------|---------------|--|------|
| Sec. 203.99. | DEV DEPARTMENT OF DEVELOPMENT | | | | 1400 |
| | General Revenue Fund | | | | 1401 |
| GRF 195-321 | Operating Expenses | \$ 2,738,908 | \$ 2,723,908 | | 1402 |
| GRF 195-401 | Thomas Edison Program | \$ 17,554,838 | \$ 17,454,838 | | 1403 |
| GRF 195-404 | Small Business | \$ 1,740,722 | \$ 1,740,722 | | 1404 |
| | Development | | | | |
| GRF 195-405 | Minority Business | \$ 1,580,291 | \$ 1,580,291 | | 1405 |
| | Development Division | | | | |
| GRF 195-407 | Travel and Tourism | \$ 6,812,845 | \$ 6,712,845 | | 1406 |
| GRF 195-410 | Defense Conversion | \$ 300,000 | \$ 200,000 | | 1407 |
| | Assistance | | | | |
| GRF 195-412 | Business Development | \$ 11,750,000 | \$ 11,750,000 | | 1408 |
| | Grants | | | | |
| GRF 195-415 | Economic Development | \$ 5,794,975 | \$ 5,894,975 | | 1409 |
| | Division and Regional | | | | |
| | Offices | | | | |
| GRF 195-416 | Governor's Office of | \$ 4,122,372 | \$ 4,122,372 | | 1410 |

| | | | | | |
|--------------------|-----------------------------|-----------|------------|-----------|------------------------|
| | Appalachia | | | | |
| GRF 195-422 | Third Frontier Action | \$ | 16,790,000 | \$ | 16,790,000 |
| | Fund | | | | 1411 |
| GRF 195-426 | Clean Ohio | \$ | 300,000 | \$ | 300,000 |
| | Implementation | | | | 1412 |
| GRF 195-432 | International Trade | \$ | 4,223,787 | \$ | 4,223,787 |
| GRF 195-434 | Investment in Training | \$ | 12,227,500 | \$ | 12,227,500 |
| | Grants | | | | 1414 |
| GRF 195-436 | Labor/Management | \$ | 811,869 | \$ | 811,869 |
| | Cooperation | | | | 1415 |
| GRF 195-497 | CDBG Operating Match | \$ | 1,040,956 | \$ | 1,040,956 |
| GRF 195-498 | State Match Energy | \$ | 94,000 | \$ | 94,000 |
| GRF 195-501 | Appalachian Local | \$ | 380,080 | \$ | 380,080 |
| | Development Districts | | | | 1418 |
| GRF 195-502 | Appalachian Regional | \$ | 246,803 | \$ | 246,803 |
| | Commission Dues | | | | 1419 |
| GRF 195-507 | Travel and Tourism | \$ | 1,287,500 | \$ | 1,162,500 |
| | Grants | | | | 1420 |
| GRF 195-515 | Economic Development | \$ | 10,000,000 | \$ | 0 |
| | Contingency | | | | 1421 |
| GRF 195-905 | Third Frontier | \$ | 0 | \$ | 13,910,000 |
| | Research & | | | | 1422 |
| | <u>Commercialization</u> | | | | |
| | <u>Development</u> General | | | | |
| | Obligation Debt | | | | |
| | Service | | | | |
| <u>GRF 195-912</u> | <u>Job Ready Site</u> | <u>\$</u> | <u>0</u> | <u>\$</u> | <u>4,124,400</u> |
| | <u>Development</u> General | | | | 1423 |
| | <u>Obligation Debt</u> | | | | |
| | <u>Service</u> | | | | |
| TOTAL GRF | General Revenue Fund | \$ | 99,797,446 | \$ | 103,367,446 |
| | | | | | <u>107,491,846</u> |
| | General Services Fund Group | | | | 1425 |

| | | | | | | | |
|------------------------------------|---------|---------------------------------------|----|-------------|----|-------------|------|
| 135 | 195-605 | Supportive Services | \$ | 7,450,000 | \$ | 7,539,686 | 1426 |
| 5AD | 195-667 | Investment in Training Expansion | \$ | 5,000,000 | \$ | 5,000,000 | 1427 |
| 5AD | 195-668 | Worker Guarantee Program | \$ | 3,000,000 | \$ | 3,000,000 | 1428 |
| 5AD | 195-677 | Economic Development Contingency | \$ | 0 | \$ | 10,000,000 | 1429 |
| 685 | 195-636 | General Reimbursements | \$ | 1,000,000 | \$ | 1,000,000 | 1430 |
| TOTAL GSF General Services Fund | | | | | | | 1431 |
| Group | | | \$ | 16,450,000 | \$ | 26,539,686 | 1432 |
| Federal Special Revenue Fund Group | | | | | | | 1433 |
| 3AE | 195-643 | Workforce Development Initiatives | \$ | 5,800,000 | \$ | 5,800,000 | 1434 |
| 3K8 | 195-613 | Community Development Block Grant | \$ | 65,000,000 | \$ | 65,000,000 | 1435 |
| 3K9 | 195-611 | Home Energy Assistance Block Grant | \$ | 90,500,000 | \$ | 90,500,000 | 1436 |
| 3K9 | 195-614 | HEAP Weatherization | \$ | 16,219,478 | \$ | 16,219,478 | 1437 |
| 3L0 | 195-612 | Community Services Block Grant | \$ | 25,235,000 | \$ | 25,235,000 | 1438 |
| 3V1 | 195-601 | HOME Program | \$ | 40,000,000 | \$ | 40,000,000 | 1439 |
| 308 | 195-602 | Appalachian Regional Commission | \$ | 600,660 | \$ | 600,660 | 1440 |
| 308 | 195-603 | Housing and Urban Development | \$ | 5,000,000 | \$ | 5,000,000 | 1441 |
| 308 | 195-605 | Federal Projects | \$ | 15,300,249 | \$ | 15,300,249 | 1442 |
| 308 | 195-609 | Small Business Administration | \$ | 4,296,381 | \$ | 4,296,381 | 1443 |
| 308 | 195-618 | Energy Federal Grants | \$ | 3,397,659 | \$ | 3,397,659 | 1444 |
| 335 | 195-610 | Oil Overcharge | \$ | 3,000,000 | \$ | 3,000,000 | 1445 |
| TOTAL FED Federal Special Revenue | | | | | | | 1446 |
| Fund Group | | | \$ | 274,349,427 | \$ | 274,349,427 | 1447 |

| | | | | | | | |
|-----|----------------------------------|------------------------|----|-------------|------|-------------|------|
| | State Special Revenue Fund Group | | | | 1448 | | |
| 4F2 | 195-639 | State Special Projects | \$ | 290,183 | \$ | 290,183 | 1449 |
| 4F2 | 195-676 | Promote Ohio | \$ | 5,228,210 | \$ | 5,228,210 | 1450 |
| 4S0 | 195-630 | Enterprise Zone | \$ | 275,000 | \$ | 275,000 | 1451 |
| | | Operating | | | | | |
| 4S1 | 195-634 | Job Creation Tax | \$ | 375,800 | \$ | 375,800 | 1452 |
| | | Credit Operating | | | | | |
| 4W1 | 195-646 | Minority Business | \$ | 2,580,597 | \$ | 2,580,597 | 1453 |
| | | Enterprise Loan | | | | | |
| 444 | 195-607 | Water and Sewer | \$ | 523,775 | \$ | 523,775 | 1454 |
| | | Commission Loans | | | | | |
| 450 | 195-624 | Minority Business | \$ | 53,967 | \$ | 53,967 | 1455 |
| | | Bonding Program | | | | | |
| | | Administration | | | | | |
| 451 | 195-625 | Economic Development | \$ | 2,358,311 | \$ | 2,358,311 | 1456 |
| | | Financing Operating | | | | | |
| 5CA | 195-678 | Shovel Ready Sites | \$ | 5,000,000 | \$ | 5,000,000 | 1457 |
| 5CG | 195-679 | Alternative Fuel | \$ | 150,000 | \$ | 150,000 | 1458 |
| | | Transportation | | | | | |
| 5CV | 195-680 | Defense Conversion | \$ | 1,000,000 | \$ | 0 | 1459 |
| | | Assistance | | | | | |
| 5CY | 195-682 | Lung Cancer and Lung | \$ | 10,000,000 | \$ | 0 | 1460 |
| | | Disease Research | | | | | |
| 5M4 | 195-659 | Universal Service | \$ | 210,000,000 | \$ | 210,000,000 | 1461 |
| 5M5 | 195-660 | Energy Efficiency Loan | \$ | 12,000,000 | \$ | 12,000,000 | 1462 |
| | | and Grant | | | | | |
| 5X1 | 195-651 | Exempt Facility | \$ | 25,000 | \$ | 25,000 | 1463 |
| | | Inspection | | | | | |
| 611 | 195-631 | Water and Sewer | \$ | 15,713 | \$ | 15,713 | 1464 |
| | | Administration | | | | | |
| 617 | 195-654 | Volume Cap | \$ | 200,000 | \$ | 200,000 | 1465 |
| | | Administration | | | | | |
| 646 | 195-638 | Low- and Moderate- | \$ | 53,000,000 | \$ | 53,000,000 | 1466 |

| | | | | | |
|---|----|--------------------|----|--------------------|------|
| Income Housing Trust | | | | | |
| Fund | | | | | |
| TOTAL SSR State Special Revenue | | | | 1467 | |
| Fund Group | \$ | 303,076,556 | \$ | 292,076,556 | 1468 |
| Facilities Establishment Fund Group | | | | 1469 | |
| 009 195-664 Innovation Ohio | \$ | 50,000,000 | \$ | 50,000,000 | 1470 |
| 010 195-665 Research and | \$ | 50,000,000 | \$ | 50,000,000 | 1471 |
| Development | | | | | |
| 037 195-615 Facilities | \$ | 63,931,149 | \$ | 63,931,149 | 1472 |
| Establishment | | | | | |
| 4Z6 195-647 Rural Industrial Park | \$ | 3,000,000 | \$ | 3,000,000 | 1473 |
| Loan | | | | | |
| 5D2 195-650 Urban Redevelopment | \$ | 5,475,000 | \$ | 5,475,000 | 1474 |
| Loans | | | | | |
| 5H1 195-652 Family Farm Loan | \$ | 1,000,000 | \$ | 1,000,000 | 1475 |
| Guarantee | | | | | |
| 5S8 195-627 Rural Development | \$ | 3,000,000 | \$ | 3,000,000 | 1476 |
| Initiative | | | | | |
| 5S9 195-628 Capital Access Loan | \$ | 3,000,000 | \$ | 3,000,000 | 1477 |
| Program | | | | | |
| TOTAL 037 Facilities | | | | 1478 | |
| Establishment Fund Group | \$ | 179,406,149 | \$ | 179,406,149 | 1479 |
| Clean Ohio Revitalization Fund | | | | 1480 | |
| 003 195-663 Clean Ohio Operating | \$ | 350,000 | \$ | 350,000 | 1481 |
| TOTAL 003 Clean Ohio Revitalization | \$ | 350,000 | \$ | 350,000 | 1482 |
| Fund | | | | | |
| <u>Third Frontier Research & Development Fund Group</u> | | | | 1483 | |
| <u>011 195-686 Third Frontier</u> | \$ | <u>713,028</u> | \$ | <u>1,932,056</u> | 1484 |
| <u>Operating</u> | | | | | |
| <u>011 195-687 Third Frontier</u> | \$ | <u>100,000,000</u> | \$ | <u>100,000,000</u> | 1485 |
| <u>Research & Development</u> | | | | | |
| <u>Projects</u> | | | | | |

| | | | | | |
|---|----|--------------------|----|--------------------|------|
| <u>TOTAL 011 Third Frontier Research & Development Fund Group</u> | \$ | <u>100,713,028</u> | \$ | <u>101,932,056</u> | 1486 |
| <u>Job Ready Site Development Fund Group</u> | | | | | 1487 |
| 012 195-688 <u>Job Ready Site Operating</u> | \$ | <u>622,200</u> | \$ | <u>746,155</u> | 1488 |
| <u>TOTAL 012 Job Ready Site Development Fund Group</u> | \$ | <u>622,200</u> | \$ | <u>746,155</u> | 1489 |
| TOTAL ALL BUDGET FUND GROUPS | \$ | <u>873,429,578</u> | \$ | <u>876,089,264</u> | 1490 |
| | | <u>974,764,806</u> | | <u>982,891,875</u> | |

Sec. 203.99.33. THIRD FRONTIER RESEARCH & COMMERCIALIZATION DEVELOPMENT GENERAL OBLIGATION DEBT SERVICE 1492
1493

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

JOB READY SITE DEVELOPMENT GENERAL OBLIGATION DEBT SERVICE 1504

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

Sec. 203.99.51. CLEAN OHIO OPERATING EXPENSES 1513

The foregoing appropriation item 195-663, Clean Ohio 1514
Operating, shall be used by the Department of Development in 1515
administering sections 122.65 to 122.658 of the Revised Code. 1516

THIRD FRONTIER OPERATING 1517

The foregoing appropriation item 195-686, Third Frontier 1518
Operating, shall be used for operating expenses incurred by the 1519
Department of Development in administering sections 184.10 to 1520
184.18 of the Revised Code. 1521

THIRD FRONTIER RESEARCH & DEVELOPMENT PROJECTS 1522

The foregoing appropriation item 195-687, Third Frontier 1523
Research & Development Projects, shall be used by the Department 1524
of Development to fund selected projects pursuant to sections 1525
184.10 to 184.18 of the Revised Code. 1526

On or before June 30, 2006, any unencumbered balance of the 1527
foregoing appropriation item 195-687, Third Frontier Research & 1528
Development Projects, for fiscal year 2006 is hereby appropriated 1529
for the same purpose for fiscal year 2007. 1530

AUTHORITY TO ISSUE AND SELL ORIGINAL OBLIGATIONS 1531

The Ohio Public Facilities Commission, upon request of the 1532
Department of Development, is hereby authorized to issue and sell, 1533
in accordance with Section 2p of Article VIII, Ohio Constitution, 1534
and particularly sections 151.01 and 151.10 of the Revised Code, 1535
original obligations of the State of Ohio in an aggregate amount 1536
not to exceed \$200,000,000. The authorized obligations shall be 1537
issued and sold from time to time and in amounts necessary to 1538
ensure sufficient moneys to the credit of the Third Frontier 1539
Research & Development Fund (Fund 011) to pay costs of research 1540
and development projects. 1541

| | | | | |
|--|----|-------------|----------------|------|
| <u>JOB READY SITE OPERATING</u> | | | | 1542 |
| <u>The foregoing appropriation item 195-688, Job Ready Site</u> | | | | 1543 |
| <u>Operating, shall be used for operating expenses incurred by the</u> | | | | 1544 |
| <u>Department of Development in administering sections 122.085 to</u> | | | | 1545 |
| <u>122.0820 of the Revised Code. Operating expenses include, but are</u> | | | | 1546 |
| <u>not limited to, certain expenses of the District Public Works</u> | | | | 1547 |
| <u>Integrating Committees, audit and accountability activities, and</u> | | | | 1548 |
| <u>costs associated with formal certifications verifying that site</u> | | | | 1549 |
| <u>infrastructure is in place and is functional.</u> | | | | 1550 |
| | | | | |
| Sec. 209.99. CSF COMMISSIONERS OF THE SINKING FUND | | | | 1551 |
| | | | | |
| Debt Service Fund Group | | | | 1552 |
| 070 155-905 <u>Third Frontier</u> | \$ | 0 | \$ 13,910,000 | 1553 |
| <u>Research & Development</u> | | | | |
| <u>Projects Bond Service</u> | | | | |
| <u>Fund</u> | | | | |
| 072 155-902 Highway Capital | \$ | 180,620,600 | \$ 196,464,900 | 1554 |
| Improvements Bond | | | | |
| Retirement Fund | | | | |
| 073 155-903 Natural Resources Bond | \$ | 26,166,000 | \$ 24,659,100 | 1555 |
| Retirement Fund | | | | |
| 074 155-904 Conservation Projects | \$ | 14,687,300 | \$ 17,668,800 | 1556 |
| Bond Service Fund | | | | |
| 076 155-906 Coal Research and | \$ | 7,071,100 | \$ 8,980,800 | 1557 |
| Development Bond | | | | |
| Retirement Fund | | | | |
| 077 155-907 State Capital | \$ | 163,131,400 | \$ 174,545,100 | 1558 |
| Improvements Bond | | | | |
| Retirement Fund | | | | |
| 078 155-908 Common Schools Bond | \$ | 200,724,700 | \$ 236,911,500 | 1559 |
| Retirement Fund | | | | |
| 079 155-909 Higher Education Bond | \$ | 140,600,300 | \$ 158,114,100 | 1560 |

| | | | | | |
|-----------------------------------|-----------------|-------------------------|----|------------------------|--------------|
| | Retirement Fund | | | | |
| 090 | <u>155-912</u> | <u>Job Ready Site</u> | \$ | 0 | \$ 4,124,400 |
| | | <u>Development Bond</u> | | | |
| | | <u>Service Fund</u> | | | |
| TOTAL DSF Debt Service Fund Group | \$ | 733,001,400 | \$ | 817,344,300 | 1562 |
| | | | | <u>835,378,700</u> | |
| TOTAL ALL BUDGET FUND GROUPS | \$ | 733,001,400 | \$ | 817,344,300 | 1563 |
| | | | | <u>835,378,700</u> | |

ADDITIONAL APPROPRIATIONS 1564

Appropriation items in this section are for the purpose of 1565
 paying debt service and financing costs on bonds or notes of the 1566
 state issued under the Ohio Constitution and acts of the General 1567
 Assembly. If it is determined that additional appropriations are 1568
 necessary for this purpose, such amounts are appropriated. 1569

COMMISSIONER OF THE SINKING FUND HIGHWAY BOND TRANSFER 1570
 AUTHORIZATION 1571

Notwithstanding any other provision of law to the contrary, 1572
 the Commissioners of the Sinking Fund shall certify to the 1573
 Director of Budget and Management, and the director shall then 1574
 transfer, the cash balance remaining after provision for the 1575
 payment of all outstanding bonds, notes, coupons, and charges from 1576
 the Highway Obligation Bond Retirement Fund (Fund 071) to the 1577
 Highway Capital Improvements Bond Service Fund (Fund 072), created 1578
 by section 151.06 of the Revised Code, as expeditiously as 1579
 possible after the effective date of this section. 1580

Section 5. That existing Sections 203.99, 203.99.33, 1581
 203.99.51, and 209.99 of Am. Sub. H.B. 66 of the 126th General 1582
 Assembly are hereby repealed. 1583

Section 6. All items set forth in this section are hereby 1584
 appropriated out of any moneys in the state treasury to the credit 1585

of the Job Ready Site Development Fund (Fund 012) that are not 1586
 otherwise appropriated. The appropriations made in this section 1587
 are in addition to any other capital appropriations made for the 1588
 2004-2006 biennium. 1589

| | Appropriations | |
|---------------------------------------|----------------|------|
| DEV DEPARTMENT OF DEVELOPMENT | | 1590 |
| CAP-003 Job Ready Site Development | \$ 30,000,000 | 1591 |
| TOTAL Department of Development | \$ 30,000,000 | 1592 |
| TOTAL Job Ready Site Development Fund | \$ 30,000,000 | 1593 |

JOB READY SITE DEVELOPMENT 1594

The foregoing appropriation item CAP-003, Job Ready Site 1595
 Development, shall be used by the Department of Development in 1596
 accordance with sections 122.085 to 122.0820 of the Revised Code 1597
 and is subject to all provisions of Am. Sub. H.B. 16 of the 126th 1598
 General Assembly that are generally applicable to capital 1599
 appropriations. 1600

Section 7. The Ohio Public Facilities Commission, upon 1601
 request of the Department of Development, is hereby authorized to 1602
 issue and sell, in accordance with Section 2p of Article VIII, 1603
 Ohio Constitution, and particularly sections 151.01 and 151.11 of 1604
 the Revised Code, original obligations of the State of Ohio in an 1605
 aggregate amount not to exceed \$30,000,000. The authorized 1606
 obligations shall be issued and sold from time to time and in 1607
 amounts necessary to ensure sufficient moneys to the credit of the 1608
 Job Ready Site Development Fund (Fund 012) to pay costs of sites 1609
 and facilities. 1610

Section 8. Except as otherwise specifically provided in this 1611
 act, a codified or uncodified section of law contained in this act 1612
 is not subject to the referendum. Therefore, under Ohio 1613
 Constitution, Article II, Section 1d and section 1.471 of the 1614

Revised Code, the codified and uncodified sections of law in this 1615
act, except as otherwise specifically provided in this act, go 1616
into immediate effect when this act becomes law. 1617

Section 9. Sections 6 and 7 of this act are subject to the 1618
referendum. Therefore, under Ohio Constitution, Article II, 1619
Section 1c and section 1.471 of the Revised Code, those sections 1620
take effect on the ninety-first day after this act is filed with 1621
the Secretary of State. If, however, a referendum petition is 1622
filed against the sections as enacted, those sections, unless 1623
rejected at the referendum, take effect at the earliest time 1624
permitted by law. 1625