

As Concurred by the Senate

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

Sub. S. B. No. 321

**Senators Carey, Niehaus, Stivers, Clancy, Austria, Gardner, Harris, Hottinger,
Spada, Padgett, Mumper
Representatives Calvert, Trakas, Coley, Martin, Patton, T., Flowers, Buehrer,
Combs, Evans, D., Hagan, Smith, G.**

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A B I L L

To amend sections 122.151, 125.021, 126.02, 150.07, 1
173.27, 183.04, 183.05, 183.30, 3318.05, 3318.052, 2
3318.06, 3318.08, 3318.18, 3318.36, 3702.72, 3
3702.73, 3702.81, 3702.89, 3702.92, 5707.031, 4
5725.19, 5725.98, 5727.241, 5729.08, 5729.98, 5
5733.01, 5733.49, 5733.98, 5747.80, 5747.98, 6
5751.20, and 5751.21 and to enact sections 7
107.032, 107.033, 107.034, 107.035, 131.55, 8
131.56, 131.57, 131.58, 131.59, 131.60, 3318.051, 9
3318.063, and 3318.121 of the Revised Code, to 10
amend Sections 209.63.39 and 312.27 of Am. Sub. 11
H.B. 66 of the 126th General Assembly, and to 12
amend Sections 203.09 and 209.63.57 of Am. Sub. 13
H.B. 66 of the 126th General Assembly, as 14
subsequently amended, to provide for the 15
distribution of money received by the state 16
pursuant to the Tobacco Master Settlement 17
Agreement by making appropriations for the 18
biennium beginning July 1, 2006, and ending June 19
30, 2008, and to provide authorization and 20
conditions for the operation of state programs. 21

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

Section 101.01. That sections 122.151, 125.021, 126.02, 150.07, 173.27, 183.04, 183.05, 183.30, 3318.05, 3318.052, 3318.06, 3318.08, 3318.18, 3318.36, 3702.72, 3702.73, 3702.81, 3702.89, 3702.92, 5707.031, 5725.19, 5725.98, 5727.241, 5729.08, 5729.98, 5733.01, 5733.49, 5733.98, 5747.80, 5747.98, 5751.20, and 5751.21 be amended and sections 107.032, 107.033, 107.034, 107.035, 131.55, 131.56, 131.57, 131.58, 131.59, 131.60, 3318.051, 3318.063, and 3318.121 of the Revised Code be enacted to read as follows:

Sec. 107.032. As used in sections 107.033 to 107.035 of the Revised Code:

(A) "Aggregate general revenue fund appropriations" means all general revenue fund appropriations made by the general assembly except for the following:

(1) Appropriations of money received from the federal government;

(2) Appropriations made for tax relief or refunds of taxes and other overpayments;

(3) Appropriations of money received as gifts.

(B) "Rate of inflation" means the percentage increase or decrease in the consumer price index over a one-year period, based on the most recent consumer price index for all urban consumers, midwest region, all items, as determined by the bureau of labor statistics of the United States department of labor or, if that index is no longer published, a generally available comparable index.

(C) "Rate of population change" means the percentage increase

or decrease in the population of this state over a one-year 49
period, based on the most recent population data available for the 50
state published by the bureau of the census of the United States 51
department of commerce, or its successor in responsibility, in the 52
population estimates program, or its successive equivalent. 53

(D) "Recast fiscal year" means fiscal years 2012, 2016, 2020, 54
and each fourth fiscal year thereafter. 55

Sec. 107.033. As part of the state budget the governor 56
submits to the general assembly under section 107.03 of the 57
Revised Code, the governor shall include the state appropriation 58
limitations the general assembly shall not exceed when making 59
aggregate general revenue fund appropriations for each respective 60
fiscal year of the biennium covered by that budget. The aggregate 61
general revenue fund appropriations the governor proposes in the 62
state budget also shall not exceed those limitations for each 63
respective fiscal year of the biennium covered by that budget. 64

(A) For fiscal year 2008, the state appropriation limitation 65
is the sum of the following: 66

(1) The aggregate general revenue fund appropriations for 67
fiscal year 2007; plus 68

(2) The aggregate general revenue fund appropriations for 69
fiscal year 2007 multiplied by either three and one-half per cent, 70
or the sum of the rate of inflation plus the rate of population 71
change, whichever is greater. 72

(B) For each fiscal year thereafter that is not a recast 73
fiscal year, the state appropriation limitation is the sum of the 74
following: 75

(1) The state appropriation limitation for the previous 76
fiscal year; plus 77

(2) The state appropriation limitation for the previous 78

fiscal year multiplied by either three and one-half per cent, or 79
the sum of the rate of inflation plus the rate of population 80
change, whichever is greater. 81

(C) For each recast fiscal year, the state appropriation 82
limitation is the sum of the following: 83

(1) The aggregate general revenue fund appropriations for the 84
previous fiscal year; plus 85

(2) The aggregate general revenue fund appropriations for the 86
previous fiscal year multiplied by either three and one-half per 87
cent, or the sum of the rate of inflation plus the rate of 88
population change, whichever is greater. 89

Sec. 107.034. (A)(1) The governor, in determining the state 90
appropriation limitation for fiscal year 2008, shall use estimates 91
regarding the aggregate general revenue fund appropriations for 92
fiscal year 2007. For the first fiscal year of any biennium, the 93
governor shall use the most recent published data available 94
regarding the rates of inflation and population change. For the 95
second fiscal year of any biennium, the governor shall use 96
estimated rates of inflation and population change. 97

(2) When determining the state appropriation limitations for 98
each fiscal biennium after the 2008-2009 biennium that does not 99
begin with a recast fiscal year, the governor shall update the 100
rates of inflation and population change used in the determination 101
of the state appropriation limitation for the second fiscal year 102
of the previous biennium to reflect the most recent published 103
data, shall recalculate that second fiscal year's limitation based 104
on the update, and shall use the recalculated limitation for 105
determining the state appropriation limitations for the ensuing 106
biennium to be included in the budget submitted under section 107
107.03 of the Revised Code. 108

(3) When determining the state appropriation limitations for each fiscal biennium after the 2008-2009 biennium that begins with a recast fiscal year, the governor shall update the rates of inflation and population change used in the determination of the state appropriation limitation for the second fiscal year of the previous biennium to reflect the most recent published data, and also shall update the aggregate general revenue fund appropriations amount for the second fiscal year of the previous biennium. The governor then shall recalculate that second fiscal year's limitation based on the updates and shall use the recalculated limitation for determining the state appropriation limitations for the ensuing biennium to be included in the budget submitted under section 107.03 of the Revised Code.

(B) The governor may designate the director of budget and management to perform the governor's duties under this section.

Sec. 107.035. Any appropriation that, for fiscal year 2007, was an aggregate general revenue fund appropriation shall be considered an aggregate general revenue fund appropriation for each succeeding fiscal year with respect to the determination of the state appropriation limitation under section 107.033 of the Revised Code, even if it is made from a different fund. Any new general revenue fund appropriation made in a fiscal year after fiscal year 2007 shall be considered an aggregate general revenue fund appropriation for each succeeding fiscal year after it is first made with respect to the determination of the state appropriation limitation under section 107.033 of the Revised Code, even if it is made from a different fund.

Sec. 131.55. As used in sections 131.55 to 131.58 of the Revised Code, "aggregate general revenue fund appropriations" has the same meaning as under section 107.032 of the Revised Code.

Sec. 131.56. The general assembly shall not make aggregate 139
general revenue fund appropriations for fiscal year 2008 and each 140
fiscal year thereafter that exceed the state appropriation 141
limitation determined for the respective fiscal year under section 142
107.033 of the Revised Code. 143

Sec. 131.57. Notwithstanding section 131.56 of the Revised 144
Code, the general assembly may make aggregate general revenue fund 145
appropriations for a fiscal year that exceed the state 146
appropriation limitation for that fiscal year if either of the 147
following apply: 148

(A) The excess appropriations are made in response to the 149
governor's proclamation of an emergency concerning such things as 150
an act of God, a pandemic disease, an infestation of destructive 151
organisms, repelling invasion, suppressing insurrection, defending 152
the state in time of war, or responding to terrorist attacks, and 153
can be used only for that emergency. 154

(B) The general assembly passes a bill by an affirmative vote 155
of two-thirds of the members of each house that does both of the 156
following: 157

(1) Specifically identifies the purpose of each excess 158
appropriation; 159

(2) States whether the appropriations are to be included as 160
aggregate general revenue fund appropriations with respect to 161
future determinations of the state appropriation limitation under 162
section 107.033 of the Revised Code. 163

Sec. 131.58. Neither of the following shall be included as 164
aggregate general revenue fund appropriations with respect to the 165
determination of the state appropriation limitation under section 166
107.033 of the Revised Code: 167

(A) Appropriations made under division (A) of section 131.57 168
of the Revised Code; 169

(B) Appropriations that are not to be included as aggregate 170
general revenue fund appropriations pursuant to a bill passed 171
under division (B) of section 131.57 of the Revised Code. 172

Sec. 131.59. Nothing in sections 107.032 to 107.035 or 131.55 173
to 131.58 of the Revised Code shall be construed to affect in any 174
way the state's obligation to make debt service payments. 175

Sec. 131.60. Sections 107.032 to 107.035 and 131.55 to 131.58 176
of the Revised Code do not apply to reappropriations of the 177
unexpended balances of appropriations that a state agency has 178
encumbered prior to the close of a fiscal year. 179

Sec. 122.151. (A) An investor who proposes to make an 180
investment of money in an Ohio entity may apply to an Edison 181
center for a tax credit under this section. The Edison center 182
shall prescribe the form of the application and any information 183
that the investor must submit with the application. The investor 184
shall include with the application a fee of two hundred dollars. 185
The center, within three weeks after receiving the application, 186
shall review it, determine whether the investor should be 187
recommended for the tax credit, and send written notice of its 188
initial determination to the industrial technology and enterprise 189
advisory council and to the investor. If the center determines the 190
investor should not be recommended for the tax credit, it shall 191
include in the notice the reasons for the determination. Subject 192
to divisions (C) and (D) of this section, an investor is eligible 193
for a tax credit if all of the following requirements are met: 194

(1) The investor's investment of money is in an Ohio entity 195
engaged in a qualified trade or business. 196

(2) The Ohio entity had less than two million five hundred thousand dollars of gross revenue during its most recently completed fiscal year or had a net book value of less than two million five hundred thousand dollars at the end of that fiscal year.

(3) The investment takes the form of the purchase of common or preferred stock, a membership interest, a partnership interest, or any other ownership interest.

(4) The amount of the investment for which the credit is being claimed does not exceed three hundred thousand dollars in the case of an investment in an EDGE business enterprise or in an Ohio entity located in a distressed area, or two hundred fifty thousand dollars in the case of an investment in any other Ohio entity.

(5) The money invested is entirely at risk of loss, where repayment depends upon the success of the business operations of the Ohio entity.

(6) No repayment of principal invested will be made for at least three years from the date the investment is made.

(7) The annual combined amount of any dividend and interest payments to be made to the investor will not exceed ten per cent of the amount of the investment for at least three years from the date the investment is made.

(8) The investor is not an employee with proprietary decision-making authority of the Ohio entity in which the investment of money is proposed, or related to such an individual. The Ohio entity is not an individual related to the investor. For purposes of this division, the industrial technology and enterprise advisory council shall define "an employee with proprietary decision-making authority."

(9) The investor is not an insider. 227

For the purposes of determining the net book value of an Ohio 228
entity under division (A)(1) or (2) of this section, if the entity 229
is a member of an affiliated group, the combined net book values 230
of all of the members of that affiliated group shall be used. 231

Nothing in division (A)(6) or (7) of this section limits or 232
disallows the distribution to an investor in a pass-through entity 233
of a portion of the entity's profits equal to the investor's 234
federal, state, and local income tax obligations attributable to 235
the investor's allocable share of the entity's profits. Nothing in 236
division (A)(6) or (7) of this section limits or disallows the 237
sale by an investor of part or all of the investor's interests in 238
an Ohio entity by way of a public offering of shares in the Ohio 239
entity. 240

(B) A group of two but not more than twenty investors, each 241
of whom proposes to make an investment of money in the same Ohio 242
entity, may submit an application for tax credits under division 243
(A) of this section. The group shall include with the application 244
a fee of eight hundred dollars. The application shall identify 245
each investor in the group and the amount of money each investor 246
proposes to invest in the Ohio entity, and shall name a contact 247
person for the group. The Edison center, within three weeks after 248
receiving the application, shall review it, determine whether each 249
investor of the group should be recommended for a tax credit under 250
the conditions set forth in division (A) of this section, and send 251
written notice of its determination to the industrial technology 252
and enterprise advisory council and to the contact person. The 253
center shall not recommend that a group of investors receive a tax 254
credit unless each investor is eligible under those conditions. 255
The center may disqualify from a group any investor who is not 256
eligible under the conditions and recommend that the remaining 257
group of investors receive the tax credit. If the center 258

determines the group should not be recommended for the tax credit, 259
it shall include in the notice the reasons for the determination. 260

(C) The industrial technology and enterprise advisory council 261
shall establish from among its members a three-person committee. 262
Within four weeks after the council receives a notice of 263
recommendation from an Edison center, the committee shall review 264
the recommendation and issue a final determination of whether the 265
investor or group is eligible for a tax credit under the 266
conditions set forth in division (A) of this section. The 267
committee may require the investor or group to submit additional 268
information to support the application. The vote of at least two 269
members of the committee is necessary for the issuance of a final 270
determination or any other action of the committee. Upon making 271
the final determination, the committee shall send written notice 272
of approval or disapproval of the tax credit to the investor or 273
group contact person, the director of development, and the Edison 274
center. If the committee disapproves the tax credit, it shall 275
include in the notice the reasons for the disapproval. 276

(D)(1) The industrial technology and enterprise advisory 277
council committee shall not approve more than one million five 278
hundred thousand dollars of investments in any one Ohio entity. 279
However, if a proposed investment of money in an Ohio entity has 280
been approved but the investor does not actually make the 281
investment, the committee may reassign the amount of that 282
investment to another investor, as long as the total amount 283
invested in the entity under this section does not exceed one 284
million five hundred thousand dollars. 285

If the one-million-five-hundred-thousand-dollar limit for an 286
Ohio entity has not yet been reached and an application proposes 287
an investment of money that would exceed the limit for that 288
entity, the committee shall send written notice to the investor, 289
or for a group, the contact person, that the investment cannot be 290

approved as requested. Upon receipt of the notice, the investor or
group may amend the application to propose an investment of money
that does not exceed the limit.

(2) Not more than ~~twenty~~ thirty million dollars of tax
credits shall be issued under sections 122.15 to 122.154 of the
Revised Code.

(E) If an investor makes an approved investment of less than
two hundred fifty thousand dollars in any Ohio entity other than
an EDGE business enterprise or in an Ohio entity located in a
distressed area, the investor may apply for approval of another
investment of money in that entity, as long as the total amount
invested in that entity by the investor under this section does
not exceed two hundred fifty thousand dollars. If an investor
makes an approved investment of less than three hundred thousand
dollars in an EDGE business enterprise or in an Ohio entity
located in a distressed area, the investor may apply for approval
of another investment of money in that entity, as long as the
total amount invested in that entity by the investor under this
section does not exceed three hundred thousand dollars. An
investor who receives approval of an investment of money as part
of a group may subsequently apply on an individual basis for
approval of an additional investment of money in the Ohio entity.

(F) The industrial technology and enterprise advisory council
committee shall approve or disapprove tax credit applications
under this section in the order in which they are received by the
council.

(G) The director of development may disapprove any
application recommended by an Edison center and approved by the
industrial technology and enterprise advisory council committee,
or may disapprove a credit for which a tax credit certificate has
been issued under section 122.152 of the Revised Code, if the

director determines that the entity in which the applicant 322
proposes to invest or has invested is not an Ohio entity eligible 323
to receive investments that qualify for the credit. If the 324
director disapproves an application, the director shall certify 325
the action to the investor, the Edison center that recommended the 326
application, the industrial technology and enterprise advisory 327
council, and the tax commissioner, together with a written 328
explanation of the reasons for the disapproval. If the director 329
disapproves a tax credit after a tax credit certificate is issued, 330
the investor shall not claim the credit for the taxable year that 331
includes the day the director disapproves the credit, or for any 332
subsequent taxable year. 333

The director of development, in accordance with section 334
111.15 of the Revised Code and with the advice of the industrial 335
technology and enterprise advisory council, may adopt, amend, and 336
rescind rules necessary to implement sections 122.15 to 122.154 of 337
the Revised Code. 338

(H) An Edison center shall use application fees received 339
under this section only for the costs of administering sections 340
122.15 to 122.154 of the Revised Code. 341

Sec. 125.021. (A) Except as to the military department, the 342
general assembly, the bureau of workers' compensation, the 343
industrial commission, and institutions administered by boards of 344
trustees, the ~~department of administrative services~~ office of 345
information technology may contract for, operate, and superintend 346
telephone, other telecommunication, and computer services for 347
state agencies. Nothing in this division precludes the bureau or 348
the commission from contracting with the ~~department~~ office to 349
authorize the ~~department~~ office to contract for, operate, or 350
superintend those services for the bureau or the commission. 351

(B)(1) As used in this division: 352

(a) "Active duty" means active duty pursuant to an executive order of the president of the United States, an act of the congress of the United States, or section 5919.29 or 5923.21 of the Revised Code.

(b) "Immediate family" means a person's spouse residing in the person's household, brothers and sisters of the whole or of the half blood, children, including adopted children and stepchildren, parents, and grandparents.

(2) The ~~department of administrative services~~ office of information technology may enter into a contract to purchase bulk long distance telephone services and make them available at cost, or may make bulk long distance telephone services available at cost under any existing contract the ~~department~~ office has entered into, to members of the immediate family of persons deployed on active duty so that those family members can communicate with the persons so deployed. If the ~~department~~ office enters into contracts under division (B)(2) of this section, it shall do so in accordance with sections 125.01 to 125.11 of the Revised Code and in a nondiscriminatory manner that does not place any potential vendor at a competitive disadvantage.

(3) If the ~~department~~ office decides to exercise either option under division (B)(2) of this section, it shall adopt, and may amend, rules under Chapter 119. of the Revised Code to implement that division.

Sec. 126.02. The director of budget and management shall prepare and submit to the governor, biennially, not later than the first day of January preceding the convening of the general assembly, state budget estimates of revenues and expenditures for each state fund and budget estimates for each state agency, except such estimates as are required under section 126.022 of the Revised Code. The budget estimates for each state agency for which

direct appropriations are proposed shall include the following 384
details: 385

(A) Estimates of the operating budget; 386

(B) Estimates of the subsidy appropriations necessary, 387
delineated by a distinct subsidy program; 388

(C) Estimates for special purposes, delineated by a distinct 389
special purpose program; 390

(D) Estimates of appropriations necessary from each fund in 391
reasonable detail to allow for adequate planning and oversight of 392
programs and activities. 393

In the preparation of state revenue and expenditure 394
estimates, the director of budget and management shall, not later 395
than the fifteenth day of September in the year preceding the 396
first regular session of the general assembly, distribute to all 397
affected state agencies the forms necessary for the preparation of 398
budget requests, which shall be in the form prescribed by the 399
director in consultation with the legislative service commission 400
to procure information concerning the revenues and expenditures 401
for the preceding and current bienniums, an estimate of the 402
revenues and expenditures of the current fiscal year, and an 403
estimate of the revenues and proposed expenditures for the 404
respective agencies for the two succeeding fiscal years for which 405
appropriations have to be made. Each such agency shall, not later 406
than the first day of November, file with the director its 407
estimate of revenues and proposed expenditures for the succeeding 408
biennium. 409

Each such agency shall, not later than the first day of 410
December, file with the chairperson of the finance committees of 411
the senate and house of representatives and the legislative 412
service commission a duplicate copy of such budget request. 413

The budget request shall be accompanied by a statement in 414

writing giving facts and explanation of reasons for the items 415
requested. The director and the legislative service commission may 416
make further inquiry and investigation as to any item desired. The 417
director may approve, disapprove, or alter the requests, excepting 418
those for the legislative and judicial branches of the state. The 419
requests as revised by the director constitute the state budget 420
estimates of revenues and expenditures which the director is 421
required to submit to the governor. 422

The director shall determine a method to incorporate the 423
principles of zero-based budgeting into the forms prescribed in 424
this section. 425

Sec. 150.07. (A) For the purpose stated in section 150.01 of 426
the Revised Code, the authority may authorize a lender to claim 427
one of the refundable tax credits allowed under section 5707.031, 428
5725.19, 5727.241, 5729.08, 5733.49, or 5747.80 of the Revised 429
Code. The credits shall be authorized by a written contract with 430
the lender. The contract shall specify the terms under which the 431
lender may claim the credit, including the amount of loss, if any, 432
the lender must incur before the lender may claim the credit; 433
specify that the credit shall not exceed the amount of the loss; 434
and specify that the lender may claim the credit only for a loss 435
certified by a program administrator to the authority under the 436
procedures prescribed under division (B)(6) of section 150.05 of 437
the Revised Code. 438

(B) Tax credits may be authorized at any time after the 439
authority establishes the investment policy under section 150.03 440
of the Revised Code, but a tax credit so authorized may not be 441
claimed until the beginning of the fifth year after the authority 442
establishes the investment policy. A tax credit may not be claimed 443
after June 30, 2026. 444

(C)(1) Upon receiving certification of a lender's loss from a 445

program administrator pursuant to the procedures in the investment 446
policy, the authority shall issue a tax credit certificate to the 447
lender, except as otherwise provided in division (D) of this 448
section. 449

(2) If the lender is a pass-through entity, as defined in 450
section 5733.04 of the Revised Code, then each equity investor in 451
the lender pass-through entity shall be entitled to claim one of 452
the tax credits allowed under division (A) of this section for 453
that equity investor's taxable year in which or with which ends 454
the taxable year of the lender pass-through entity in an amount 455
based on the equity investor's distributive or proportionate share 456
of the credit amount set forth in the certificate issued by the 457
authority. If all equity investors of the lender pass-through 458
entity are not eligible to claim a credit against the same tax set 459
forth in division (A) of this section, then each equity investor 460
may elect to claim a credit against the tax to which the equity 461
investor is subject to in an amount based on the equity investor's 462
distributive or proportionate share of the credit amount set forth 463
in the certificate issued by the authority. 464

~~(3) The authority shall not issue a certificate until the 465
lender, in the manner prescribed by the authority, or in the case 466
of a lender pass through entity, until each equity investor in 467
that lender pass through entity, elects to receive a refundable or 468
nonrefundable tax credit. The election, once made, is irrevocable. 469
The certificate shall state the amount of the credit, whether the 470
credit is refundable or nonrefundable, and the calendar year, 471
under section 5707.031, 5725.19, 5727.241, or 5729.08, the tax 472
year, under section 5733.49, or the taxable year under section 473
5747.80 of the Revised Code, for which the credit may be claimed. 474
The authority, in conjunction with the tax commissioner, shall 475
develop a system for issuing tax credit certificates for the 476
purpose of verifying that any credit claimed is a credit issued 477~~

under this section and is properly taken in the year specified in 478
the certificate and in compliance with division (B) of this 479
section. 480

(D) The authority shall not, in any fiscal year, issue tax 481
credit certificates in a total amount exceeding twenty million 482
dollars. 483

Sec. 173.27. (A) As used in this section: 484

(1) "Applicant" means a person who is under final 485
consideration for employment with the office of the state 486
long-term care ombudsperson program in a full-time, part-time, or 487
temporary position that involves providing ombudsperson services 488
to residents and recipients. "Applicant" includes, but is not 489
limited to, a person who is under final consideration for 490
employment as the state long-term care ombudsperson or the head of 491
a regional long-term care ombudsperson program. "Applicant" does 492
not include a person who provides ombudsperson services to 493
residents and recipients as a volunteer without receiving or 494
expecting to receive any form of remuneration other than 495
reimbursement for actual expenses. 496

(2) "Criminal records check" has the same meaning as in 497
section 109.572 of the Revised Code. 498

(B)(1) The state long-term care ombudsperson or the 499
ombudsperson's designee shall request that the superintendent of 500
the bureau of criminal identification and investigation conduct a 501
criminal records check with respect to each applicant. However, if 502
the applicant is under final consideration for employment as the 503
state long-term care ombudsperson, the director of aging shall 504
request that the superintendent conduct the criminal records 505
check. If an applicant for whom a criminal records check request 506
is required under this division does not present proof of having 507
been a resident of this state for the five-year period immediately 508

prior to the date the criminal records check is requested or 509
provide evidence that within that five-year period the 510
superintendent has requested information about the applicant from 511
the federal bureau of investigation in a criminal records check, 512
the ombudsperson, designee, or director shall request that the 513
superintendent obtain information from the federal bureau of 514
investigation as part of the criminal records check of the 515
applicant. Even if an applicant for whom a criminal records check 516
request is required under this division presents proof of having 517
been a resident of this state for the five-year period, the 518
ombudsperson, designee, or director may request that the 519
superintendent include information from the federal bureau of 520
investigation in the criminal records check. 521

(2) A person required by division (B)(1) of this section to 522
request a criminal records check shall do both of the following: 523

(a) Provide to each applicant for whom a criminal records 524
check request is required under that division a copy of the form 525
prescribed pursuant to division (C)(1) of section 109.572 of the 526
Revised Code and a standard fingerprint impression sheet 527
prescribed pursuant to division (C)(2) of that section, and obtain 528
the completed form and impression sheet from the applicant; 529

(b) Forward the completed form and impression sheet to the 530
superintendent of the bureau of criminal identification and 531
investigation. 532

(3) An applicant provided the form and fingerprint impression 533
sheet under division (B)(2)(a) of this section who fails to 534
complete the form or provide fingerprint impressions shall not be 535
employed in any position for which a criminal records check is 536
required by this section. 537

(C)(1) Except as provided in rules adopted by the director of 538
aging in accordance with division (F) of this section and subject 539

to division (C)(2) of this section, the office of the state
long-term care ombudsperson may not employ a person in a position
that involves providing ombudsperson services to residents and
recipients if the person has been convicted of or pleaded guilty
to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03,
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34,
2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05,
2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31,
2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11,
2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21,
2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 2921.36,
2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 2925.13,
2925.22, 2925.23, or 3716.11 of the Revised Code.

(b) A violation of an existing or former law of this state,
any other state, or the United States that is substantially
equivalent to any of the offenses listed in division (C)(1)(a) of
this section.

(2)(a) The office of the state long-term care ombudsperson
program may employ conditionally an applicant for whom a criminal
records check request is required under division (B) of this
section prior to obtaining the results of a criminal records check
regarding the individual, provided that the state long-term care
ombudsperson, ombudsperson's designee, or director of aging shall
request a criminal records check regarding the individual in
accordance with division (B)(1) of this section not later than
five business days after the individual begins conditional
employment.

(b) The office of the state long-term care ombudsperson
program shall terminate the employment of an individual employed
conditionally under division (C)(2)(a) of this section if the

results of the criminal records check request under division (B) 571
of this section, other than the results of any request for 572
information from the federal bureau of investigation, are not 573
obtained within the period ending sixty days after the date the 574
request is made. Regardless of when the results of the criminal 575
records check are obtained, if the results indicate that the 576
individual has been convicted of or pleaded guilty to any of the 577
offenses listed or described in division (C)(1) of this section, 578
the office shall terminate the individual's employment unless the 579
office chooses to employ the individual pursuant to division (F) 580
of this section. Termination of employment under this division 581
shall be considered just cause for discharge for purposes of 582
division (D)(2) of section 4141.29 of the Revised Code if the 583
individual makes any attempt to deceive the office about the 584
individual's criminal record. 585

(D)(1) The office of the state long-term care ombudsperson 586
program shall pay to the bureau of criminal identification and 587
investigation the fee prescribed pursuant to division (C)(3) of 588
section 109.572 of the Revised Code for each criminal records 589
check conducted pursuant to a request made under division (B) of 590
this section. 591

(2) The office of the state long-term care ombudsperson 592
program may charge an applicant a fee not exceeding the amount the 593
office pays under division (D)(1) of this section. The office may 594
collect a fee only if the office notifies the applicant at the 595
time of initial application for employment of the amount of the 596
fee. 597

(E) The report of any criminal records check conducted 598
pursuant to a request made under this section is not a public 599
record for the purposes of section 149.43 of the Revised Code and 600
shall not be made available to any person other than the 601
following: 602

(1) The individual who is the subject of the criminal records check or the individual's representative; 603
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(2) The state long-term care ombudsperson, ombudsperson's designee, director of ~~health~~ aging, or the ombudsperson, designee, or director's representative; 605
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(3) If the state long-term care ombudsperson designates the head or other employee of a regional long-term care ombudsperson program to request a criminal records check under this section, a representative of the office of the state long-term care ombudsperson program who is responsible for monitoring the regional program's compliance with this section; 608
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(4) A court, hearing officer, or other necessary individual involved in a case dealing with a denial of employment of the applicant or dealing with employment or unemployment benefits of the applicant. 614
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(F) The director of aging shall adopt rules in accordance with Chapter 119. of the Revised Code to implement this section. The rules shall specify circumstances under which the office of the state long-term care ombudsperson program may employ a person who has been convicted of or pleaded guilty to an offense listed or described in division (C)(1) of this section but meets personal character standards set by the director. 618
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(G) The office of the state long-term care ombudsperson program shall inform each person, at the time of initial application for a position that involves providing ombudsperson services to residents and recipients, that the person is required to provide a set of fingerprint impressions and that a criminal records check is required to be conducted if the person comes under final consideration for employment. 625
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(H) In a tort or other civil action for damages that is brought as the result of an injury, death, or loss to person or 632
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property caused by an individual who the office of the state 634
long-term care ombudsperson program employs in a position that 635
involves providing ombudsperson services to residents and 636
recipients, all of the following shall apply: 637

(1) If the office employed the individual in good faith and 638
reasonable reliance on the report of a criminal records check 639
requested under this section, the office shall not be found 640
negligent solely because of its reliance on the report, even if 641
the information in the report is determined later to have been 642
incomplete or inaccurate. 643

(2) If the office employed the individual in good faith on a 644
conditional basis pursuant to division (C)(2) of this section, the 645
office shall not be found negligent solely because it employed the 646
individual prior to receiving the report of a criminal records 647
check requested under this section. 648

(3) If the office in good faith employed the individual 649
according to the personal character standards established in rules 650
adopted under division (F) of this section, the office shall not 651
be found negligent solely because the individual prior to being 652
employed had been convicted of or pleaded guilty to an offense 653
listed or described in division (C)(1) of this section. 654

Sec. 183.04. There is hereby created the tobacco use 655
prevention and control foundation, the general management of which 656
is vested in a board of trustees of ~~twenty-four~~ twenty-three 657
members as follows: 658

(A) Eight members who are health professionals, health 659
researchers, or representatives of health organizations. Two of 660
these members shall be appointed by the governor, two by the 661
speaker of the house of representatives, one by the minority 662
leader of the house of representatives, two by the president of 663

- the senate, and one by the minority leader of the senate. 664
- (B) Two members, one of whom has experience in financial 665
planning and accounting and one of whom has experience in media 666
and mass marketing, who shall be appointed by the governor; 667
- (C) One member, who shall be appointed by the governor from a 668
list of at least three individuals recommended by the American 669
cancer society; 670
- (D) One member, who shall be appointed by the governor from a 671
list of at least three individuals recommended by the American 672
heart association; 673
- (E) One member, who shall be appointed by the governor from a 674
list of at least three individuals recommended by the American 675
lung association; 676
- (F) One member, who shall be appointed by the governor from a 677
list of at least three individuals recommended by the association 678
of hospitals and health systems; 679
- (G) One member, who shall be appointed by the governor from a 680
list of at least three individuals recommended by the Ohio state 681
medical association; 682
- (H) One member, who shall be appointed by the governor from a 683
list of at least three individuals recommended by the association 684
of Ohio health commissioners; 685
- (I) One member, who shall be appointed by the governor from a 686
list of at least three individuals recommended by the Ohio dental 687
association; 688
- (J) One nonvoting member, who shall be a member of the house 689
of representatives of the political party of which the speaker of 690
the house of representatives is a member and who shall be 691
appointed by the speaker; 692
- (K) One nonvoting member, who shall be a member of the house 693

of representatives of the major political party of which the 694
speaker of the house of representatives is not a member and who 695
shall be appointed by the speaker; 696

(L) One nonvoting member, who shall be a member of the senate 697
of the political party of which the president of the senate is a 698
member and who shall be appointed by the president; 699

(M) One nonvoting member, who shall be a member of the senate 700
of the major political party of which the president of the senate 701
is not a member and who shall be appointed by the president; 702

(N) The director of health, and the executive director of the 703
commission on minority health, or the executive director's 704
designee, ~~and the attorney general,~~ who shall serve as ex officio 705
members. 706

The appointments of the governor shall be with the advice and 707
consent of the senate. 708

Terms of office for the non-legislative members appointed by 709
the governor, president, speaker, and minority leaders shall be 710
for five years. The terms of legislative members shall be for the 711
biennial session of the general assembly in which they are 712
appointed. Each member shall hold office from the date of 713
appointment until the end of the term for which the member was 714
appointed. Any member appointed to fill a vacancy occurring prior 715
to the expiration of the term for which the member's predecessor 716
was appointed shall hold office for the remainder of that term. 717
Any member shall continue in office subsequent to the expiration 718
date of the member's term until the member's successor takes 719
office, or until a period of sixty days has elapsed, whichever 720
occurs first. A vacancy in an unexpired term shall be filled in 721
the same manner as the original appointment. The governor may 722
remove any non-legislative member for malfeasance, misfeasance, or 723
nonfeasance after a hearing in accordance with Chapter 119. of the 724

Revised Code. 725

The members of the board shall serve without compensation but 726
shall receive their reasonable and necessary expenses incurred in 727
the conduct of foundation business. 728

Sections 101.82 to 101.87 of the Revised Code do not apply to 729
the foundation. 730

Sec. 183.05. The board of trustees of the tobacco use 731
prevention and control foundation shall select a chairperson from 732
among its members and shall meet once during each quarter or at 733
such other times as the board decides. A majority of the voting 734
members of the board constitutes a quorum, and no action shall be 735
taken without the affirmative vote of a majority of the voting 736
members of the board. 737

Sec. 183.30. (A) Except as provided in division (D) of this 738
section, no more than five per cent of the total ~~expenditures~~ 739
disbursements, encumbrances, and obligations of the tobacco use 740
prevention and control foundation in a fiscal year shall be for 741
administrative expenses of the foundation in the same fiscal year. 742

(B) Except as provided in division (D) of this section, no 743
more than five per cent of the total ~~expenditures~~ disbursements, 744
encumbrances, and obligations of the southern Ohio agricultural 745
and community development foundation in a fiscal year shall be for 746
administrative expenses of the foundation in the same fiscal year. 747

(C) Except as provided in division (D) of this section, no 748
more than five per cent of the total ~~expenditures made from~~ 749
disbursements, encumbrances, and obligations of the biomedical 750
research and technology transfer trust fund ~~by the third frontier~~ 751
~~commission~~ in a fiscal year shall be for ~~administrative~~ expenses 752
relating to the administration of the ~~commission~~ trust fund by the 753
third frontier commission in the same fiscal year. 754

(D) This section's five per cent limitation on administrative 755
expenses does not apply to any fiscal year for which the 756
controlling board approves a spending plan that the foundation or 757
commission submits to the board. 758

Sec. 3318.05. The conditional approval of the Ohio school 759
facilities commission for a project shall lapse and the amount 760
reserved and encumbered for such project shall be released unless 761
the school district board accepts such conditional approval within 762
one hundred twenty days following the date of certification of the 763
conditional approval to the school district board and the electors 764
of the school district vote favorably on both of the propositions 765
described in divisions (A) and (B) of this section within one year 766
of the date of such certification, except that a school district 767
described in division (C) of this section does not need to submit 768
the proposition described in division (B) of this section. The 769
propositions described in divisions (A) and (B) of this section 770
shall be combined in a single proposal. If the district board or 771
the district's electors fail to meet such requirements and the 772
amount reserved and encumbered for the district's project is 773
released, the district shall be given first priority for project 774
funding as such funds become available. 775

(A) On the question of issuing bonds of the school district 776
board, for the school district's portion of the basic project 777
cost, in an amount equal to the school district's portion of the 778
basic project cost less the amount of the proceeds of any 779
securities authorized or to be authorized under division (J) of 780
section 133.06 of the Revised Code and dedicated by the school 781
district board to payment of the district's portion of the basic 782
project cost; and 783

(B) On the question of levying a tax the proceeds of which 784
shall be used to pay the cost of maintaining the classroom 785

facilities included in the project. Such tax shall be at the rate 786
of not less than one-half mill for each dollar of valuation for a 787
period of twenty-three years, subject to any extension approved 788
under section 3318.061 of the Revised Code. 789

(C) If a school district has in place a tax levied under 790
section 5705.21 of the Revised Code for general permanent 791
improvements for a continuing period of time and the proceeds of 792
such tax can be used for maintenance, or if a district agrees to 793
the transfers described in section 3318.051 of the Revised Code, 794
the school district need not levy the additional tax required 795
under division (B) of this section, provided the school district 796
board includes in the agreement entered into under section 3318.08 797
of the Revised Code provisions ~~earmarking~~ either: 798

(1) Earmarking an amount from the proceeds of that permanent 799
improvement tax for maintenance of classroom facilities equivalent 800
to the amount of the additional tax and for the equivalent number 801
of years otherwise required under this section; 802

(2) Requiring the transfer of money in accordance with 803
section 3318.051 of the Revised Code. 804

The district board subsequently may rescind the agreement to 805
make the transfers under section 3318.051 of the Revised Code only 806
so long as the electors of the district have approved, in 807
accordance with section 3318.063 of the Revised Code, the levy of 808
a tax for the maintenance of the classroom facilities acquired 809
under the district's project and that levy continues to be 810
collected as approved by the electors. 811

(D) Proceeds of the tax to be used for maintenance of the 812
classroom facilities under either division (B) or (C)(1) of this 813
section, and transfers of money in accordance with section 814
3318.051 of the Revised Code shall be deposited into a separate 815
fund established by the school district for such purpose. 816

Sec. 3318.051. (A) Any city, exempted village, or local school district that commences a project under sections 3318.01 to 3318.20, 3318.36, 3318.37, or 3318.38 of the Revised Code on or after the effective date of this section need not levy the tax otherwise required under division (B) of section 3318.05 of the Revised Code, if the district board of education adopts a resolution petitioning the Ohio school facilities commission to approve the transfer of money in accordance with this section and the commission approves that transfer. If so approved, the commission and the district board shall enter into an agreement under which the board, in each of twenty-three consecutive years beginning in the year in which the board and the commission enter into the project agreement under section 3318.08 of the Revised Code, shall transfer into the maintenance fund required by division (D) of section 3318.05 of the Revised Code not less than an amount equal to one-half mill for each dollar of the district's valuation unless and until the agreement to make those transfers is rescinded by the district board pursuant to division (F) of this section.

(B) On the first day of July each year, or on an alternative date prescribed by the commission, the district treasurer shall certify to the commission and the auditor of state that the amount required for the year has been transferred. The auditor of state shall include verification of the transfer as part of any audit of the district under section 117.11 of the Revised Code. If the auditor of state finds that less than the required amount has been deposited into a district's maintenance fund, the auditor of state shall notify the district board of education in writing of that fact and require the board to deposit into the fund, within ninety days after the date of the notice, the amount by which the fund is deficient for the year. If the district board fails to demonstrate to the auditor of state's satisfaction that the board has made the

deposit required in the notice, the auditor of state shall notify 849
the department of education. At that time, the department shall 850
withhold an amount equal to ten per cent of the district's funds 851
calculated for the current fiscal year under Chapter 3317. of the 852
Revised Code until the auditor of state notifies the department 853
that the auditor of state is satisfied that the board has made the 854
required transfer. 855

(C) Money transferred to the maintenance fund shall be used 856
for the maintenance of the facilities acquired under the 857
district's project. 858

(D) The transfers to the maintenance fund under this section 859
does not affect a district's obligation to establish and maintain 860
a capital and maintenance fund under section 3315.18 of the 861
Revised Code. 862

(E) Any decision by the commission to approve or not approve 863
the transfer of money under this section is final and not subject 864
to appeal. The commission shall not be responsible for errors or 865
miscalculations made in deciding whether to approve a petition to 866
make transfers under this section. 867

(F) If the district board determines that it no longer can 868
continue making the transfers agreed to under this section, the 869
board may rescind the agreement only so long as the electors of 870
the district have approved, in accordance with section 3318.063 of 871
the Revised Code, the levy of a tax for the maintenance of the 872
classroom facilities acquired under the district's project and 873
that levy continues to be collected as approved by the electors. 874
That levy shall be for a number of years that is equal to the 875
difference between twenty-three years and the number of years that 876
the district made transfers under this section and shall be at the 877
rate of not less than one-half mill for each dollar of the 878
district's valuation. The district board shall continue to make 879

the transfers agreed to under this section until that levy has 880
been approved by the electors. 881

Sec. 3318.052. At any time after the electors of a school 882
district have approved either or both a property tax levied under 883
section 5705.21 or 5705.218 of the Revised Code for the purpose of 884
permanent improvements, including general permanent improvements, 885
or a school district income tax levied under Chapter 5748. of the 886
Revised Code, the proceeds of either of which, pursuant to the 887
ballot measures approved by the electors, are not so restricted 888
that they cannot be used to pay the costs of a project or 889
maintaining classroom facilities, the school district board may: 890

(A) Within one year following the date of the certification 891
of the conditional approval of the school district's classroom 892
facilities project by the Ohio school facilities commission, enter 893
into a written agreement with the commission, which may be part of 894
an agreement entered into under section 3318.08 of the Revised 895
Code, and in which the school district board covenants and agrees 896
to do one or both of the following: 897

(1) Apply a specified amount of available proceeds of that 898
property tax levy, of that school district income tax, or of 899
securities issued under this section, or of proceeds from any two 900
or more of those sources, to pay all or part of the district's 901
portion of the basic project cost of its classroom facilities 902
project; 903

(2) Apply available proceeds of either or both a property tax 904
levied under section 5705.21 or 5705.218 of the Revised Code in 905
effect for a continuing period of time, or of a school district 906
income tax levied under Chapter 5748. of the Revised Code in 907
effect for a continuing period of time to the payment of costs of 908
maintaining the classroom facilities. 909

(B) Receive, as a credit against the amount of bonds required 910
under sections 3318.05 and 3318.06 of the Revised Code, to be 911
approved by the electors of the district and issued by the 912
district board for the district's portion of the basic project 913
cost of its classroom facilities project in order for the district 914
to receive state assistance for the project, an amount equal to 915
the specified amount that the district board covenants and agrees 916
with the commission to apply as set forth in division (A)(1) of 917
this section; 918

(C) Receive, as a credit against the amount of the tax levy 919
required under sections 3318.05 and 3318.06 of the Revised Code, 920
to be approved by the electors of the district to pay the costs of 921
maintaining the classroom facilities in order to receive state 922
assistance for the classroom facilities project, an amount 923
equivalent to the specified amount of proceeds the school district 924
board covenants and agrees with the commission to apply as 925
referred to in division (A)(2) of this section; 926

(D) Apply proceeds of either or both a school district income 927
tax levied under Chapter 5748. of the Revised Code that may 928
lawfully be used to pay the costs of a classroom facilities 929
project or of a tax levied under section 5705.21 or 5705.218 of 930
the Revised Code to the payment of debt charges on and financing 931
costs related to securities issued under this section; 932

(E) Issue securities to provide moneys to pay all or part of 933
the district's portion of the basic project cost of its classroom 934
facilities project in accordance with an agreement entered into 935
under division (A) of this section. Securities issued under this 936
section shall be Chapter 133. securities and may be issued as 937
general obligation securities or issued in anticipation of a 938
school district income tax or as property tax anticipation notes 939
under section 133.24 of the Revised Code. The district board's 940
resolution authorizing the issuance and sale of general obligation 941

securities under this section shall conform to the applicable 942
requirements of section 133.22 or 133.23 of the Revised Code. 943
Securities issued under this section shall have principal payments 944
during each year after the year of issuance over a period of not 945
more than twenty-three years and, if so determined by the district 946
board, during the year of issuance. Securities issued under this 947
section shall not be included in the calculation of net 948
indebtedness of the district under section 133.06 of the Revised 949
Code ~~and shall not count toward, including but not limited to the~~ 950
~~limitations~~ limitation on unvoted indebtedness specified in 951
division (G) of that section ~~and in, or under~~ section 3313.372 of 952
the Revised Code, if the resolution of the district board 953
authorizing their issuance and sale includes covenants to 954
appropriate annually from lawfully available proceeds of a 955
property tax levied under section 5705.21 or 5705.218 of the 956
Revised Code or of a school district income tax levied under 957
Chapter 5748. of the Revised Code and to continue to levy and 958
collect the tax in amounts necessary to pay the debt charges on 959
and financing costs related to the securities as they become due. 960
No property tax levied under section 5705.21 or 5705.218 of the 961
Revised Code and no school district income tax levied under 962
Chapter 5748. of the Revised Code that is pledged, or that the 963
school district board has covenanted to levy, collect, and 964
appropriate annually, to pay the debt charges on and financing 965
costs related to securities issued under this section shall be 966
repealed while those securities are outstanding. If such a tax is 967
reduced by the electors of the district or by the district board 968
while those securities are outstanding, the school district board 969
shall continue to levy and collect the tax under the authority of 970
the original election authorizing the tax at a rate in each year 971
that the board reasonably estimates will produce an amount in that 972
year equal to the debt charges on the securities in that year, 973
except that in the case of a school district income tax that 974

amount shall be rounded up to the nearest one-fourth of one per cent. 975
976

No state moneys shall be released for a project to which this section applies until the proceeds of the tax securities issued under this section that are dedicated for the payment of the district portion of the basic project cost of its classroom facilities project are first deposited into the district's project construction fund. 977
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Sec. 3318.06. (A) After receipt of the conditional approval of the Ohio school facilities commission, the school district board by a majority of all of its members shall, if it desires to proceed with the project, declare all of the following by resolution: 983
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(1) That by issuing bonds in an amount equal to the school district's portion of the basic project cost the district is unable to provide adequate classroom facilities without assistance from the state; 988
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(2) Unless the school district board has resolved to transfer money in accordance with section 3318.051 of the Revised Code or to apply the proceeds of a property tax or the proceeds of an income tax, or a combination of proceeds from such taxes, as authorized under section 3318.052 of the Revised Code, that to qualify for such state assistance it is necessary to do either of the following: 992
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(a) Levy a tax outside the ten-mill limitation the proceeds of which shall be used to pay the cost of maintaining the classroom facilities included in the project; 999
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(b) Earmark for maintenance of classroom facilities from the proceeds of an existing permanent improvement tax levied under section 5705.21 of the Revised Code, if such tax can be used for 1002
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1004

maintenance, an amount equivalent to the amount of the additional 1005
tax otherwise required under this section and sections 3318.05 and 1006
3318.08 of the Revised Code. 1007

(3) That the question of any tax levy specified in a 1008
resolution described in division (A)(2)(a) of this section, if 1009
required, shall be submitted to the electors of the school 1010
district at the next general or primary election, if there be a 1011
general or primary election not less than seventy-five and not 1012
more than ninety-five days after the day of the adoption of such 1013
resolution or, if not, at a special election to be held at a time 1014
specified in the resolution which shall be not less than 1015
seventy-five days after the day of the adoption of the resolution 1016
and which shall be in accordance with the requirements of section 1017
3501.01 of the Revised Code. 1018

Such resolution shall also state that the question of issuing 1019
bonds of the board shall be combined in a single proposal with the 1020
question of such tax levy. More than one election under this 1021
section may be held in any one calendar year. Such resolution 1022
shall specify both of the following: 1023

(a) That the rate which it is necessary to levy shall be at 1024
the rate of not less than one-half mill for each one dollar of 1025
valuation, and that such tax shall be levied for a period of 1026
twenty-three years; 1027

(b) That the proceeds of the tax shall be used to pay the 1028
cost of maintaining the classroom facilities included in the 1029
project. 1030

(B) A copy of a resolution adopted under division (A) of this 1031
section shall after its passage and not less than seventy-five 1032
days prior to the date set therein for the election be certified 1033
to the county board of elections. 1034

The resolution of the school district board, in addition to 1035

meeting other applicable requirements of section 133.18 of the Revised Code, shall state that the amount of bonds to be issued will be an amount equal to the school district's portion of the basic project cost, and state the maximum maturity of the bonds which may be any number of years not exceeding the term calculated under section 133.20 of the Revised Code as determined by the board. In estimating the amount of bonds to be issued, the board shall take into consideration the amount of moneys then in the bond retirement fund and the amount of moneys to be collected for and disbursed from the bond retirement fund during the remainder of the year in which the resolution of necessity is adopted.

If the bonds are to be issued in more than one series, the resolution may state, in addition to the information required to be stated under division (B)(3) of section 133.18 of the Revised Code, the number of series, which shall not exceed five, the principal amount of each series, and the approximate date each series will be issued, and may provide that no series, or any portion thereof, may be issued before such date. Upon such a resolution being certified to the county auditor as required by division (C) of section 133.18 of the Revised Code, the county auditor, in calculating, advising, and confirming the estimated average annual property tax levy under that division, shall also calculate, advise, and confirm by certification the estimated average property tax levy for each series of bonds to be issued.

Notice of the election shall include the fact that the tax levy shall be at the rate of not less than one-half mill for each one dollar of valuation for a period of twenty-three years, and that the proceeds of the tax shall be used to pay the cost of maintaining the classroom facilities included in the project.

If the bonds are to be issued in more than one series, the board of education, when filing copies of the resolution with the board of elections as required by division (D) of section 133.18

of the Revised Code, may direct the board of elections to include
in the notice of election the principal amount and approximate
date of each series, the maximum number of years over which the
principal of each series may be paid, the estimated additional
average property tax levy for each series, and the first calendar
year in which the tax is expected to be due for each series, in
addition to the information required to be stated in the notice
under ~~division~~ divisions (E)(3)(a) to (e) of section 133.18 of the
Revised Code.

(C)(1) Except as otherwise provided in division (C)(2) of
this section, the form of the ballot to be used at such election
shall be:

"A majority affirmative vote is necessary for passage.

Shall bonds be issued by the (here insert name
of school district) school district to pay the local share of
school construction under the State of Ohio Classroom Facilities
Assistance Program in the principal amount of (here
insert principal amount of the bond issue), to be repaid annually
over a maximum period of (here insert the maximum
number of years over which the principal of the bonds may be paid)
years, and an annual levy of property taxes be made outside the
ten-mill limitation, estimated by the county auditor to average
over the repayment period of the bond issue (here
insert the number of mills estimated) mills for each one dollar of
tax valuation, which amounts to (rate expressed in
cents or dollars and cents, such as "thirty-six cents" or "\$0.36")
for each one hundred dollars of tax valuation to pay the annual
debt charges on the bonds and to pay debt charges on any notes
issued in anticipation of the bonds?"

and, unless the additional levy
of taxes is not required pursuant
to division (C) of section

3318.05 of the Revised Code, 1100

"Shall an additional levy of taxes be made for a period of 1101
twenty-three years to benefit the (here insert name 1102
of school district) school district, the proceeds of which shall 1103
be used to pay the cost of maintaining the classroom facilities 1104
included in the project at the rate of (here insert the 1105
number of mills, which shall not be less than one-half mill) mills 1106
for each one dollar of valuation? 1107

| | |
|--|-------------------------------------|
| | FOR THE BOND ISSUE AND TAX LEVY |
| | AGAINST THE BOND ISSUE AND TAX LEVY |

"

(2) If authority is sought to issue bonds in more than one 1112
series and the board of education so elects, the form of the 1113
ballot shall be as prescribed in section 3318.062 of the Revised 1114
Code. If the board of education elects the form of the ballot 1115
prescribed in that section, it shall so state in the resolution 1116
adopted under this section. 1117

(D) If it is necessary for the school district to acquire a 1118
site for the classroom facilities to be acquired pursuant to 1119
sections 3318.01 to 3318.20 of the Revised Code, the district 1120
board may propose either to issue bonds of the board or to levy a 1121
tax to pay for the acquisition of such site, and may combine the 1122
question of doing so with the questions specified in division (B) 1123
of this section. Bonds issued under this division for the purpose 1124
of acquiring a site are a general obligation of the school 1125
district and are Chapter 133. securities. 1126

The form of that portion of the ballot to include the 1127
question of either issuing bonds or levying a tax for site 1128
acquisition purposes shall be one of the following: 1129

(1) "Shall bonds be issued by the (here insert 1130

name of the school district) school district to pay costs of 1131
acquiring a site for classroom facilities under the State of Ohio 1132
Classroom Facilities Assistance Program in the principal amount of 1133
..... (here insert principal amount of the bond issue), to be 1134
repaid annually over a maximum period of (here insert 1135
maximum number of years over which the principal of the bonds may 1136
be paid) years, and an annual levy of property taxes be made 1137
outside the ten-mill limitation, estimated by the county auditor 1138
to average over the repayment period of the bond issue 1139
(here insert number of mills) mills for each one dollar of tax 1140
valuation, which amount to (here insert rate expressed 1141
in cents or dollars and cents, such as "thirty-six cents" or 1142
"\$0.36") for each one hundred dollars of valuation to pay the 1143
annual debt charges on the bonds and to pay debt charges on any 1144
notes issued in anticipation of the bonds?" 1145

(2) "Shall an additional levy of taxes outside the ten-mill 1146
limitation be made for the benefit of the (here insert 1147
name of the school district) school district for the purpose of 1148
acquiring a site for classroom facilities in the sum of 1149
(here insert annual amount the levy is to produce) estimated by 1150
the county auditor to average (here insert number of 1151
mills) mills for each one hundred dollars of valuation, for a 1152
period of (here insert number of years the millage is to 1153
be imposed) years?" 1154

Where it is necessary to combine the question of issuing 1155
bonds of the school district and levying a tax as described in 1156
division (B) of this section with the question of issuing bonds of 1157
the school district for acquisition of a site, the question 1158
specified in that division to be voted on shall be "For the Bond 1159
Issues and the Tax Levy" and "Against the Bond Issues and the Tax 1160
Levy." 1161

Where it is necessary to combine the question of issuing 1162

bonds of the school district and levying a tax as described in 1163
division (B) of this section with the question of levying a tax 1164
for the acquisition of a site, the question specified in that 1165
division to be voted on shall be "For the Bond Issue and the Tax 1166
Levies" and "Against the Bond Issue and the Tax Levies." 1167

Where the school district board chooses to combine the 1168
question in division (B) of this section with any of the 1169
additional questions described in divisions (A) to (D) of section 1170
3318.056 of the Revised Code, the question specified in division 1171
(B) of this section to be voted on shall be "For the Bond Issues 1172
and the Tax Levies" and "Against the Bond Issues and the Tax 1173
Levies." 1174

If a majority of those voting upon a proposition hereunder 1175
which includes the question of issuing bonds vote in favor 1176
thereof, and if the agreement provided for by section 3318.08 of 1177
the Revised Code has been entered into, the school district board 1178
may proceed under Chapter 133. of the Revised Code, with the 1179
issuance of bonds or bond anticipation notes in accordance with 1180
the terms of the agreement. 1181

Sec. 3318.063. If the board of education of a city, exempted 1182
village, or local school district that has entered into an 1183
agreement under section 3318.051 of the Revised Code to make 1184
transfers of money in lieu of levying the tax for maintenance of 1185
the classroom facilities included in the district's project 1186
determines that it no longer can continue making the transfers so 1187
agreed to and desires to rescind that agreement, the board shall 1188
adopt the resolution to submit the question of the tax levy 1189
prescribed in this section. 1190

The resolution shall declare that the question of a tax levy 1191
specified in division (F) of section 3318.051 of the Revised Code 1192
shall be submitted to the electors of the school district at the 1193

next general or primary election, if there be a general or primary 1194
election not less than seventy-five and not more than ninety-five 1195
days after the day of the adoption of such resolution or, if not, 1196
at a special election to be held at a time specified in the 1197
resolution which shall be not less than seventy-five days after 1198
the day of the adoption of the resolution and which shall be in 1199
accordance with the requirements of section 3501.01 of the Revised 1200
Code. Such resolution shall specify both of the following: 1201

(A) That the rate which it is necessary to levy shall be at 1202
the rate of not less than one-half mill for each one dollar of 1203
valuation, and that such tax shall be levied for the number of 1204
years required by division (F) of section 3318.051 of the Revised 1205
Code; 1206

(B) That the proceeds of the tax shall be used to pay the 1207
cost of maintaining the classroom facilities included in the 1208
project. 1209

A copy of such resolution shall after its passage and not 1210
less than seventy-five days prior to the date set therein for the 1211
election be certified to the county board of elections. 1212

Notice of the election shall include the fact that the tax 1213
levy shall be at the rate of not less than one-half mill for each 1214
one dollar of valuation for the number of years required by 1215
division (F) of section 3318.051 of the Revised Code, and that the 1216
proceeds of the tax shall be used to pay the cost of maintaining 1217
the classroom facilities included in the project. 1218

The form of the ballot to be used at such election shall be: 1219

"Shall a levy of taxes be made for a period of 1220
(here insert the number of years, which shall not be less than the 1221
number required by division (F) of section 3318.051 of the Revised 1222
Code) years to benefit the (here insert name of 1223
school district) school district, the proceeds of which shall be 1224

used to pay the cost of maintaining the classroom facilities 1225
included in the project at the rate of (here insert the 1226
number of mills, which shall not be less than one-half mill) mills 1227
for each one dollar of valuation? 1228

| | | |
|--|-----------------------------|---|
| | <u>FOR THE TAX LEVY</u> | |
| | <u>AGAINST THE TAX LEVY</u> | " |

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Sec. 3318.08. Except in the case of a joint vocational school 1233
district that receives assistance under sections 3318.40 to 1234
3318.45 of the Revised Code, if the requisite favorable vote on 1235
the election is obtained, or if the school district board has 1236
resolved to apply the proceeds of a property tax levy or the 1237
proceeds of an income tax, or a combination of proceeds from such 1238
taxes, as authorized in section 3318.052 of the Revised Code, the 1239
Ohio school facilities commission, upon certification to it of 1240
either the results of the election or the resolution under section 1241
3318.052 of the Revised Code, shall enter into a written agreement 1242
with the school district board for the construction and sale of 1243
the project. In the case of a joint vocational school district 1244
that receives assistance under sections 3318.40 to 3318.45 of the 1245
Revised Code, if the school district board of education and the 1246
school district electors have satisfied the conditions prescribed 1247
in division (D)(1) of section 3318.41 of the Revised Code, the 1248
commission shall enter into an agreement with the school district 1249
board for the construction and sale of the project. In either 1250
case, the agreement shall include, but need not be limited to, the 1251
following provisions: 1252

(A) The sale and issuance of bonds or notes in anticipation 1253
thereof, as soon as practicable after the execution of the 1254
agreement, in an amount equal to the school district's portion of 1255

the basic project cost, including any securities authorized under 1256
division (J) of section 133.06 of the Revised Code and dedicated 1257
by the school district board to payment of the district's portion 1258
of the basic project cost of the project; provided, that if at 1259
that time the county treasurer of each county in which the school 1260
district is located has not commenced the collection of taxes on 1261
the general duplicate of real and public utility property for the 1262
year in which the controlling board approved the project, the 1263
school district board shall authorize the issuance of a first 1264
installment of bond anticipation notes in an amount specified by 1265
the agreement, which amount shall not exceed an amount necessary 1266
to raise the net bonded indebtedness of the school district as of 1267
the date of the controlling board's approval to within five 1268
thousand dollars of the required level of indebtedness for the 1269
preceding year. In the event that a first installment of bond 1270
anticipation notes is issued, the school district board shall, as 1271
soon as practicable after the county treasurer of each county in 1272
which the school district is located has commenced the collection 1273
of taxes on the general duplicate of real and public utility 1274
property for the year in which the controlling board approved the 1275
project, authorize the issuance of a second and final installment 1276
of bond anticipation notes or a first and final issue of bonds. 1277

The combined value of the first and second installment of 1278
bond anticipation notes or the value of the first and final issue 1279
of bonds shall be equal to the school district's portion of the 1280
basic project cost. The proceeds of any such bonds shall be used 1281
first to retire any bond anticipation notes. Otherwise, the 1282
proceeds of such bonds and of any bond anticipation notes, except 1283
the premium and accrued interest thereon, shall be deposited in 1284
the school district's project construction fund. In determining 1285
the amount of net bonded indebtedness for the purpose of fixing 1286
the amount of an issue of either bonds or bond anticipation notes, 1287

gross indebtedness shall be reduced by moneys in the bond 1288
retirement fund only to the extent of the moneys therein on the 1289
first day of the year preceding the year in which the controlling 1290
board approved the project. Should there be a decrease in the tax 1291
valuation of the school district so that the amount of 1292
indebtedness that can be incurred on the tax duplicates for the 1293
year in which the controlling board approved the project is less 1294
than the amount of the first installment of bond anticipation 1295
notes, there shall be paid from the school district's project 1296
construction fund to the school district's bond retirement fund to 1297
be applied against such notes an amount sufficient to cause the 1298
net bonded indebtedness of the school district, as of the first 1299
day of the year following the year in which the controlling board 1300
approved the project, to be within five thousand dollars of the 1301
required level of indebtedness for the year in which the 1302
controlling board approved the project. The maximum amount of 1303
indebtedness to be incurred by any school district board as its 1304
share of the cost of the project is either an amount that will 1305
cause its net bonded indebtedness, as of the first day of the year 1306
following the year in which the controlling board approved the 1307
project, to be within five thousand dollars of the required level 1308
of indebtedness, or an amount equal to the required percentage of 1309
the basic project costs, whichever is greater. All bonds and bond 1310
anticipation notes shall be issued in accordance with Chapter 133. 1311
of the Revised Code, and notes may be renewed as provided in 1312
section 133.22 of the Revised Code. 1313

(B) The transfer of such funds of the school district board 1314
available for the project, together with the proceeds of the sale 1315
of the bonds or notes, except premium, accrued interest, and 1316
interest included in the amount of the issue, to the school 1317
district's project construction fund; 1318

(C) For all school districts except joint vocational school 1319

districts that receive assistance under sections 3318.40 to 1320
3318.45 of the Revised Code, the following provisions as 1321
applicable: 1322

(1) If section 3318.052 of the Revised Code applies, the 1323
earmarking of the proceeds of a tax levied under section 5705.21 1324
of the Revised Code for general permanent improvements or under 1325
section 5705.218 of the Revised Code for the purpose of permanent 1326
improvements, or the proceeds of a school district income tax 1327
levied under Chapter 5748. of the Revised Code, or the proceeds 1328
from a combination of those two taxes, in an amount to pay all or 1329
part of the service charges on bonds issued to pay the school 1330
district portion of the project and an amount equivalent to all or 1331
part of the tax required under division (B) of section 3318.05 of 1332
the Revised Code; 1333

(2) If section 3318.052 of the Revised Code does not apply, 1334
~~either~~ one of the following: 1335

(a) The levy of the tax authorized at the election for the 1336
payment of maintenance costs, as specified in division (B) of 1337
section 3318.05 of the Revised Code; 1338

(b) If the school district electors have approved a 1339
continuing tax for general permanent improvements under section 1340
5705.21 of the Revised Code and that tax can be used for 1341
maintenance, the earmarking of an amount of the proceeds from such 1342
tax for maintenance of classroom facilities as specified in 1343
division (B) of section 3318.05 of the Revised Code; 1344

(c) If, in lieu of the tax otherwise required under division 1345
(B) of section 3318.05 of the Revised Code, the commission has 1346
approved the transfer of money to the maintenance fund in 1347
accordance with section 3318.051 of the Revised Code, a 1348
requirement that the district board comply with the provisions 1349
that section. The district board may rescind the provision 1350

prescribed under division (C)(2)(c) of this section only so long 1351
as the electors of the district have approved, in accordance with 1352
section 3318.063 of the Revised Code, the levy of a tax for the 1353
maintenance of the classroom facilities acquired under the 1354
district's project and that levy continues to be collected as 1355
approved by the electors. 1356

(D) For joint vocational school districts that receive 1357
assistance under sections 3318.40 to 3318.45 of the Revised Code, 1358
provision for deposit of school district moneys dedicated to 1359
maintenance of the classroom facilities acquired under those 1360
sections as prescribed in section 3318.43 of the Revised Code; 1361

(E) Dedication of any local donated contribution as provided 1362
for under section 3318.084 of the Revised Code, including a 1363
schedule for depositing such moneys applied as an offset of the 1364
district's obligation to levy the tax described in division (B) of 1365
section 3318.05 of the Revised Code as required under division 1366
(D)(2) of section 3318.084 of the Revised Code; 1367

(F) Ownership of or interest in the project during the period 1368
of construction, which shall be divided between the commission and 1369
the school district board in proportion to their respective 1370
contributions to the school district's project construction fund; 1371

(G) Maintenance of the state's interest in the project until 1372
any obligations issued for the project under section 3318.26 of 1373
the Revised Code are no longer outstanding; 1374

(H) The insurance of the project by the school district from 1375
the time there is an insurable interest therein and so long as the 1376
state retains any ownership or interest in the project pursuant to 1377
division (F) of this section, in such amounts and against such 1378
risks as the commission shall require; provided, that the cost of 1379
any required insurance until the project is completed shall be a 1380
part of the basic project cost; 1381

| | |
|--|--------------------------------------|
| (I) The certification by the director of budget and management that funds are available and have been set aside to meet the state's share of the basic project cost as approved by the controlling board pursuant to either section 3318.04 or division (B)(1) of section 3318.41 of the Revised Code; | 1382 1383 1384 1385 1386 |
| (J) Authorization of the school district board to advertise for and receive construction bids for the project, for and on behalf of the commission, and to award contracts in the name of the state subject to approval by the commission; | 1387 1388 1389 1390 |
| (K) Provisions for the disbursement of moneys from the school district's project account upon issuance by the commission or the commission's designated representative of vouchers for work done to be certified to the commission by the treasurer of the school district board; | 1391 1392 1393 1394 1395 |
| (L) Disposal of any balance left in the school district's project construction fund upon completion of the project; | 1396 1397 |
| (M) Limitations upon use of the project or any part of it so long as any obligations issued to finance the project under section 3318.26 of the Revised Code are outstanding; | 1398 1399 1400 |
| (N) Provision for vesting the state's interest in the project to the school district board when the obligations issued to finance the project under section 3318.26 of the Revised Code are outstanding; | 1401 1402 1403 1404 |
| (O) Provision for deposit of an executed copy of the agreement in the office of the commission; | 1405 1406 |
| (P) Provision for termination of the contract and release of the funds encumbered at the time of the conditional approval, if the proceeds of the sale of the bonds of the school district board are not paid into the school district's project construction fund and if bids for the construction of the project have not been | 1407 1408 1409 1410 1411 |

taken within such period after the execution of the agreement as
may be fixed by the commission;

(Q) Provision for the school district to maintain the project
in accordance with a plan approved by the commission;

(R)(1) For all school districts except a district undertaking
a project under section 3318.38 of the Revised Code or a joint
vocational school district undertaking a project under sections
3318.40 to 3318.45 of the Revised Code, provision that all state
funds reserved and encumbered to pay the state share of the cost
of the project pursuant to section 3318.03 of the Revised Code be
spent on the construction or acquisition of the project prior to
the expenditure of any funds provided by the school district to
pay for its share of the project cost, unless the school district
certifies to the commission that expenditure by the school
district is necessary to maintain the tax-exempt status of notes
or bonds issued by the school district to pay for its share of the
project cost or to comply with applicable temporary investment
periods or spending exceptions to rebate as provided for under
federal law in regard to those notes or bonds, in which cases, the
school district may commit to spend, or spend, a portion of the
funds it provides;

(2) For a school district undertaking a project under section
3318.38 of the Revised Code or a joint vocational school district
undertaking a project under sections 3318.40 to 3318.45 of the
Revised Code, provision that the state funds reserved and
encumbered and the funds provided by the school district to pay
the basic project cost of any segment of the project, or of the
entire project if it is not divided into segments, be spent on the
construction and acquisition of the project simultaneously in
proportion to the state's and the school district's respective
shares of that basic project cost as determined under section
3318.032 of the Revised Code or, if the district is a joint

vocational school district, under section 3318.42 of the Revised Code. 1444
1445

(S) A provision stipulating that the commission may prohibit 1446
the district from proceeding with any project if the commission 1447
determines that the site is not suitable for construction 1448
purposes. The commission may perform soil tests in its 1449
determination of whether a site is appropriate for construction 1450
purposes. 1451

(T) A provision stipulating that, unless otherwise authorized 1452
by the commission, any contingency reserve portion of the 1453
construction budget prescribed by the commission shall be used 1454
only to pay costs resulting from unforeseen job conditions, to 1455
comply with rulings regarding building and other codes, to pay 1456
costs related to design clarifications or corrections to contract 1457
documents, and to pay the costs of settlements or judgments 1458
related to the project as provided under section 3318.086 of the 1459
Revised Code; 1460

(U) Provision stipulating that for continued release of 1461
project funds the school district board shall comply with section 1462
3313.41 of the Revised Code throughout the project and shall 1463
notify the department of education and the Ohio community school 1464
association when the board plans to dispose of facilities by sale 1465
under that section; 1466

(V) Provision that the commission shall not approve a 1467
contract for demolition of a facility until the school district 1468
board has complied with section 3313.41 of the Revised Code 1469
relative to that facility, unless demolition of that facility is 1470
to clear a site for construction of a replacement facility 1471
included in the district's project. 1472

Sec. 3318.121. As used in this section, "big-eight school 1473

district" has the same meaning as in section 3314.02 of the 1474
Revised Code. 1475

Notwithstanding any provision to the contrary in section 1476
3318.12 or Chapter 5705. of the Revised Code, a big-eight school 1477
district receiving assistance for a project under this chapter, 1478
that has opted with the approval of the Ohio school facilities 1479
commission to divide the project into discrete segments to be 1480
completed sequentially, or otherwise, may, with the approval of 1481
the commission or the commission's designated representative, and 1482
pursuant to a resolution adopted by the school district board, 1483
transfer to a special construction fund investment earnings 1484
credited to the project construction fund that are attributable to 1485
the district's contribution to that fund, if the school district 1486
board and the commission, or its designated representative, 1487
determine that the unspent amount of the district's contribution 1488
to the project construction fund, including any investment 1489
earnings on that contribution that are not to be transferred to 1490
the special construction fund, together with the principal amount 1491
of any additional securities authorized by the voters of the 1492
district to be issued to pay the local share of the basic project 1493
cost of the entire project that have not yet been issued by the 1494
district, are projected at the time of the transfer to be not less 1495
than one hundred ten per cent of the amount required to provide 1496
for the entire remaining local share of the basic project cost 1497
because of reductions in the scope and estimated cost of the 1498
project that have been incorporated in the district's approved 1499
master facilities plan. The money in that special construction 1500
fund, including investment earnings attributable to money in that 1501
fund, shall be used by the district solely to pay costs of 1502
classroom facilities (A) in later segments of the project that are 1503
consistent with the specifications for plans and materials for 1504
classroom facilities adopted by the commission and those 1505

specifications used by the district for classroom facilities 1506
included in one or more prior segments, but which would cause the 1507
cost of the facilities in one or more later segments to be in 1508
excess of the approved budgeted basic project cost for the segment 1509
to be shared by the state and the district in proportion to the 1510
state's and the school district's respective shares of the basic 1511
project cost as determined under section 3318.032 of the Revised 1512
Code, or (B) that were included in the master facilities plan 1513
prior to the reduction in scope. All investment earnings on a 1514
district's special construction fund shall be credited to the 1515
fund. After the entire project has been completed, any investment 1516
earnings remaining in the special construction fund shall be 1517
transferred to the district's maintenance fund required by 1518
division (B) of section 3318.05 of the Revised Code, and used 1519
solely for maintaining the classroom facilities included in the 1520
project. 1521

Sec. 3318.18. (A) As used in this section: 1522

(1) "Valuation" of a school district means the sum of the 1523
amounts described in divisions (A)(1) and (2) of section 3317.021 1524
of the Revised Code as most recently certified for the district 1525
before the annual computation is made under division (B) of this 1526
section. 1527

(2) "Valuation per pupil" of a school district means the 1528
district's valuation divided by the district's formula ADM as most 1529
recently reported for October under section 3317.03 of the Revised 1530
Code before the annual computation is made under division (B) of 1531
this section. 1532

(3) "Statewide average valuation per pupil" means the total 1533
of the valuations of all school districts divided by the total of 1534
the formula ADMs of all school districts as most recently reported 1535
for October under section 3317.03 of the Revised Code before the 1536

annual computation is made under division (C) of this section. 1537

(4) "Maintenance levy requirement" means the tax required to 1538
be levied pursuant to division (C)(2)(a) of section 3318.08 and 1539
division (B) of section 3318.05 of the Revised Code or the 1540
application of proceeds of another levy to paying the costs of 1541
maintaining classroom facilities pursuant to division (A)(2) of 1542
section 3318.052, division (C)(1) or (C)(2)(b) of section 3318.08, 1543
or division (D)(2) of section 3318.36 of the Revised Code, or a 1544
combination thereof. 1545

(5) "Project agreement" means an agreement between a school 1546
district and the Ohio school facilities commission under section 1547
3318.08 or division (B)(1) of section 3318.36 of the Revised Code. 1548

(B) On or before July 1, 2006, the department of education 1549
shall compute the statewide average valuation per pupil and the 1550
valuation per pupil of each school district, and provide them to 1551
the Ohio school facilities commission. On or before the first day 1552
of July each year beginning in 2007, the department of education 1553
shall compute the statewide average valuation per pupil and the 1554
valuation per pupil of each school district that has not already 1555
entered into a project agreement, and provide the results of those 1556
computations to the commission. 1557

(C)(1) At the time the Ohio school facilities commission 1558
enters into a project agreement with a school district, the 1559
commission shall compute the difference between the district's 1560
valuation per pupil and the statewide average valuation per pupil 1561
as most recently provided to the commission under division (B) of 1562
this section. If the school district's valuation per pupil is less 1563
than the average statewide valuation per pupil, the commission 1564
shall multiply the difference between those amounts by one-half 1565
mill times the formula ADM of the district as most recently 1566
reported to the department of education for October under division 1567

(A) of section 3317.03 of the Revised Code. The commission shall 1568
certify the resulting product to the department of education, 1569
along with the date on which the maintenance levy requirement 1570
terminates as provided in the project agreement between the school 1571
district board and the commission. 1572

(2) In the case of a school district that entered into a 1573
project agreement after July 1, 1997, but before July 1, 2006, the 1574
commission shall make the computation described in division (C)(1) 1575
of this section on the basis of the district's valuation per pupil 1576
and the statewide average valuation per pupil computed as of 1577
September 1, 2006, and the district's formula ADM reported for 1578
October 2005. 1579

(3) The amount computed for a school district under division 1580
(C)(1) or (2) of this section shall not change for the period 1581
during which payments are made to the district under division (D) 1582
of this section. 1583

(4) A computation need not be made under division (C)(1) or 1584
(2) of this section for a school district that certified a 1585
resolution to the commission under division (D)(3) of section 1586
3318.36 of the Revised Code until the district becomes eligible 1587
for state assistance as provided in that division. 1588

(D) In the fourth quarter of each fiscal year, for each 1589
school district for which a computation has been made under 1590
division (C) of this section, the department of education shall 1591
pay the amount computed to each such school district. Payments 1592
shall be made to a school district each year until and including 1593
the tax year in which the district's maintenance levy requirement 1594
terminates. Payments shall be paid from the half-mill equalization 1595
fund, subject to appropriation by the general assembly. However, 1596
the department shall make no payments under this section to any 1597
district that elects the procedure authorized by section 3318.051 1598

of the Revised Code. 1599

(E) Payments made to a school district under this section 1600
shall be credited to the district's classroom facilities 1601
maintenance fund and shall be used only for the purpose of 1602
maintaining facilities constructed or renovated under the project 1603
agreement. 1604

(F) There is hereby created in the state treasury the 1605
half-mill equalization fund. The fund shall receive transfers 1606
pursuant to section 5727.85 of the Revised Code. The fund shall be 1607
used first to make annual payments under division (D) of this 1608
section. If a balance remains in the fund after such payments are 1609
made in full for a year, the Ohio school facilities commission may 1610
request the controlling board to transfer a reasonable amount from 1611
such remaining balance to the public school building fund created 1612
under section 3318.15 of the Revised Code for the purposes of this 1613
chapter. 1614

All investment earnings arising from investment of money in 1615
the half-mill equalization fund shall be credited to the fund. 1616

Sec. 3318.36. (A)(1) As used in this section: 1617

(a) "Ohio school facilities commission," "classroom 1618
facilities," "school district," "school district board," "net 1619
bonded indebtedness," "required percentage of the basic project 1620
costs," "basic project cost," "valuation," and "percentile" have 1621
the same meanings as in section 3318.01 of the Revised Code. 1622

(b) "Required level of indebtedness" means five per cent of 1623
the school district's valuation for the year preceding the year in 1624
which the commission and school district enter into an agreement 1625
under division (B) of this section, plus [two one-hundredths of 1626
one per cent multiplied by (the percentile in which the district 1627
ranks minus one)]. 1628

(c) "Local resources" means any moneys generated in any 1629
manner permitted for a school district board to raise the school 1630
district portion of a project undertaken with assistance under 1631
sections 3318.01 to 3318.20 of the Revised Code. 1632

(2) For purposes of determining either the required level of 1633
indebtedness, as defined in division (A)(1)(b) of this section, or 1634
the required percentage of the basic project costs, under division 1635
(C)(1) of this section, the percentile ranking of a school 1636
district with which the commission has entered into an agreement 1637
under this section between the first day of July and the 1638
thirty-first day of August in each fiscal year is the percentile 1639
ranking calculated for that district for the immediately preceding 1640
fiscal year, and the percentile ranking of a school district with 1641
which the commission has entered into such agreement between the 1642
first day of September and the thirtieth day of June in each 1643
fiscal year is the percentile ranking calculated for that district 1644
for the current fiscal year. 1645

(B)(1) There is hereby established the school building 1646
assistance expedited local partnership program. Under the program, 1647
the Ohio school facilities commission may enter into an agreement 1648
with the school district board of any school district under which 1649
the school district board may proceed with the new construction or 1650
major repairs of a part of the school district's classroom 1651
facilities needs, as determined under sections 3318.01 to 3318.20 1652
of the Revised Code, through the expenditure of local resources 1653
prior to the school district's eligibility for state assistance 1654
under sections 3318.01 to 3318.20 of the Revised Code and may 1655
apply that expenditure toward meeting the school district's 1656
portion of the basic project cost of the total of the school 1657
district's classroom facilities needs, as determined under 1658
sections 3318.01 to 3318.20 of the Revised Code and as 1659
recalculated under division (E) of this section, that are eligible 1660

for state assistance under sections 3318.01 to 3318.20 of the
Revised Code when the school district becomes eligible for such
state assistance. Any school district that is reasonably expected
to receive assistance under sections 3318.01 to 3318.20 of the
Revised Code within two fiscal years from the date the school
district adopts its resolution under division (B) of this section
shall not be eligible to participate in the program.

(2) To participate in the program, a school district board
shall first adopt a resolution certifying to the commission the
board's intent to participate in the program.

The resolution shall specify the approximate date that the
board intends to seek elector approval of any bond or tax measures
or to apply other local resources to use to pay the cost of
classroom facilities to be constructed under this section. The
resolution may specify the application of local resources or
elector-approved bond or tax measures after the resolution is
adopted by the board, and in such case the board may proceed with
a discrete portion of its project under this section as soon as
the commission and the controlling board have approved the basic
project cost of the district's classroom facilities needs as
specified in division (D) of this section. The board shall submit
its resolution to the commission not later than ten days after the
date the resolution is adopted by the board.

The commission shall not consider any resolution that is
submitted pursuant to division (B)(2) of this section, as amended
by this amendment, sooner than September 14, 2000.

(3) Any project under this section shall comply with section
3318.03 of the Revised Code and with any specifications for plans
and materials for classroom facilities adopted by the commission
under section 3318.04 of the Revised Code.

(4) If a school district that enters into an agreement under

this section has not begun a project applying local resources as
provided for under that agreement at the time the district is
notified by the commission that it is eligible to receive state
assistance under sections 3318.01 to 3318.20 of the Revised Code,
all assessment and agreement documents entered into under this
section are void.

(5) Only construction of or repairs to classroom facilities
that have been approved by the commission and have been therefore
included as part of a district's basic project cost qualify for
application of local resources under this section.

(C) Based on the results of the on-site visits and assessment
conducted under division (B)(2) of this section, the commission
shall determine the basic project cost of the school district's
classroom facilities needs. The commission shall determine the
school district's portion of such basic project cost, which shall
be the greater of:

(1) The required percentage of the basic project costs,
determined based on the school district's percentile ranking;

(2) An amount necessary to raise the school district's net
bonded indebtedness, as of the fiscal year the commission and the
school district enter into the agreement under division (B) of
this section, to within five thousand dollars of the required
level of indebtedness.

(D)(1) When the commission determines the basic project cost
of the classroom facilities needs of a school district and the
school district's portion of that basic project cost under
division (C) of this section, the project shall be conditionally
approved. Such conditional approval shall be submitted to the
controlling board for approval thereof. The controlling board
shall forthwith approve or reject the commission's determination,
conditional approval, and the amount of the state's portion of the

basic project cost; however, no state funds shall be encumbered 1723
under this section. Upon approval by the controlling board, the 1724
school district board may identify a discrete part of its 1725
classroom facilities needs, which shall include only new 1726
construction of or additions or major repairs to a particular 1727
building, to address with local resources. Upon identifying a part 1728
of the school district's basic project cost to address with local 1729
resources, the school district board may allocate any available 1730
school district moneys to pay the cost of that identified part, 1731
including the proceeds of an issuance of bonds if approved by the 1732
electors of the school district. 1733

All local resources utilized under this division shall first 1734
be deposited in the project construction account required under 1735
section 3318.08 of the Revised Code. 1736

(2) Unless the school district board exercises its option 1737
under division (D)(3) of this section, for a school district to 1738
qualify for participation in the program authorized under this 1739
section, one of the following conditions shall be satisfied: 1740

(a) The electors of the school district by a majority vote 1741
shall approve the levy of taxes outside the ten-mill limitation 1742
for a period of twenty-three years at the rate of not less than 1743
one-half mill for each dollar of valuation to be used to pay the 1744
cost of maintaining the classroom facilities included in the basic 1745
project cost as determined by the commission. The form of the 1746
ballot to be used to submit the question whether to approve the 1747
tax required under this division to the electors of the school 1748
district shall be the form for an additional levy of taxes 1749
prescribed in section 3318.361 of the Revised Code, which may be 1750
combined in a single ballot question with the questions prescribed 1751
under section 5705.218 of the Revised Code. 1752

(b) As authorized under division (C) of section 3318.05 of 1753

the Revised Code, the school district board shall earmark from the
proceeds of a permanent improvement tax levied under section
5705.21 of the Revised Code, an amount equivalent to the
additional tax otherwise required under division (D)(2)(a) of this
section for the maintenance of the classroom facilities included
in the basic project cost as determined by the commission.

(c) As authorized under section 3318.051 of the Revised Code,
the school district board shall, if approved by the commission,
annually transfer into the maintenance fund required under section
3318.05 of the Revised Code the amount prescribed in section
3318.051 of the Revised Code in lieu of the tax otherwise required
under division (D)(2)(a) of this section for the maintenance of
the classroom facilities included in the basic project cost as
determined by the commission.

(d) If the school district board has rescinded the agreement
to make transfers under section 3318.051 of the Revised Code, as
provided under division (F) of that section, the electors of the
school district, in accordance with section 3318.063 of the
Revised Code, first shall approve the levy of taxes outside the
ten-mill limitation for the period specified in that section at a
rate of not less than one-half mill for each dollar of valuation.

(e) The school district board shall apply the proceeds of a
tax to leverage bonds as authorized under section 3318.052 of the
Revised Code or dedicate a local donated contribution in the
manner described in division (B) of section 3318.084 of the
Revised Code in an amount equivalent to the additional tax
otherwise required under division (D)(2)(a) of this section for
the maintenance of the classroom facilities included in the basic
project cost as determined by the commission.

(3) A school district board may opt to delay ~~levying the~~
~~additional tax required under division (D)(2)(a) of this section~~

~~or earmarking of the proceeds of a permanent improvement tax~~ 1785
~~alternatively required under taking any of the actions described~~ 1786
~~in~~ in division (D)(2)~~(b)~~ of this section until such time as the 1787
school district becomes eligible for state assistance under 1788
sections 3318.01 to 3318.20 of the Revised Code. In order to 1789
exercise ~~its~~ this option ~~under this division~~, the board shall 1790
certify to the commission a resolution indicating the board's 1791
intent to do so prior to entering into an agreement under division 1792
(B) of this section. 1793

(4) If pursuant to division (D)(3) of this section a district 1794
board opts to delay levying an additional tax until the district 1795
becomes eligible for state assistance, it shall submit the 1796
question of levying that tax to the district electors as follows: 1797

(a) In accordance with section 3318.06 of the Revised Code if 1798
it will also be necessary pursuant to division (E) of this section 1799
to submit a proposal for approval of a bond issue; 1800

(b) In accordance with section 3318.361 of the Revised Code 1801
if it is not necessary to also submit a proposal for approval of a 1802
bond issue pursuant to division (E) of this section. 1803

(5) No state assistance under sections 3318.01 to 3318.20 of 1804
the Revised Code shall be released until a school district board 1805
that adopts and certifies a resolution under ~~this~~ this division ~~either~~ 1806
~~has levied the additional tax or has earmarked the proceeds of a~~ 1807
~~tax as specified in division (D) of this section (D) of this~~ 1808
section also demonstrates to the satisfaction of the commission 1809
compliance with the provisions of division (D)(2) of this section. 1810

Any amount required for maintenance under division (D)(2) of 1811
this section shall be deposited into a separate fund as specified 1812
in division (B) of section 3318.05 of the Revised Code. 1813

(E)(1) If the school district becomes eligible for state 1814
assistance under sections 3318.01 to 3318.20 of the Revised Code 1815

based on its percentile ranking as determined under division (B) 1816
of this section, the commission shall conduct a new assessment of 1817
the school district's classroom facilities needs and shall 1818
recalculate the basic project cost based on this new assessment. 1819
The basic project cost recalculated under this division shall 1820
include the amount of expenditures made by the school district 1821
board under division (D)(1) of this section. The commission shall 1822
then recalculate the school district's portion of the new basic 1823
project cost, which shall be the percentage of the original basic 1824
project cost assigned to the school district as its portion under 1825
division (C) of this section. The commission shall deduct the 1826
expenditure of school district moneys made under division (D)(1) 1827
of this section from the school district's portion of the basic 1828
project cost as recalculated under this division. If the amount of 1829
school district resources applied by the school district board to 1830
the school district's portion of the basic project cost under this 1831
section is less than the total amount of such portion as 1832
recalculated under this division, the school district board by a 1833
majority vote of all of its members shall, if it desires to seek 1834
state assistance under sections 3318.01 to 3318.20 of the Revised 1835
Code, adopt a resolution as specified in section 3318.06 of the 1836
Revised Code to submit to the electors of the school district the 1837
question of approval of a bond issue in order to pay any 1838
additional amount of school district portion required for state 1839
assistance. Any tax levy approved under division (D) of this 1840
section satisfies the requirements to levy the additional tax 1841
under section 3318.06 of the Revised Code. 1842

(2) If the amount of school district resources applied by the 1843
school district board to the school district's portion of the 1844
basic project cost under this section is more than the total 1845
amount of such portion as recalculated under this division, within 1846
one year after the school district's portion is recalculated under 1847

division (E)(1) of this section the commission may grant to the 1848
school district the difference between the two calculated 1849
portions, but at no time shall the commission expend any state 1850
funds on a project in an amount greater than the state's portion 1851
of the basic project cost as recalculated under this division. 1852

Any reimbursement under this division shall be only for local 1853
resources the school district has applied toward construction cost 1854
expenditures for the classroom facilities approved by the 1855
commission, which shall not include any financing costs associated 1856
with that construction. 1857

The school district board shall use any moneys reimbursed to 1858
the district under this division to pay off any debt service the 1859
district owes for classroom facilities constructed under its 1860
project under this section before such moneys are applied to any 1861
other purpose. However, the district board first may deposit 1862
moneys reimbursed under this division into the district's general 1863
fund or a permanent improvement fund to replace local resources 1864
the district withdrew from those funds, as long as, and to the 1865
extent that, those local resources were used by the district for 1866
constructing classroom facilities included in the district's basic 1867
project cost. 1868

Sec. 3702.72. (A) A primary care physician who ~~has not~~ 1869
~~received national health service corps tuition or student loan~~ 1870
~~repayment assistance~~ will not have an outstanding obligation for 1871
medical service to the federal government, a state, or other 1872
entity at the time of participation in the physician loan 1873
repayment program and meets one of the following requirements may 1874
apply for participation in the physician loan repayment program: 1875

(1) The primary care physician is enrolled in the final year 1876
of an accredited program required for board certification in a 1877
primary care specialty. 1878

| | |
|--|--|
| (2) The primary care physician is enrolled in the final year of a fellowship program in a primary care specialty. | 1879 1880 |
| (3) The primary care physician has been engaged in the practice of medicine and surgery or osteopathic medicine and surgery in this state for not more than three years prior to submitting the application <u>holds a valid certificate to practice medicine and surgery or osteopathic medicine and surgery issued under Chapter 4731. of the Revised Code.</u> | 1881 1882 1883 1884 1885 1886 |
| (B) An application for participation in the physician loan repayment program shall be submitted to the director of health on a form that the director shall prescribe. The information required to be submitted with an application includes the following: | 1887 1888 1889 1890 |
| (1) The applicant's name, permanent address or address at which the applicant is currently residing if different from the permanent address, and telephone number; | 1891 1892 1893 |
| (2) The applicant's primary care specialty; | 1894 |
| (3) The medical school or osteopathic medical school the applicant attended, the dates of attendance, and verification of attendance; | 1895 1896 1897 |
| (4) The facility or institution where the applicant's medical residency program was completed or is being performed, and, if completed, the date of completion; | 1898 1899 1900 |
| (5) A summary and verification of the educational expenses for which the applicant seeks reimbursement under the program;÷ | 1901 1902 |
| (6) Verification of the applicant's authorization under Chapter 4731. of the Revised Code to practice medicine and surgery or osteopathic medicine and surgery; | 1903 1904 1905 |
| (7) Verification of the applicant's United States citizenship or status as a legal alien. | 1906 1907 |

Sec. 3702.73. If the general assembly has appropriated funds 1908
for the physician loan repayment program, the director of health 1909
shall approve an applicant for participation in the program if the 1910
director finds that, in accordance with the priorities established 1911
under section 3702.77 of the Revised Code, the applicant is 1912
eligible for participation in the program and the applicant's 1913
primary care specialty is needed in a health resource shortage 1914
area. 1915

Upon approval, the director shall notify and enter into 1916
discussions with the applicant. The object of the discussions is 1917
to facilitate the recruitment of the applicant to a site within a 1918
health resource shortage area at which, according to the 1919
priorities established under section 3702.77 of the Revised Code, 1920
the applicant's primary care specialty is most needed. ~~The 1921
director may pay the costs incurred by the applicant and the 1922
applicant's spouse for travel, meals, and lodging in making one 1923
visit to one health resource shortage area. The director may also 1924
refer an applicant to the Ohio primary care association, inc., for 1925
assistance in being recruited to a site within a health resource 1926
shortage area at which the applicant will agree to be placed.~~ 1927

If the director and applicant agree on the applicant's 1928
placement at a particular site within a health resource shortage 1929
area, the applicant shall prepare, sign, and deliver to the 1930
director a letter of intent agreeing to that placement. 1931

Sec. 3702.81. There is hereby created the physician loan 1932
repayment advisory board. The board shall consist of eleven 1933
members as follows: 1934

(A) The following six members appointed by the governor: a 1935
representative of the department of health, a representative of 1936
the Ohio academy of family practice, a representative of the board 1937

of regents, a representative of the Ohio ~~primary care~~ association 1938
of community health centers, inc., a representative of the Ohio 1939
state medical association, and a representative of the Ohio 1940
osteopathic association; 1941

(B) Two members of the house of representatives, one from 1942
each political party, appointed by the speaker of the house of 1943
representatives; 1944

(C) Two members of the senate, one from each political party, 1945
appointed by the president of the senate. 1946

Of the initial appointments made by the governor, three shall 1947
be for terms ending June 30, 1994, and four shall be for terms 1948
ending June 30, 1995. Of the initial appointments made by the 1949
speaker of the house of representatives, one shall be for a term 1950
ending June 30, 1994, and one shall be for a term ending June 30, 1951
1995. Of the initial appointments made by the president of the 1952
senate, one shall be for a term ending June 30, 1994, and one 1953
shall be for a term ending June 30, 1995. Thereafter, terms of 1954
office shall be two years, commencing on the first day of July and 1955
ending on the thirtieth day of June. Each member shall hold office 1956
from the date of appointment until the end of the term for which 1957
the member was appointed, except that a legislative member ceases 1958
to be a member of the board upon ceasing to be a member of the 1959
general assembly. 1960

Vacancies shall be filled in the manner prescribed for the 1961
original appointment. A member appointed to fill a vacancy 1962
occurring prior to the expiration of the term for which the 1963
member's predecessor was appointed shall hold office for the 1964
remainder of that term. A member shall continue in office 1965
subsequent to the expiration of the member's term until a 1966
successor takes office or until sixty days have elapsed, whichever 1967
occurs first. No person shall be appointed to the board for more 1968

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| than two consecutive terms. | 1969 |
| The governor, speaker, or president may remove a member for whom the governor, speaker, or president was the appointing authority, for misfeasance, malfeasance, or willful neglect of duty. | 1970 1971 1972 1973 |
| The governor shall designate a member of the board to serve as chairperson of the board. | 1974 1975 |
| The board shall meet at least once annually. The chairperson shall call special meetings as needed or upon the request of six members. | 1976 1977 1978 |
| Six members of the board constitute a quorum to transact and vote on all business coming before the board. | 1979 1980 |
| Members of the board shall serve without compensation, but shall be reimbursed for reasonable and necessary expenses incurred in the discharge of their duties. | 1981 1982 1983 |
| The department of health shall provide the board with staff assistance as requested by the board. | 1984 1985 |
| Sec. 3702.89. (A) An individual who has <u>is</u> not received <u>receiving</u> national health service corps tuition or student loan repayment assistance and meets one of the following requirements may apply for participation in the dentist loan repayment program: | 1986 1987 1988 1989 |
| (1) The applicant is a dental student enrolled in the final year of dental college. | 1990 1991 |
| (2) The applicant is a dental resident in the final year of residency. | 1992 1993 |
| (3) The applicant has been engaged in the practice of dentistry in this state for not more than three years prior to submitting the application. | 1994 1995 1996 |
| (B) An application for participation in the dentist loan | 1997 |

| | |
|--|------|
| repayment program shall be submitted to the director of health on | 1998 |
| a form the director shall prescribe. The following information | 1999 |
| shall be included or supplied: | 2000 |
| (1) The applicant's name, permanent address or address at | 2001 |
| which the applicant is currently residing if different from the | 2002 |
| permanent address, and telephone number; | 2003 |
| (2) The dental college the applicant is attending or | 2004 |
| attended, dates of attendance, and verification of attendance; | 2005 |
| (3) If the applicant is a dental resident, the facility or | 2006 |
| institution at which the dental residency is being performed; | 2007 |
| (4) A summary and verification of the educational expenses | 2008 |
| for which the applicant seeks reimbursement under the program; | 2009 |
| (5) If the applicant is a dentist, verification of the | 2010 |
| applicant's license issued under Chapter 4715. of the Revised Code | 2011 |
| to practice dentistry and proof of good standing; | 2012 |
| (6) Verification of the applicant's United States citizenship | 2013 |
| or status as a legal alien. | 2014 |
| | |
| Sec. 3702.92. There is hereby created the dentist loan | 2015 |
| repayment advisory board. The board shall consist of the following | 2016 |
| members: | 2017 |
| (A) One member of the house of representatives, appointed by | 2018 |
| the speaker of the house of representatives; | 2019 |
| (B) One member of the senate, appointed by the president of | 2020 |
| the senate; | 2021 |
| (C) A representative of the board of regents, appointed by | 2022 |
| the chancellor; | 2023 |
| (D) The director of health or an employee of the department | 2024 |
| of health designated by the director; | 2025 |

(E) Three representatives of the dental profession, appointed 2026
by the governor from persons nominated by the Ohio dental 2027
association. 2028

The governor shall appoint the dental profession 2029
representatives not later than ninety days after ~~the effective~~ 2030
~~date of this section~~ October 29, 2003. The terms of all members 2031
shall commence ninety-one days after ~~the effective date of this~~ 2032
~~section~~ October 29, 2003. Of the initial appointments made by the 2033
governor, two shall serve a term of one year and one shall serve a 2034
term of two years. The initial appointment made by the speaker of 2035
the house of representatives shall be for a term of one year. The 2036
initial appointment made by the president of the senate shall be 2037
for a term of two years. 2038

Vacancies shall be filled in the manner prescribed for the 2039
original appointment. A member appointed to fill a vacancy 2040
occurring prior to the expiration of the term for which the 2041
member's predecessor was appointed shall hold office for the 2042
remainder of that term. A member shall continue in office 2043
subsequent to the expiration of the member's term until a 2044
successor takes office or until sixty days have elapsed, whichever 2045
occurs first. No person shall be appointed to the board for more 2046
than two consecutive terms. Thereafter, terms of office shall be 2047
two years. Each member shall hold office from the date of 2048
appointment until the end of the term for which the member was 2049
appointed, except that a legislative member ceases to be a member 2050
of the board on ceasing to be a member of the general assembly. 2051

The governor, speaker, or president may remove a member for 2052
whom the governor, speaker, or president was the appointing 2053
authority, for misfeasance, malfeasance, or willful neglect of 2054
duty. 2055

The board shall designate a member to serve as chairperson of 2056

the board. 2057

The board shall meet at least once annually. The chairperson 2058
shall call special meetings as needed or upon the request of ~~six~~ 2059
four members. 2060

~~Six~~ Four members of the board constitute a quorum to transact 2061
and vote on all business coming before the board. 2062

Members of the board shall serve without compensation, but 2063
may be reimbursed for reasonable and necessary expenses incurred 2064
in the discharge of their duties. 2065

The department of health shall provide the board with staff 2066
assistance as requested by the board. 2067

Sec. 5707.031. ~~(A)~~ As used in this section: 2068

~~(1)~~ ~~"Qualifying,~~ "qualifying dealer in intangibles" has the 2069
same meaning as "qualifying dealer" in section 5725.24 of the 2070
Revised Code: 2071

~~(2)~~ ~~"Tax otherwise due" means the tax imposed on a qualifying~~ 2072
~~dealer in intangibles under section 5707.03 and Chapter 5725. of~~ 2073
~~the Revised Code reduced by the total amount of all other~~ 2074
~~nonrefundable credits, if any, that the qualifying dealer in~~ 2075
~~intangibles is entitled to claim.~~ 2076

~~(B)~~ Upon the issuance of a tax credit certificate by the Ohio 2077
venture capital authority under section 150.07 of the Revised 2078
Code, a refundable credit may be claimed against the tax imposed 2079
on a qualifying dealer in intangibles under section 5707.03 and 2080
Chapter 5725. of the Revised Code. The credit shall be claimed on 2081
a return due under section 5725.14 of the Revised Code after the 2082
certificate is issued by the authority. 2083

~~(C)~~ ~~If the qualifying dealer in intangibles elected a~~ 2084
~~refundable credit under section 150.07 of the Revised Code and if~~ 2085

~~the amount of the credit shown on the certificate does not exceed 2086
the tax otherwise due, then for the calendar year the qualifying 2087
dealer in intangibles shall claim a refundable credit equal to the 2088
amount of the credit shown on the certificate. 2089~~

~~(D) If the qualifying dealer in intangibles elected a 2090
refundable credit under section 150.07 of the Revised Code, and if 2091
the amount of the refundable credit shown on the certificate 2092
exceeds the tax otherwise due, then for the calendar year the 2093
qualifying dealer in intangibles shall claim a refundable credit 2094
equal to the sum of the following: 2095~~

~~(1) The amount, if any, of the tax otherwise due; 2096~~

~~(2) Seventy five per cent of the difference between the 2097
amount of the refundable credit shown on the certificate and the 2098
tax otherwise due. 2099~~

~~(E) If the qualifying dealer in intangibles elected a 2100
nonrefundable credit under section 150.07 of the Revised Code and 2101
if the nonrefundable credit to which the qualifying dealer in 2102
intangibles would otherwise be entitled under this section for any 2103
calendar year is greater than the tax otherwise due, the excess 2104
shall be allowed as a nonrefundable credit in each of the ensuing 2105
ten calendar years, but the amount of any excess nonrefundable 2106
credit allowed in the ensuing calendar year shall be deducted from 2107
the balance carried forward to the next calendar year. 2108~~

~~**Sec. 5725.19.** (A) As used in this section, "tax otherwise 2109
due" means the tax imposed on a domestic insurance company under 2110
section 5725.18 of the Revised Code reduced by the total amount of 2111
all other nonrefundable credits, if any, that the domestic 2112
insurance company is entitled to claim. 2113~~

~~(B) Upon the issuance of a tax credit certificate by the Ohio 2114
venture capital authority under section 150.07 of the Revised 2115~~

Code, a refundable credit may be claimed against the tax imposed 2116
on a domestic insurance company under section 5725.18 of the 2117
Revised Code. The credit shall be claimed in the calendar year 2118
specified in the certificate issued by the authority. 2119

~~(C) If the company elected a refundable credit under section 2120
150.07 of the Revised Code and if the amount of the credit shown 2121
on the certificate does not exceed the tax otherwise due, then for 2122
the calendar year the company shall claim a refundable credit 2123
equal to the amount of the credit shown on the certificate. 2124~~

~~(D) If the company elected a refundable credit under section 2125
150.07 of the Revised Code, and the amount of the credit shown on 2126
the certificate exceeds the tax otherwise due, then for the 2127
calendar year the company shall claim a refundable credit equal to 2128
the sum of the following: 2129~~

~~(1) The amount, if any, of the tax otherwise due; 2130~~

~~(2) Seventy five per cent of the difference between the 2131
amount of the refundable credit shown on the certificate and the 2132
tax otherwise due. 2133~~

~~(E) If the company elected a nonrefundable credit, the amount 2134
of the credit shown on the certificate shall not exceed the amount 2135
of tax otherwise due. If the company elected a nonrefundable 2136
credit and the credit to which the company would otherwise be 2137
entitled under this section for any calendar year is greater than 2138
the tax otherwise due, the excess shall be allowed as a 2139
nonrefundable credit in each of the ensuing ten calendar years, 2140
but the amount of any excess credit allowed in the ensuing 2141
calendar year shall be deducted from the balance carried forward 2142
to the next calendar year. 2143~~

Sec. 5725.98. (A) To provide a uniform procedure for 2144
calculating the amount of tax imposed by section 5725.18 of the 2145

Revised Code that is due under this chapter, a taxpayer shall 2146
claim any credits and offsets against tax liability to which it is 2147
entitled in the following order: 2148

(1) The credit for an insurance company or insurance company 2149
group under section 5729.031 of the Revised Code. 2150

(2) The credit for eligible employee training costs under 2151
section 5725.31 of the Revised Code. 2152

~~(3) The credit under section 5725.19 of the Revised Code for 2153
losses on loans made under the Ohio venture capital authority 2154
program under sections 150.01 to 150.10 of the Revised Code if the 2155
taxpayer elected a nonrefundable credit under section 150.07 of 2156
the Revised Code. 2157~~

~~(4) The offset of assessments by the Ohio life and health 2158
insurance guaranty association permitted by section 3956.20 of the 2159
Revised Code. 2160~~

~~(5)(4) The refundable credit for Ohio job creation under 2161
section 5725.32 of the Revised Code. 2162~~

~~(6)(5) The refundable credit under section 5729.08 of the 2163
Revised Code for losses on loans made under the Ohio venture 2164
capital program under sections 150.01 to 150.10 of the Revised 2165
Code if the taxpayer elected a refundable credit under section 2166
150.07 of the Revised Code. 2167~~

(B) For any credit except the credits enumerated in divisions 2168
(A)~~(5)(4)~~ and ~~(6)(5)~~ of this section, the amount of the credit for 2169
a taxable year shall not exceed the tax due after allowing for any 2170
other credit that precedes it in the order required under this 2171
section. Any excess amount of a particular credit may be carried 2172
forward if authorized under the section creating that credit. 2173
Nothing in this chapter shall be construed to allow a taxpayer to 2174
claim, directly or indirectly, a credit more than once for a 2175

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| taxable year. | 2176 |
| Sec. 5727.241. (A) As used in this section: | 2177 |
| (1) "Tax otherwise due" means the tax imposed on a taxpayer under section 5727.24 of the Revised Code reduced by the total amount of all other nonrefundable credits, if any, that the taxpayer is entitled to claim. | 2178 2179 2180 2181 |
| (2) "Taxpayer", "taxpayer" means any person subject to the tax imposed by section 5727.24 of the Revised Code. | 2182 2183 |
| (B) Upon the issuance of a tax credit certificate by the Ohio venture capital authority under section 150.07 of the Revised Code, a <u>refundable</u> credit may be claimed against the tax imposed on a taxpayer under section 5727.24 of the Revised Code. The credit shall be claimed on a return due under section 5727.25 of the Revised Code after the certificate is issued by the authority. | 2184 2185 2186 2187 2188 2189 |
| (C) If the taxpayer elected a refundable credit under section 150.07 of the Revised Code and if the amount of the credit shown on the certificate does not exceed the tax otherwise due, then for the calendar year the taxpayer shall claim a refundable credit equal to the amount of the credit shown on the certificate. | 2190 2191 2192 2193 2194 |
| (D) If the taxpayer elected a refundable credit under section 150.07 of the Revised Code, and if the amount of the refundable credit shown on the certificate exceeds the tax otherwise due, then for the calendar year the taxpayer shall claim a refundable credit equal to the sum of the following: | 2195 2196 2197 2198 2199 |
| (1) The amount, if any, of the tax otherwise due; | 2200 |
| (2) Seventy five per cent of the difference between the amount of the refundable credit shown on the certificate and the tax otherwise due. | 2201 2202 2203 |
| (E) If the taxpayer elected a nonrefundable credit under section 150.07 of the Revised Code and if the nonrefundable credit | 2204 2205 |

~~to which the taxpayer would otherwise be entitled under this 2206
section for any calendar year is greater than the tax otherwise 2207
due, the excess shall be allowed as a nonrefundable credit in each 2208
of the ensuing ten calendar years, but the amount of any excess 2209
nonrefundable credit allowed in the ensuing calendar year shall be 2210
deducted from the balance carried forward to the next calendar 2211
year. 2212~~

~~Sec. 5729.08. (A) As used in this section, "tax otherwise 2213
due" means the tax imposed on a foreign insurance company under 2214
section 5729.03 of the Revised Code reduced by the total amount of 2215
all other nonrefundable credits, if any, that the foreign 2216
insurance company is entitled to claim. 2217~~

~~(B) Upon the issuance of a tax credit certificate by the Ohio 2218
venture capital authority under section 150.07 of the Revised 2219
Code, a refundable credit may be claimed against the tax imposed 2220
on a foreign insurance company under section 5729.03 of the 2221
Revised Code. The credit shall be claimed in the calendar year 2222
specified in the certificate issued by the authority. 2223~~

~~(C) If the company elected a refundable credit under section 2224
150.07 of the Revised Code and if the amount of the credit shown 2225
on the certificate does not exceed the tax otherwise due, then for 2226
the calendar year the company shall claim a refundable credit 2227
equal to the amount of the credit shown on the certificate. 2228~~

~~(D) If the company elected a refundable credit under section 2229
150.07 of the Revised Code, and the amount of the credit shown on 2230
the certificate exceeds the tax otherwise due, then for the 2231
calendar year the company shall claim a refundable credit equal to 2232
the sum of the following: 2233~~

~~(1) The amount, if any, of the tax otherwise due; 2234~~

~~(2) Seventy five per cent of the difference between the 2235~~

~~amount of the refundable credit shown on the certificate and the
tax otherwise due.~~ 2236
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~~(E) If the company elected a nonrefundable credit, the amount
of the credit shown on the certificate shall not exceed the amount
of tax otherwise due. If the company elected a nonrefundable
credit and the credit to which the company would otherwise be
entitled under this section for any calendar year is greater than
the tax otherwise due, the excess shall be allowed as a
nonrefundable credit in each of the ensuing ten calendar years,
but the amount of any excess credit allowed in the ensuing
calendar year shall be deducted from the balance carried forward
to the next calendar year.~~ 2238
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Sec. 5729.98. (A) To provide a uniform procedure for 2248
calculating the amount of tax due under this chapter, a taxpayer 2249
shall claim any credits and offsets against tax liability to which 2250
it is entitled in the following order: 2251

(1) The credit for an insurance company or insurance company 2252
group under section 5729.031 of the Revised Code. 2253

(2) The credit for eligible employee training costs under 2254
section 5729.07 of the Revised Code. 2255

~~(3) The credit under section 5729.08 of the Revised Code for
losses on loans made under the Ohio venture capital program under
sections 150.01 to 150.10 of the Revised Code if the taxpayer
elected a nonrefundable credit under section 150.07 of the Revised
Code.~~ 2256
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~~(4) The offset of assessments by the Ohio life and health
insurance guaranty association against tax liability permitted by
section 3956.20 of the Revised Code.~~ 2261
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~~(5)~~(4) The refundable credit for Ohio job creation under 2264
section 5729.032 of the Revised Code. 2265

~~(6)(5)~~ The refundable credit under section 5729.08 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code ~~if the taxpayer elected a refundable credit under section 150.07 of the Revised Code.~~

(B) For any credit except the credits enumerated in divisions (A)~~(5)(4)~~ and ~~(6)(5)~~ of this section, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.

Sec. 5733.01. (A) The tax provided by this chapter for domestic corporations shall be the amount charged against each corporation organized for profit under the laws of this state and each nonprofit corporation organized pursuant to Chapter 1729. of the Revised Code, except as provided in sections 5733.09 and 5733.10 of the Revised Code, for the privilege of exercising its franchise during the calendar year in which that amount is payable, and the tax provided by this chapter for foreign corporations shall be the amount charged against each corporation organized for profit and each nonprofit corporation organized or operating in the same or similar manner as nonprofit corporations organized under Chapter 1729. of the Revised Code, under the laws of any state or country other than this state, except as provided in sections 5733.09 and 5733.10 of the Revised Code, for the privilege of doing business in this state, owning or using a part or all of its capital or property in this state, holding a certificate of compliance with the laws of this state authorizing

it to do business in this state, or otherwise having nexus in or 2297
with this state under the Constitution of the United States, 2298
during the calendar year in which that amount is payable. 2299

(B) A corporation is subject to the tax imposed by section 2300
5733.06 of the Revised Code for each calendar year that it is so 2301
organized, doing business, owning or using a part or all of its 2302
capital or property, holding a certificate of compliance, or 2303
otherwise having nexus in or with this state under the 2304
Constitution of the United States, on the first day of January of 2305
that calendar year. 2306

(C) Any corporation subject to this chapter that is not 2307
subject to the federal income tax shall file its returns and 2308
compute its tax liability as required by this chapter in the same 2309
manner as if that corporation were subject to the federal income 2310
tax. 2311

(D) For purposes of this chapter, a federally chartered 2312
financial institution shall be deemed to be organized under the 2313
laws of the state within which its principal office is located. 2314

(E) For purposes of this chapter, any person, as defined in 2315
section 5701.01 of the Revised Code, shall be treated as a 2316
corporation if the person is classified for federal income tax 2317
purposes as an association taxable as a corporation, and an equity 2318
interest in the person shall be treated as capital stock of the 2319
person. 2320

(F) For the purposes of this chapter, "disregarded entity" 2321
has the same meaning as in division (D) of section 5745.01 of the 2322
Revised Code. 2323

(1) A person's interest in a disregarded entity, whether held 2324
directly or indirectly, shall be treated as the person's ownership 2325
of the assets and liabilities of the disregarded entity, and the 2326
income, including gain or loss, shall be included in the person's 2327

net income under this chapter. 2328

(2) Any sale, exchange, or other disposition of the person's 2329
interest in the disregarded entity, whether held directly or 2330
indirectly, shall be treated as a sale, exchange, or other 2331
disposition of the person's share of the disregarded entity's 2332
underlying assets or liabilities, and the gain or loss from such 2333
sale, exchange, or disposition shall be included in the person's 2334
net income under this chapter. 2335

(3) The disregarded entity's payroll, property, and sales 2336
factors shall be included in the person's factors. 2337

(G) The tax a corporation is required to pay under this 2338
chapter shall be as follows: 2339

(1)(a) For financial institutions, the greater of the minimum 2340
payment required under division (E) of section 5733.06 of the 2341
Revised Code or the difference between all taxes charged the 2342
financial institution under this chapter, without regard to 2343
division (G)(2) of this section, less any credits allowable 2344
against such tax. 2345

(b) A corporation satisfying the description in division 2346
(E)(5), (6), (7), (8), or (10) of section 5751.01 of the Revised 2347
Code that is not a financial institution, insurance company, or 2348
dealer in intangibles is subject to the taxes imposed under this 2349
chapter as a corporation and not subject to tax as a financial 2350
institution, and shall pay the greater of the minimum payment 2351
required under division (E) of section 5733.06 of the Revised Code 2352
or the difference between all the taxes charged under this 2353
chapter, without regard to division (G)(2) of this section, less 2354
any credits allowable against such tax. 2355

(2) For all corporations other than those persons described 2356
in division (G)(1)(a) or (b) of this section, the amount under 2357
division (G)(2)(a) of this section applicable to the tax year 2358

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| specified less the amount under division (G)(2)(b) of this | 2359 |
| section: | 2360 |
| (a)(i) For tax year 2005, the greater of the minimum payment | 2361 |
| required under division (E) of section 5733.06 of the Revised Code | 2362 |
| or the difference between all taxes charged the corporation under | 2363 |
| this chapter and any credits allowable against such tax; | 2364 |
| (ii) For tax year 2006, the greater of the minimum payment | 2365 |
| required under division (E) of section 5733.06 of the Revised Code | 2366 |
| or four-fifths of the difference between all taxes charged the | 2367 |
| corporation under this chapter and any credits allowable against | 2368 |
| such tax except the qualifying pass-through entity tax credit | 2369 |
| described in division (A) (30) (29) and the refundable credits | 2370 |
| described in divisions (A) (31) (30), (32) (31), (33) (32), and | 2371 |
| (34) (33) of section 5733.98 of the Revised Code; | 2372 |
| (iii) For tax year 2007, the greater of the minimum payment | 2373 |
| required under division (E) of section 5733.06 of the Revised Code | 2374 |
| or three-fifths of the difference between all taxes charged the | 2375 |
| corporation under this chapter and any credits allowable against | 2376 |
| such tax except the qualifying pass-through entity tax credit | 2377 |
| described in division (A) (30) (29) and the refundable credits | 2378 |
| described in divisions (A) (31) (30), (32) (31), (33) (32), and | 2379 |
| (34) (33) of section 5733.98 of the Revised Code; | 2380 |
| (iv) For tax year 2008, the greater of the minimum payment | 2381 |
| required under division (E) of section 5733.06 of the Revised Code | 2382 |
| or two-fifths of the difference between all taxes charged the | 2383 |
| corporation under this chapter and any credits allowable against | 2384 |
| such tax except the qualifying pass-through entity tax credit | 2385 |
| described in division (A) (30) (29) and the refundable credits | 2386 |
| described in divisions (A) (31) (30), (32) (31), (33) (32), and | 2387 |
| (34) (33) of section 5733.98 of the Revised Code; | 2388 |
| (v) For tax year 2009, the greater of the minimum payment | 2389 |

required under division (E) of section 5733.06 of the Revised Code 2390
or one-fifth of the difference between all taxes charged the 2391
corporation under this chapter and any credits allowable against 2392
such tax except the qualifying pass-through entity tax credit 2393
described in division (A)~~(30)~~(29) and the refundable credits 2394
described in divisions (A)~~(31)~~(30), ~~(32)~~(31), and ~~(33)~~(32) of 2395
section 5733.98 of the Revised Code; 2396

(vi) For tax year 2010 and each tax year thereafter, no tax. 2397

(b) A corporation shall subtract from the amount calculated 2398
under division (G)(2)(a)(ii), (iii), (iv), or (v) of this section 2399
any qualifying pass-through entity tax credit described in 2400
division (A)~~(30)~~(29) and any refundable credits described in 2401
divisions (A)~~(31)~~(30), ~~(32)~~(31), ~~(33)~~(32), and ~~(34)~~(33) of section 2402
5733.98 of the Revised Code to which the corporation is entitled. 2403
Any unused qualifying pass-through entity tax credit is not 2404
refundable. 2405

(c) For the purposes of computing the amount of a credit that 2406
may be carried forward to a subsequent tax year under division 2407
(G)(2) of this section, a credit is utilized against the tax for a 2408
tax year to the extent the credit applies against the tax for that 2409
tax year, even if the difference is then multiplied by the 2410
applicable fraction under division (G)(2)(a) of this section. 2411

(3) Nothing in division (G) of this section eliminates or 2412
reduces the tax imposed by section 5733.41 of the Revised Code on 2413
a qualifying pass-through entity. 2414

Sec. 5733.49. ~~(A)~~ Upon the issuance of a tax credit 2415
certificate by the Ohio venture capital authority under section 2416
150.07 of the Revised Code, a refundable credit may be claimed 2417
against the tax imposed by section 5733.06 of the Revised Code. 2418
The credit shall be claimed for the tax year specified in the 2419

certificate issued by the authority and in the order required 2420
under section 5733.98 of the Revised Code. 2421

~~(B) If the taxpayer elected a refundable credit under section 2422
150.07 of the Revised Code and the amount of the credit shown on 2423
the certificate does not exceed the tax otherwise due under 2424
section 5733.06, 5733.065, and 5733.066 of the Revised Code after 2425
all nonrefundable credits are deducted, then the taxpayer shall 2426
claim a refundable credit equal to the amount of the credit shown 2427
on the certificate. 2428~~

~~(C) If the taxpayer elected a refundable credit under section 2429
150.07 of the Revised Code, and the amount of the credit shown on 2430
the certificate exceeds the tax otherwise due under sections 2431
5733.06, 5733.065, and 5733.066 of the Revised Code after all 2432
nonrefundable credits are deducted, the taxpayer shall claim a 2433
refundable credit equal to the sum of the following: 2434~~

~~(1) The amount, if any, of the tax otherwise due under 2435
sections 5733.06, 5733.065, and 5733.066 of the Revised Code after 2436
all nonrefundable credits are deducted; 2437~~

~~(2) Seventy five per cent of the difference between the 2438
amount of the refundable credit shown on the certificate and the 2439
tax otherwise due under sections 5733.06, 5733.065, and 5733.066 2440
of the Revised Code after all nonrefundable credits are deducted. 2441~~

~~(D) If the taxpayer elected a nonrefundable credit and the 2442
credit to which the taxpayer would otherwise be entitled under 2443
this section for any tax year is greater than the tax otherwise 2444
due under sections 5733.06, 5733.065, and 5733.066 of the Revised 2445
Code, after allowing for any other credits that, under section 2446
5733.98 of the Revised Code, precede the credit allowed under this 2447
section, the excess shall be allowed as a nonrefundable credit in 2448
each of the ensuing ten tax years, but the amount of any excess 2449
credit allowed in the ensuing tax year shall be deducted from the 2450~~

~~balance carried forward to the next tax year.~~ 2451

Sec. 5733.98. (A) To provide a uniform procedure for 2452
calculating the amount of tax imposed by section 5733.06 of the 2453
Revised Code that is due under this chapter, a taxpayer shall 2454
claim any credits to which it is entitled in the following order, 2455
except as otherwise provided in section 5733.058 of the Revised 2456
Code: 2457

(1) For tax year 2005, the credit for taxes paid by a 2458
qualifying pass-through entity allowed under section 5733.0611 of 2459
the Revised Code; 2460

(2) The credit allowed for financial institutions under 2461
section 5733.45 of the Revised Code; 2462

(3) The credit for qualifying affiliated groups under section 2463
5733.068 of the Revised Code; 2464

(4) The subsidiary corporation credit under section 5733.067 2465
of the Revised Code; 2466

(5) The savings and loan assessment credit under section 2467
5733.063 of the Revised Code; 2468

(6) The credit for recycling and litter prevention donations 2469
under section 5733.064 of the Revised Code; 2470

(7) The credit for employers that enter into agreements with 2471
child day-care centers under section 5733.36 of the Revised Code; 2472

(8) The credit for employers that reimburse employee child 2473
care expenses under section 5733.38 of the Revised Code; 2474

(9) The credit for maintaining railroad active grade crossing 2475
warning devices under section 5733.43 of the Revised Code; 2476

(10) The credit for purchases of lights and reflectors under 2477
section 5733.44 of the Revised Code; 2478

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| (11) The job retention credit under division (B) of section 5733.0610 of the Revised Code; | 2479 2480 |
| (12) The credit for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code if the taxpayer elected a nonrefundable credit under section 150.07 of the Revised Code; | 2481 2482 2483 2484 |
| (13) The credit for purchases of new manufacturing machinery and equipment under section 5733.31 or section 5733.311 of the Revised Code; | 2485 2486 2487 |
| (14) <u>(13)</u> The second credit for purchases of new manufacturing machinery and equipment under section 5733.33 of the Revised Code; | 2488 2489 |
| (15) <u>(14)</u> The job training credit under section 5733.42 of the Revised Code; | 2490 2491 |
| (16) <u>(15)</u> The credit for qualified research expenses under section 5733.351 of the Revised Code; | 2492 2493 |
| (17) <u>(16)</u> The enterprise zone credit under section 5709.66 of the Revised Code; | 2494 2495 |
| (18) <u>(17)</u> The credit for the eligible costs associated with a voluntary action under section 5733.34 of the Revised Code; | 2496 2497 |
| (19) <u>(18)</u> The credit for employers that establish on-site child day-care centers under section 5733.37 of the Revised Code; | 2498 2499 |
| (20) <u>(19)</u> The ethanol plant investment credit under section 5733.46 of the Revised Code; | 2500 2501 |
| (21) <u>(20)</u> The credit for purchases of qualifying grape production property under section 5733.32 of the Revised Code; | 2502 2503 |
| (22) <u>(21)</u> The export sales credit under section 5733.069 of the Revised Code; | 2504 2505 |
| (23) <u>(22)</u> The credit for research and development and technology transfer investors under section 5733.35 of the Revised | 2506 2507 |

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| Code; | 2508 |
| (24) (23) The enterprise zone credits under section 5709.65 of the Revised Code; | 2509 2510 |
| (25) (24) The credit for using Ohio coal under section 5733.39 of the Revised Code; | 2511 2512 |
| (26) (25) The credit for small telephone companies under section 5733.57 of the Revised Code; | 2513 2514 |
| (27) (26) The credit for eligible nonrecurring 9-1-1 charges under section 5733.55 of the Revised Code; | 2515 2516 |
| (28) (27) For tax year 2005, the credit for providing programs to aid the communicatively impaired under division (A) of section 5733.56 of the Revised Code; | 2517 2518 2519 |
| (29) (28) The research and development credit under section 5733.352 of the Revised Code; | 2520 2521 |
| (30) (29) For tax years 2006 and subsequent tax years, the credit for taxes paid by a qualifying pass-through entity allowed under section 5733.0611 of the Revised Code; | 2522 2523 2524 |
| (31) (30) The refundable jobs creation credit under division (A) of section 5733.0610 of the Revised Code; | 2525 2526 |
| (32) (31) The refundable credit for tax withheld under division (B)(2) of section 5747.062 of the Revised Code; | 2527 2528 |
| (33) (32) The <u>refundable credit under section 5733.49 of the Revised Code</u> for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code if the taxpayer elected a refundable credit under section 150.07 of the Revised Code; | 2529 2530 2531 2532 2533 |
| (34) (33) For tax years 2006, 2007, and 2008, the refundable credit allowable under division (B) of section 5733.56 of the Revised Code. | 2534 2535 2536 |

(B) For any credit except the credits enumerated in divisions 2537
(A)~~(31)~~(30), ~~(32)~~(31), ~~(33)~~(32), and ~~(34)~~(33) of this section, the 2538
amount of the credit for a tax year shall not exceed the tax due 2539
after allowing for any other credit that precedes it in the order 2540
required under this section. Any excess amount of a particular 2541
credit may be carried forward if authorized under the section 2542
creating that credit. 2543

Sec. 5747.80. ~~(A)~~ Upon the issuance of a tax credit 2544
certificate by the Ohio venture capital authority under section 2545
150.07 of the Revised Code, a refundable credit may be claimed 2546
against the tax imposed by section 5747.02 of the Revised Code. 2547
The credit shall be claimed for the taxable year specified in the 2548
certificate issued by the authority and in the order required 2549
under section 5747.98 of the Revised Code. 2550

~~(B) If the taxpayer elected a refundable credit under section 2551
150.07 of the Revised Code and the amount of the credit shown on 2552
the certificate does not exceed the tax otherwise due under 2553
section 5747.02 of the Revised Code after all nonrefundable 2554
credits are deducted, then the taxpayer shall claim a refundable 2555
credit equal to the amount of the credit shown on the certificate. 2556~~

~~(C) If the taxpayer elected a refundable credit under section 2557
150.07 of the Revised Code, and the amount of the credit shown on 2558
the certificate exceeds the tax otherwise due under section 2559
5747.02 of the Revised Code after all nonrefundable credits are 2560
deducted, the taxpayer shall claim a refundable credit equal to 2561
the sum of the following: 2562~~

~~(1) The amount, if any, of the tax otherwise due under 2563
section 5747.02 of the Revised Code after all nonrefundable 2564
credits are deducted; 2565~~

~~(2) Seventy five per cent of the difference between the 2566~~

~~amount of the refundable credit shown on the certificate and the
tax otherwise due under section 5747.02 of the Revised Code after
all nonrefundable credits are deducted.~~

~~(D) If the taxpayer elected a nonrefundable credit and the
credit to which the taxpayer would otherwise be entitled under
this section for any taxable year is greater than the tax
otherwise due under section 5747.02 of the Revised Code, after
allowing for any other credits that, under section 5747.98 of the
Revised Code, precede the credit allowed under this section, the
excess shall be allowed as a nonrefundable credit in each of the
ensuing ten taxable years, but the amount of any excess credit
allowed in the ensuing taxable year shall be deducted from the
balance carried forward to the next taxable year.~~

Sec. 5747.98. (A) To provide a uniform procedure for
calculating the amount of tax due under section 5747.02 of the
Revised Code, a taxpayer shall claim any credits to which the
taxpayer is entitled in the following order:

(1) The retirement income credit under division (B) of
section 5747.055 of the Revised Code;

(2) The senior citizen credit under division (C) of section
5747.05 of the Revised Code;

(3) The lump sum distribution credit under division (D) of
section 5747.05 of the Revised Code;

(4) The dependent care credit under section 5747.054 of the
Revised Code;

(5) The lump sum retirement income credit under division (C)
of section 5747.055 of the Revised Code;

(6) The lump sum retirement income credit under division (D)
of section 5747.055 of the Revised Code;

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| (7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code; | 2596 2597 |
| (8) The low-income credit under section 5747.056 of the Revised Code; | 2598 2599 |
| (9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code; | 2600 2601 |
| (10) The campaign contribution credit under section 5747.29 of the Revised Code; | 2602 2603 |
| (11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code; | 2604 2605 |
| (12) The joint filing credit under division (G) of section 5747.05 of the Revised Code; | 2606 2607 |
| (13) The nonresident credit under division (A) of section 5747.05 of the Revised Code; | 2608 2609 |
| (14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code; | 2610 2611 |
| (15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code; | 2612 2613 |
| (16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code; | 2614 2615 |
| (17) The credit for adoption of a minor child under section 5747.37 of the Revised Code; | 2616 2617 |
| (18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code; | 2618 2619 |
| (19) The job retention credit under division (B) of section 5747.058 of the Revised Code; | 2620 2621 |
| (20) The credit for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code if the taxpayer elected a nonrefundable credit under | 2622 2623 2624 |

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| section 150.07 of the Revised Code; | 2625 |
| (21) The credit for purchases of new manufacturing machinery and equipment under section 5747.26 or section 5747.261 of the Revised Code; | 2626 2627 2628 |
| (22) <u>(21)</u> The second credit for purchases of new manufacturing machinery and equipment and the credit for using Ohio coal under section 5747.31 of the Revised Code; | 2629 2630 2631 |
| (23) <u>(22)</u> The job training credit under section 5747.39 of the Revised Code; | 2632 2633 |
| (24) <u>(23)</u> The enterprise zone credit under section 5709.66 of the Revised Code; | 2634 2635 |
| (25) <u>(24)</u> The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code; | 2636 2637 |
| (26) <u>(25)</u> The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code; | 2638 2639 |
| (27) <u>(26)</u> The ethanol plant investment credit under section 5747.75 of the Revised Code; | 2640 2641 |
| (28) <u>(27)</u> The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code; | 2642 2643 |
| (29) <u>(28)</u> The export sales credit under section 5747.057 of the Revised Code; | 2644 2645 |
| (30) <u>(29)</u> The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code; | 2646 2647 2648 |
| (31) <u>(30)</u> The enterprise zone credits under section 5709.65 of the Revised Code; | 2649 2650 |
| (32) <u>(31)</u> The research and development credit under section 5747.331 of the Revised Code; | 2651 2652 |
| (33) <u>(32)</u> The refundable jobs creation credit under division | 2653 |

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| (A) of section 5747.058 of the Revised Code; | 2654 |
| (34) (33) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code; | 2655 2656 |
| (35) (34) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of section 5747.08 of the Revised Code; | 2657 2658 2659 |
| (36) (35) The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code; | 2660 2661 |
| (37) (36) The <u>refundable credit under section 5747.80 of the Revised Code</u> for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code if the taxpayer elected a refundable credit under section 150.07 of the Revised Code. | 2662 2663 2664 2665 2666 |
| (B) For any credit, except the credits enumerated in divisions (A) (33) (32) to (37) (36) of this section and the credit granted under division (I) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year. | 2667 2668 2669 2670 2671 2672 2673 2674 2675 2676 |
| Sec. 5751.20. (A) As used in sections 5751.20 to 5751.22 of the Revised Code: | 2677 2678 |
| (1) "School district," "joint vocational school district," "local taxing unit," "state education aid," "recognized valuation," "fixed-rate levy," and "fixed-sum levy" have the same meanings as used in section 5727.84 of the Revised Code. | 2679 2680 2681 2682 |
| (2) "State education aid offset" means the amount determined | 2683 |

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| for each school district or joint vocational school district under | 2684 |
| division (A)(1) of section 5751.21 of the Revised Code. | 2685 |
| (3) "Machinery and equipment property tax value loss" means | 2686 |
| the amount determined under division (C)(1) of this section. | 2687 |
| (4) "Inventory property tax value loss" means the amount | 2688 |
| determined under division (C)(2) of this section. | 2689 |
| (5) "Furniture and fixtures property tax value loss" means | 2690 |
| the amount determined under division (C)(3) of this section. | 2691 |
| (6) "Machinery and equipment fixed-rate levy loss" means the | 2692 |
| amount determined under division (D)(1) of this section. | 2693 |
| (7) "Inventory fixed-rate levy loss" means the amount | 2694 |
| determined under division (D)(2) of this section. | 2695 |
| (8) "Furniture and fixtures fixed-rate levy loss" means the | 2696 |
| amount determined under division (D)(3) of this section. | 2697 |
| (9) "Total fixed-rate levy loss" means the sum of the | 2698 |
| machinery and equipment fixed-rate levy loss, the inventory | 2699 |
| fixed-rate levy loss, the furniture and fixtures fixed-rate levy | 2700 |
| loss, and the telephone company fixed-rate levy loss. | 2701 |
| (10) "Fixed-sum levy loss" means the amount determined under | 2702 |
| division (E) of this section. | 2703 |
| (11) "Machinery and equipment" means personal property | 2704 |
| subject to the assessment rate specified in division (F) of | 2705 |
| section 5711.22 of the Revised Code. | 2706 |
| (12) "Inventory" means personal property subject to the | 2707 |
| assessment rate specified in division (E) of section 5711.22 of | 2708 |
| the Revised Code. | 2709 |
| (13) "Furniture and fixtures" means personal property subject | 2710 |
| to the assessment rate specified in division (G) of section | 2711 |
| 5711.22 of the Revised Code. | 2712 |

(14) "Qualifying levies" are levies in effect for tax year 2713
 2004 or applicable to tax year 2005 or approved at an election 2714
 conducted before September 1, 2005. For the purpose of determining 2715
 the rate of a qualifying levy authorized by section 5705.212 or 2716
 5705.213 of the Revised Code, the rate shall be the rate that 2717
 would be in effect for tax year 2010. 2718

(15) "Telephone property" means tangible personal property of 2719
 a telephone, telegraph, or interexchange telecommunications 2720
 company subject to an assessment rate specified in section 2721
 5727.111 of the Revised Code in tax year 2004. 2722

(16) "Telephone property tax value loss" means the amount 2723
 determined under division (C)(4) of this section. 2724

(17) "Telephone property fixed-rate levy loss" means the 2725
 amount determined under division (D)(4) of this section. 2726

(B) The commercial activities tax receipts fund is hereby 2727
 created in the state treasury and shall consist of money arising 2728
 from the tax imposed under this chapter. All money in that fund 2729
 shall be credited for each fiscal year in the following 2730
 percentages to the general revenue fund, to the school district 2731
 tangible property tax replacement fund, which is hereby created in 2732
 the state treasury for the purpose of making the payments 2733
 described in section 5751.21 of the Revised Code, and to the local 2734
 government tangible property tax replacement fund, which is hereby 2735
 created in the state treasury for the purpose of making the 2736
 payments described in section 5751.22 of the Revised Code, in the 2737
 following percentages: 2738

| Fiscal year | General Revenue Fund | School District Tangible Property Tax Replacement Fund | Local Government Tangible Property Tax Replacement Fund | |
|-------------|-------------------------|---|--|------|
| 2006 | 67.7% | 22.6% | 9.7% | 2740 |

| | | | | |
|------------------------|-------|-------|-------|------|
| 2007 | 0% | 70.0% | 30.0% | 2741 |
| 2008 | 0% | 70.0% | 30.0% | 2742 |
| 2009 | 0% | 70.0% | 30.0% | 2743 |
| 2010 | 0% | 70.0% | 30.0% | 2744 |
| 2011 | 0% | 70.0% | 30.0% | 2745 |
| 2012 | 5.3% | 70.0% | 24.7% | 2746 |
| 2013 | 19.4% | 70.0% | 10.6% | 2747 |
| 2014 | 14.1% | 70.0% | 15.9% | 2748 |
| 2015 | 17.6% | 70.0% | 12.4% | 2749 |
| 2016 | 21.1% | 70.0% | 8.9% | 2750 |
| 2017 | 24.6% | 70.0% | 5.4% | 2751 |
| 2018 | 28.1% | 70.0% | 1.9% | 2752 |
| 2019 and thereafter | 100% | 0% | 0% | 2753 |

(C) Not later than September 15, 2005, the tax commissioner shall determine for each school district, joint vocational school district, and local taxing unit its machinery and equipment, inventory property, furniture and fixtures property, and telephone property tax value losses, which are the applicable amounts described in divisions (C)(1), (2), (3), and (4) of this section, except as provided in division (C)(5) of this section:

(1) Machinery and equipment property tax value loss is the taxable value of machinery and equipment property as reported by taxpayers for tax year 2004 multiplied by:

(a) For tax year 2006, thirty-three and eight-tenths per cent;

(b) For tax year 2007, sixty-one and three-tenths per cent;

(c) For tax year 2008, eighty-three per cent;

(d) For tax year 2009 and thereafter, one hundred per cent.

(2) Inventory property tax value loss is the taxable value of inventory property as reported by taxpayers for tax year 2004

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| multiplied by: | 2771 |
| (a) For tax year 2006, a fraction, the numerator of which is | 2772 |
| five and three-fourths and the denominator of which is | 2773 |
| twenty-three; | 2774 |
| (b) For tax year 2007, a fraction, the numerator of which is | 2775 |
| nine and one-half and the denominator of which is twenty-three; | 2776 |
| (c) For tax year 2008, a fraction, the numerator of which is | 2777 |
| thirteen and one-fourth and the denominator of which is | 2778 |
| twenty-three; | 2779 |
| (d) For tax year 2009 and thereafter a fraction, the | 2780 |
| numerator of which is seventeen and the denominator of which is | 2781 |
| twenty-three. | 2782 |
| (3) Furniture and fixtures property tax value loss is the | 2783 |
| taxable value of furniture and fixture property as reported by | 2784 |
| taxpayers for tax year 2004 multiplied by: | 2785 |
| (a) For tax year 2006, twenty-five per cent; | 2786 |
| (b) For tax year 2007, fifty per cent; | 2787 |
| (c) For tax year 2008, seventy-five per cent; | 2788 |
| (d) For tax year 2009 and thereafter, one hundred per cent. | 2789 |
| The taxable value of property reported by taxpayers used in | 2790 |
| divisions (C)(1), (2), and (3) of this section shall be such | 2791 |
| values as determined to be final by the tax commissioner as of | 2792 |
| August 31, 2005. Such determinations shall be final except for any | 2793 |
| correction of a clerical error that was made prior to August 31, | 2794 |
| 2005, by the tax commissioner. | 2795 |
| (4) Telephone property tax value loss is the taxable value of | 2796 |
| telephone property as taxpayers would have reported that property | 2797 |
| for tax year 2004 if the assessment rate for all telephone | 2798 |
| property for that year were twenty-five per cent, multiplied by: | 2799 |

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| (a) For tax year 2006, zero per cent; | 2800 |
| (b) For tax year 2007, zero per cent; | 2801 |
| (c) For tax year 2008, zero per cent; | 2802 |
| (d) For tax year 2009, sixty per cent; | 2803 |
| (e) For tax year 2010, eighty per cent; | 2804 |
| (f) For tax year 2011 and thereafter, one hundred per cent. | 2805 |
| (5) Division (C)(5) of this section applies to any school district, joint vocational school district, or local taxing unit in a county in which is located a facility currently or formerly devoted to the enrichment or commercialization of uranium or uranium products, and for which the total taxable value of property listed on the general tax list of personal property for any tax year from tax year 2001 to tax year 2004 was fifty per cent or less of the taxable value of such property listed on the general tax list of personal property for the next preceding tax year. | 2806 2807 2808 2809 2810 2811 2812 2813 2814 2815 |
| In computing the property tax value <u>fixed-rate levy</u> losses under divisions (C) (D)(1), (2), and (3) of this section for any school district, joint vocational school district, or local taxing unit to which division (C)(5) of this section applies, the taxable value of such property as listed on the general tax list of personal property for tax year 2000 shall be substituted for the taxable value of such property as reported by taxpayers for tax year 2004, in the taxing district containing the uranium facility, if the taxable value listed for tax year 2000 is greater than the taxable value reported by taxpayers for tax year 2004. For the purpose of making the computations under divisions (C) (D)(1), (2), and (3) of this section, the tax year 2000 valuation is to be allocated to machinery and equipment, inventory, and furniture and fixtures property in the same proportions as the tax year 2004 | 2816 2817 2818 2819 2820 2821 2822 2823 2824 2825 2826 2827 2828 2829 |

values. For the purpose of the calculations in division (A) of 2830
section 5751.21 of the Revised Code, the tax year 2004 taxable 2831
values shall be used. 2832

To facilitate the calculations required under division (C) of 2833
this section, the county auditor, upon request from the tax 2834
commissioner, shall provide by August 1, 2005, the values of 2835
machinery and equipment, inventory, and furniture and fixtures for 2836
all single-county personal property taxpayers for tax year 2004. 2837

(D) Not later than September 15, 2005, the tax commissioner 2838
shall determine for each tax year from 2006 through 2009 for each 2839
school district, joint vocational school district, and local 2840
taxing unit its machinery and equipment, inventory, and furniture 2841
and fixtures fixed-rate levy losses, and for each tax year from 2842
2006 through 2011 its telephone property fixed-rate levy loss, 2843
which are the applicable amounts described in divisions (D)(1), 2844
(2), (3), and (4) of this section: 2845

(1) The machinery and equipment fixed-rate levy loss is the 2846
machinery and equipment property tax value loss multiplied by the 2847
sum of the tax rates of fixed-rate qualifying levies. 2848

(2) The inventory fixed-rate loss is the inventory property 2849
tax value loss multiplied by the sum of the tax rates of 2850
fixed-rate qualifying levies. 2851

(3) The furniture and fixtures fixed-rate levy loss is the 2852
furniture and fixture property tax value loss multiplied by the 2853
sum of the tax rates of fixed-rate qualifying levies. 2854

(4) The telephone property fixed-rate levy loss is the 2855
telephone property tax value loss multiplied by the sum of the tax 2856
rates of fixed-rate qualifying levies. 2857

(E) Not later than September 15, 2005, the tax commissioner 2858
shall determine for each school district, joint vocational school 2859
district, and local taxing unit its fixed-sum levy loss. The 2860

fixed-sum levy loss is the amount obtained by subtracting the 2861
amount described in division (E)(2) of this section from the 2862
amount described in division (E)(1) of this section: 2863

(1) The sum of the machinery and equipment property tax value 2864
loss, the inventory property tax value loss, and the furniture and 2865
fixtures property tax value loss, and, for 2008 through 2017 the 2866
telephone property tax value loss of the district or unit 2867
multiplied by the sum of the fixed-sum tax rates of qualifying 2868
levies. For 2006 through 2010, this computation shall include all 2869
qualifying levies remaining in effect for the current tax year and 2870
any school district emergency levies that are qualifying levies 2871
not remaining in effect for the current year. For 2011 through 2872
2017, this computation shall include only qualifying levies 2873
remaining in effect for the current year. For purposes of this 2874
computation, a qualifying school district emergency levy remains 2875
in effect in a year after 2010 only if, for that year, the board 2876
of education levies a school district emergency levy for an annual 2877
sum at least equal to the annual sum levied by the board in tax 2878
year 2004 less the amount of the payment certified under this 2879
division for 2006. 2880

(2) The total taxable value in tax year 2004 less the sum of 2881
the machinery and equipment, inventory, furniture and fixtures, 2882
and telephone property tax value losses in each school district, 2883
joint vocational school district, and local taxing unit multiplied 2884
by one-half of one mill per dollar. 2885

(3) For the calculations in divisions (E)(1) and (2) of this 2886
section, the tax value losses are those that would be calculated 2887
for tax year 2009 under divisions (C)(1), (2), and (3) of this 2888
section and for tax year 2011 under division (C)(4) of this 2889
section. 2890

(4) To facilitate the calculation under divisions (D) and (E) 2891

of this section, not later than September 1, 2005, any school 2892
district, joint vocational school district, or local taxing unit 2893
that has a qualifying levy that was approved at an election 2894
conducted during 2005 before September 1, 2005, shall certify to 2895
the tax commissioner a copy of the county auditor's certificate of 2896
estimated property tax millage for such levy as required under 2897
division (B) of section 5705.03 of the Revised Code, which is the 2898
rate that shall be used in the calculations under such divisions. 2899

If the amount determined under division (E) of this section 2900
for any school district, joint vocational school district, or 2901
local taxing unit is greater than zero, that amount shall equal 2902
the reimbursement to be paid pursuant to division (D) of section 2903
5751.21 or division (A)(3) of section 5751.22 of the Revised Code, 2904
and the one-half of one mill that is subtracted under division 2905
(E)(2) of this section shall be apportioned among all contributing 2906
fixed-sum levies in the proportion that each levy bears to the sum 2907
of all fixed-sum levies within each school district, joint 2908
vocational school district, or local taxing unit. 2909

(F) Not later than October 1, 2005, the tax commissioner 2910
shall certify to the department of education for every school 2911
district and joint vocational school district the machinery and 2912
equipment, inventory, furniture and fixtures, and telephone 2913
property tax value losses determined under division (C) of this 2914
section, the machinery and equipment, inventory, furniture and 2915
fixtures, and telephone fixed-rate levy losses determined under 2916
division (D) of this section, and the fixed-sum levy losses 2917
calculated under division (E) of this section. The calculations 2918
under divisions (D) and (E) of this section shall separately 2919
display the levy loss for each levy eligible for reimbursement. 2920

(G) Not later than October 1, 2005, the tax commissioner 2921
shall certify the amount of the fixed-sum levy losses to the 2922
county auditor of each county in which a school district, joint 2923

vocational school district, or local taxing unit with a fixed-sum 2924
levy loss reimbursement has territory. 2925

Sec. 5751.21. (A) Not later than the thirty-first day of July 2926
of 2007 through 2017, the department of education shall determine 2927
the following for each school district and each joint vocational 2928
school district eligible for payment under division (B) of this 2929
section: 2930

(1) The state education aid offset, which is the difference 2931
obtained by subtracting the amount described in division (A)(1)(b) 2932
of this section from the amount described in division (A)(1)(a) of 2933
this section: 2934

(a) The state education aid computed for the school district 2935
or joint vocational school district for the current fiscal year as 2936
of the thirty-first day of July; 2937

(b) The state education aid that would be computed for the 2938
school district or joint vocational school district for the 2939
current fiscal year as of the thirty-first day of July if the 2940
recognized valuation included the machinery and equipment, 2941
inventory, furniture and fixtures, and telephone property tax 2942
value losses for the school district or joint vocational school 2943
district for the second preceding tax year. 2944

(2) The greater of zero or the difference obtained by 2945
subtracting the state education aid offset determined under 2946
division (A)(1) of this section from the sum of the machinery and 2947
equipment fixed-rate levy loss, the inventory fixed-rate levy 2948
loss, furniture and fixtures fixed-rate levy loss, and telephone 2949
property fixed-rate levy loss certified under division (F) of 2950
section 5751.20 of the Revised Code for all taxing districts in 2951
each school district and joint vocational school district for the 2952
second preceding tax year. 2953

By the fifth day of August of each such year, the department 2954
of education shall certify the amount so determined under division 2955
(A)(1) of this section to the director of budget and management. 2956

(B) The department of education shall pay from the school 2957
district tangible property tax replacement fund to each school 2958
district and joint vocational school district all of the following 2959
for fixed-rate levy losses certified under division (F) of section 2960
5751.20 of the Revised Code: 2961

(1) On or before May 31, 2006, one-seventh of the total 2962
fixed-rate levy loss for tax year 2006; 2963

(2) On or before August 31, 2006, and October 31, 2006, 2964
one-half of six-sevenths of the total fixed-rate levy loss for tax 2965
year 2006; 2966

(3) On or before May 31, 2007, one-seventh of the total 2967
fixed-rate levy loss for tax year 2007; 2968

(4) On or before August 31, 2007, and October 31, 2007, 2969
forty-three per cent of the amount determined under division 2970
(A)(2) of this section for fiscal year 2008, but not less than 2971
zero, plus one-half of six-sevenths of the difference between the 2972
total fixed-rate levy loss for tax year 2007 and the total 2973
fixed-rate levy loss for tax year 2006. 2974

(5) On or before May 31, 2008, fourteen per cent of the 2975
amount determined under division (A)(2) of this section for fiscal 2976
year 2008, but not less than zero, plus one-seventh of the 2977
difference between the total fixed-rate levy loss for tax year 2978
2008 and the total fixed-rate levy loss for tax year 2006. 2979

(6) On or before August 31, 2008, and October 31, 2008, 2980
forty-three per cent of the amount determined under division 2981
(A)(2) of this section for fiscal year 2009, but not less than 2982
zero, plus one-half of six-sevenths of the difference between the 2983

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| total fixed-rate levy loss in tax year 2008 and the total | 2984 |
| fixed-rate levy loss in tax year 2007. | 2985 |
| (7) On or before May 31, 2009, fourteen per cent of the | 2986 |
| amount determined under division (A)(2) of this section for fiscal | 2987 |
| year 2009, but not less than zero, plus one-seventh of the | 2988 |
| difference between the total fixed-rate levy loss for tax year | 2989 |
| 2009 and the total fixed-rate levy loss for tax year 2007. | 2990 |
| (8) On or before August 31, 2009, and October 31, 2009, | 2991 |
| forty-three per cent of the amount determined under division | 2992 |
| (A)(2) of this section for fiscal year 2010, but not less than | 2993 |
| zero, plus one-half of six-sevenths of the difference between the | 2994 |
| total fixed-rate levy loss in tax year 2009 and the total | 2995 |
| fixed-rate levy loss in tax year 2008. | 2996 |
| (9) On or before May 31, 2010, fourteen per cent of the | 2997 |
| amount determined under division (A)(2) of this section for fiscal | 2998 |
| year 2010, but not less than zero, plus one-seventh of the | 2999 |
| difference between the total fixed-rate levy loss in tax year 2010 | 3000 |
| and the total fixed-rate levy loss in tax year 2008. | 3001 |
| (10) On or before August 31, 2010, and October 31, 2010, | 3002 |
| one-third of the amount determined under division (A)(2) of this | 3003 |
| section for fiscal year 2011, but not less than zero, plus | 3004 |
| one-half of six-sevenths of the difference between the telephone | 3005 |
| property fixed-rate levy loss for tax year 2010 and the telephone | 3006 |
| property fixed-rate levy loss for tax year 2009. | 3007 |
| (11) On or before May 31, 2011, fourteen per cent of the | 3008 |
| amount determined under division (A)(2) of this section for fiscal | 3009 |
| year 2011, but not less than zero, plus one-seventh of the | 3010 |
| difference between the telephone property fixed-rate levy loss for | 3011 |
| tax year 2011 and the telephone property fixed-rate levy loss for | 3012 |
| tax year 2009. | 3013 |
| (12) On or before August 31, 2011, October 31, 2011, and May | 3014 |

31, 2012, the amount determined under division (A)(2) of this section multiplied by a fraction, the numerator of which is fourteen and the denominator of which is seventeen, but not less than zero, multiplied by one-third, plus one-half of six-sevenths of the difference between the telephone property fixed-rate levy loss for tax year 2011 and the telephone property fixed-rate levy loss for tax year 2010.

(13) On or before May 31, 2012, fourteen per cent of the amount determined under division (A)(2) of this section for fiscal year 2012, multiplied by a fraction, the numerator of which is fourteen and the denominator of which is seventeen, plus one-seventh of the difference between the telephone property fixed-rate levy loss for tax year 2011 and the telephone property fixed-rate levy loss for tax year 2010.

(14) On or before August 31, 2012, October 31, 2012, and May 31, 2013, the amount determined under division (A)(2) of this section multiplied by a fraction, the numerator of which is eleven and the denominator of which is seventeen, but not less than zero, multiplied by one-third.

(15) On or before August 31, 2013, October 31, 2013, and May 31, 2014, the amount determined under division (A)(2) of this section multiplied by a fraction, the numerator of which is nine and the denominator of which is seventeen, but not less than zero, multiplied by one-third.

(16) On or before August 31, 2014, October 31, 2014, and May 31, 2015, the amount determined under division (A)(2) of this section multiplied by a fraction, the numerator of which is seven and the denominator of which is seventeen, but not less than zero, multiplied by one-third.

(17) On or before August 31, 2015, October 31, 2015, and May 31, 2016, the amount determined under division (A)(2) of this

section multiplied by a fraction, the numerator of which is five 3046
and the denominator of which is seventeen, but not less than zero, 3047
multiplied by one-third. 3048

(18) On or before August 31, 2016, October 31, 2016, and May 3049
31, 2017, the amount determined under division (A)(2) of this 3050
section multiplied by a fraction, the numerator of which is three 3051
and the denominator of which is seventeen, but not less than zero, 3052
multiplied by one-third. 3053

(19) On or before August 31, 2017, October 31, 2017, and May 3054
31, 2018, the amount determined under division (A)(2) of this 3055
section multiplied by a fraction, the numerator of which is one 3056
and the denominator of which is seventeen, but not less than zero, 3057
multiplied by one-third. 3058

(20) After May 31, 2018, no payments shall be made under this 3059
section. 3060

The department of education shall report to each school 3061
district and joint vocational school district the apportionment of 3062
the payments among the school district's or joint vocational 3063
school district's funds based on the certifications under division 3064
(F) of section 5751.20 of the Revised Code. 3065

Any qualifying levy that is a fixed-rate levy that is not 3066
applicable to a tax year after 2010 does not qualify for any 3067
reimbursement after the tax year to which it is last applicable. 3068

(C) For taxes levied within the ten-mill limitation for debt 3069
purposes in tax year 2005, payments shall be made equal to one 3070
hundred per cent of the loss computed as if the tax were a 3071
fixed-rate levy, but those payments shall extend from fiscal year 3072
2006 through fiscal year 2018, as long as the qualifying levy 3073
continues to be used for debt purposes. If the purpose of such a 3074
qualifying levy is changed, that levy becomes subject to the 3075
payments determined in division (B) of this section. 3076

(D)(1) Not later than January 1, 2006, for each fixed-sum 3077
levy of each school district or joint vocational school district 3078
and for each year for which a determination is made under division 3079
(F) of section 5751.20 of the Revised Code that a fixed-sum levy 3080
loss is to be reimbursed, the tax commissioner shall certify to 3081
the department of education the fixed-sum levy loss determined 3082
under that division. The certification shall cover a time period 3083
sufficient to include all fixed-sum levies for which the 3084
commissioner made such a determination. The department shall pay 3085
from the school district property tax replacement fund to the 3086
school district or joint vocational school district one-third of 3087
the fixed-sum levy loss so certified for each year on or before 3088
the last day of May, August, and October of the current year. 3089

(2) Beginning in 2006, by the first day of January of each 3090
year, the tax commissioner shall review the certification 3091
originally made under division (D)(1) of this section. If the 3092
commissioner determines that a debt levy that had been scheduled 3093
to be reimbursed in the current year has expired, a revised 3094
certification for that and all subsequent years shall be made to 3095
the department of education. 3096

(E) Beginning in September 2007 and through June 2018, the 3097
director of budget and management shall transfer from the school 3098
district tangible property tax replacement fund to the general 3099
revenue fund each of the following: 3100

(1) On the first day of September, the lesser of one-fourth 3101
of the amount certified for that fiscal year under division (A)(1) 3102
of this section or the balance in the school district tangible 3103
property tax replacement fund; 3104

(2) On the first day of December, the lesser of one-fourth of 3105
the amount certified for that fiscal year under division (A)(1) of 3106
this section or the balance in the school district tangible 3107

property tax replacement fund; 3108

(3) On the first day of March, the lesser of one-fourth of 3109
the amount certified for that fiscal year under division (A)(1) of 3110
this section or the balance in the school district tangible 3111
property tax replacement fund; 3112

(4) On the first day of June, the lesser of one-fourth of the 3113
amount certified for that fiscal year under division (A)(1) of 3114
this section or the balance in the school district tangible 3115
property tax replacement fund. 3116

(F) For each of the fiscal years 2006 through 2018, if the 3117
total amount in the school district tangible property tax 3118
replacement fund is insufficient to make all payments under 3119
divisions (B), (C), and (D) of this section at the times the 3120
payments are to be made, the director of budget and management 3121
shall transfer from the general revenue fund to the school 3122
district tangible property tax replacement fund the difference 3123
between the total amount to be paid and the amount in the school 3124
district tangible property tax replacement fund. For each fiscal 3125
year after 2018, at the time payments under division (D) of this 3126
section are to be made, the director of budget and management 3127
shall transfer from the general revenue fund to the school 3128
district property tax replacement fund the amount necessary to 3129
make such payments. 3130

(G) On the fifteenth day of June of 2006 through 2011, the 3131
director of budget and management may transfer any balance in the 3132
school district tangible property tax replacement fund to the 3133
general revenue fund. At the end of fiscal years 2012 through 3134
2018, any balance in the school district tangible property tax 3135
replacement fund shall remain in the fund to be used in future 3136
fiscal years for school purposes. 3137

(H) If all of the territory of a school district or joint 3138

vocational school district is merged with another district, or if
a part of the territory of a school district or joint vocational
school district is transferred to an existing or newly created
district, the department of education, in consultation with the
tax commissioner, shall adjust the payments made under this
section as follows:

(1) For a merger of two or more districts, the machinery and
equipment, inventory, furniture and fixtures, and telephone
property fixed-rate levy losses and the fixed-sum levy losses of
the successor district shall be equal to the sum of the machinery
and equipment, inventory, furniture and fixtures, and telephone
property fixed-rate levy losses and debt levy losses as determined
in section 5751.20 of the Revised Code, for each of the districts
involved in the merger.

(2) If property is transferred from one district to a
previously existing district, the amount of machinery and
equipment, inventory, furniture and fixtures, and telephone
property tax value losses and fixed-rate levy losses that shall be
transferred to the recipient district shall be an amount equal to
the total machinery and equipment, inventory, furniture and
fixtures, and telephone property fixed-rate levy losses times a
fraction, the numerator of which is the value of business tangible
personal property on the land being transferred in the most recent
year for which data are available, and the denominator of which is
the total value of business tangible personal property in the
district from which the land is being transferred in the most
recent year for which data are available. For each of the first
five years after the property is transferred, but not after fiscal
year 2012, if the tax rate in the recipient district is less than
the tax rate of the district from which the land was transferred,
one-half of the payments arising from the amount of fixed-rate
levy losses so transferred to the recipient district shall be paid

to the recipient district and one-half of the payments arising 3171
from the fixed-rate levy losses so transferred shall be paid to 3172
the district from which the land was transferred. Fixed-rate levy 3173
losses so transferred shall be computed on the basis of the sum of 3174
the rates of fixed-rate qualifying levies of the district from 3175
which the land was transferred, notwithstanding division (D) of 3176
this section. 3177

(3) After December 31, 2004, if property is transferred from 3178
one or more districts to a district that is newly created out of 3179
the transferred property, the newly created district shall be 3180
deemed not to have any machinery and equipment, inventory, 3181
furniture and fixtures, or telephone property fixed-rate levy 3182
losses and the districts from which the property was transferred 3183
shall have no reduction in their machinery and equipment, 3184
inventory, furniture and fixtures, and telephone property 3185
fixed-rate levy losses. 3186

(4) If the recipient district under division (H)(2) of this 3187
section or the newly created district under divisions (H)(3) of 3188
this section is assuming debt from one or more of the districts 3189
from which the property was transferred and any of the districts 3190
losing the property had fixed-sum levy losses, the department of 3191
education, in consultation with the tax commissioner, shall make 3192
an equitable division of the fixed-sum levy loss reimbursements. 3193

Section 101.02. That existing sections 122.151, 125.021, 3194
126.02, 150.07, 173.27, 183.04, 183.05, 183.30, 3318.05, 3318.052, 3195
3318.06, 3318.08, 3318.18, 3318.36, 3702.72, 3702.73, 3702.81, 3196
3702.89, 3702.92, 5707.031, 5725.19, 5725.98, 5727.241, 5729.08, 3197
5729.98, 5733.01, 5733.49, 5733.98, 5747.80, 5747.98, 5751.20, and 3198
5751.21 of the Revised Code are hereby repealed. 3199

Section 201.10. All items in Sections 203.10 to 205.10 of 3200

this act are hereby appropriated as designated out of any moneys 3201
in the state treasury to the credit of the designated fund that 3202
are not otherwise appropriated. For all appropriations made in 3203
these sections, those in the first column are for fiscal year 2007 3204
and those in the second column are for fiscal year 2008. 3205

| | | | | | | | | |
|--|-------------------|----|-----------|--|-----------|------|-----------|------|
| Section 203.10. | | | | ADA DEPARTMENT OF ALCOHOL AND DRUG ADDICTION | 3206 | | | |
| SERVICES | | | | | 3207 | | | |
| Tobacco Master Settlement Agreement Fund Group | | | | | 3208 | | | |
| L87 038-403 | Urban Minority | \$ | 500,000 | \$ | 500,000 | 3209 | | |
| Alcoholism and Drug Abuse Outreach Programs | | | | | | | | |
| L87 038-405 | Juvenile Offender | \$ | 3,000,000 | \$ | 3,000,000 | 3210 | | |
| Aftercare Program | | | | | | | | |
| TOTAL TSF Tobacco Master Settlement Agreement Fund Group | | | | \$ | 3,500,000 | \$ | 3,500,000 | 3211 |
| TOTAL ALL BUDGET FUND GROUPS | | | | \$ | 3,500,000 | \$ | 3,500,000 | 3212 |

| | | | | | | | | |
|--|--------------------|----|---------|----------------------|-----------|------|---------|------|
| Section 203.20. | | | | AGO ATTORNEY GENERAL | 3214 | | | |
| Tobacco Master Settlement Agreement Fund Group | | | | | 3215 | | | |
| J87 055-635 | Law Enforcement | \$ | 620,000 | \$ | 0 | 3216 | | |
| Technology, Training, and Facility Enhancements | | | | | | | | |
| U87 055-402 | Tobacco Settlement | \$ | 673,797 | \$ | 723,797 | 3217 | | |
| Oversight, Administration, and Enforcement | | | | | | | | |
| TOTAL TSF Tobacco Master Settlement Agreement Fund Group | | | | \$ | 1,293,797 | \$ | 723,797 | 3218 |
| TOTAL ALL BUDGET FUND GROUPS | | | | \$ | 1,293,797 | \$ | 723,797 | 3219 |

| | | | | |
|--|-------------------------------|---------------|--|--|
| Section 203.30. | DEV DEPARTMENT OF DEVELOPMENT | | | 3221 |
| Tobacco Master Settlement Agreement Fund Group | | | | 3222 |
| M87 195-435 Biomedical Research | \$ 27,502,244 | \$ 21,416,437 | | 3223 |
| and Technology | | | | |
| Transfer | | | | |
| TOTAL TSF Tobacco Master Settlement Agreement Fund Group | \$ 27,502,244 | \$ 21,416,437 | | 3224 |
| TOTAL ALL BUDGET FUND GROUPS | \$ 27,502,244 | \$ 21,416,437 | | 3225 |
| | | | | |
| Section 203.40. | ETC ETECH OHIO | | | 3227 |
| Tobacco Master Settlement Agreement Fund Group | | | | 3228 |
| S87 935-602 Education Technology | \$ 4,350,000 | \$ 4,350,000 | | 3229 |
| Trust Fund | | | | |
| TOTAL TSF Tobacco Master Settlement Agreement Fund Group | \$ 4,350,000 | \$ 4,350,000 | | 3232 |
| TOTAL ALL BUDGET FUND GROUPS | \$ 4,350,000 | \$ 4,350,000 | | 3233 |
| | | | | |
| SCHOOLNET PLUS | | | | 3234 |
| The eTech Ohio Commission shall distribute SchoolNet Plus Grants to qualifying school districts in fiscal year 2007 and fiscal year 2008 to establish and equip at least one interactive computer workstation for each five children enrolled in the eighth grade as reported by the school district pursuant to division (A) of section 3317.03 of the Revised Code. | | | | 3235 3236 3237 3238 3239 3240 |
| Districts in the first two quartiles of wealth will receive up to \$128 per pupil for students in the targeted grade to purchase classroom computers. Districts in the third and fourth quartiles will receive up to \$82 per pupil in the targeted grade. If a district has met the state's goal of one computer to every five students in the targeted grade, the district may use the funds provided through SchoolNet Plus to purchase computers for | | | | 3241 3242 3243 3244 3245 3246 3247 |

successive grades or to fulfill educational technology needs in 3248
other grades as specified in the district's technology plan. 3249

Section 203.50. DOH DEPARTMENT OF HEALTH 3250

Tobacco Master Settlement Agreement Fund Group 3251

L87 440-404 Minority Health Care \$ 350,000 \$ 350,000 3252
Data Development

L87 440-409 Tuberculosis \$ 450,000 \$ 450,000 3253
Prevention and
Treatment

L87 440-410 Hepatitis C Prevention \$ 425,000 \$ 425,000 3254
and Intervention

L87 440-411 Dental Care Programs \$ 420,000 \$ 420,000 3255
for Minority and
Low-Income Populations

L87 440-412 Emergency Medications \$ 850,000 \$ 850,000 3256
and Oxygen for
Low-Income Seniors

L87 440-414 Uncompensated Care \$ 3,855,050 \$ 3,855,050 3257

L87 440-420 Childhood Lead WIC \$ 500,000 \$ 500,000 3258

L87 440-421 Infant Mortality \$ 266,000 \$ 266,000 3259
Reduction Initiative

L87 440-432 Pneumococcal Vaccines \$ 4,700,000 \$ 4,700,000 3260
for Children

S87 440-428 Automated External \$ 2,500,000 \$ 0 3261
Difibrillators

TOTAL TSF Tobacco Master 3262

Settlement Agreement Fund 3263

Group \$ 14,316,050 \$ 11,816,050 3264

TOTAL ALL BUDGET FUND GROUPS \$ 14,316,050 \$ 11,816,050 3265

AUTOMATED EXTERNAL DEFIBRILLATORS 3266

Notwithstanding section 183.28 of the Revised Code, the 3267

foregoing appropriation item 440-428, Automated External 3268
 Defibrillators, shall be used by the Department of Health for the 3269
 acquisition and placement of automated external defibrillators in 3270
 Ohio primary and secondary schools. 3271

The Department of Health shall, through a request for 3272
 proposal process in accordance with rule 123:5-1-08 of the 3273
 Administrative Code, use these funds to place automated external 3274
 defibrillators in primary and secondary schools. The grant 3275
 recipient shall not charge any school for the equipment costs 3276
 associated with the initial placement of an automated external 3277
 defibrillator. 3278

Section 203.60. MIH COMMISSION ON MINORITY HEALTH 3279

Tobacco Master Settlement Agreement Fund Group 3280

L87 149-402 Minority Health and \$ 1,090,000 \$ 1,090,000 3281
 Academic Partnership
 Grants

L87 149-403 Training and Capacity \$ 100,000 \$ 100,000 3282
 Building

TOTAL TSF Tobacco Master Settlement \$ 1,190,000 \$ 1,190,000 3283
 Agreement Fund Group

TOTAL ALL BUDGET FUND GROUPS \$ 1,190,000 \$ 1,190,000 3284

Section 203.70. DHS DEPARTMENT OF PUBLIC SAFETY 3286

Tobacco Master Settlement Agreement Fund Group 3287

L87 767-406 Under-Age Tobacco Use \$ 610,560 \$ 610,560 3288
 Enforcement

TOTAL TSF Tobacco Master Settlement \$ 610,560 \$ 610,560 3289
 Agreement Fund Group

TOTAL ALL BUDGET FUND GROUPS \$ 610,560 \$ 610,560 3290

Section 203.80. SOA SOUTHERN OHIO AGRICULTURAL AND COMMUNITY 3292

DEVELOPMENT FOUNDATION 3293

| | | | | |
|--|----|------------|--------------|------|
| Tobacco Master Settlement Agreement Fund Group | | | | 3294 |
| 5M9 945-601 Operating Expenses | \$ | 456,942 | \$ 475,220 | 3295 |
| K87 945-602 Southern Ohio | \$ | 13,150,375 | \$ 7,513,251 | 3296 |
| Agricultural and Community Development Foundation | | | | |
| TOTAL TSF Tobacco Master Settlement Agreement Fund Group | \$ | 13,607,317 | \$ 7,988,471 | 3299 |
| TOTAL ALL BUDGET FUND GROUPS | \$ | 13,607,317 | \$ 7,988,471 | 3300 |

Section 203.90. TAX DEPARTMENT OF TAXATION 3302

| | | | | |
|--|----|---------|------------|------|
| Tobacco Master Settlement Agreement Fund Group | | | | 3303 |
| T87 110-402 Tobacco Settlement | \$ | 328,034 | \$ 328,034 | 3304 |
| Enforcement | | | | |
| TOTAL TSF Tobacco Master Settlement | \$ | 328,034 | \$ 328,034 | 3305 |
| Agreement Fund Group | | | | |
| TOTAL ALL BUDGET FUND GROUPS | \$ | 328,034 | \$ 328,034 | 3306 |

Section 205.10. TUP TOBACCO USE PREVENTION AND CONTROL 3308

| | | | | |
|--|----|-----------|--------------|------|
| FOUNDATION | | | | 3309 |
| Tobacco Master Settlement Agreement Fund Group | | | | 3310 |
| 5M8 940-601 Operating Expenses | \$ | 1,659,091 | \$ 1,717,159 | 3311 |
| TOTAL TSF Tobacco Master Settlement | \$ | 1,659,091 | \$ 1,717,159 | 3312 |
| Agreement Fund Group | | | | |
| TOTAL ALL BUDGET FUND GROUPS | \$ | 1,659,091 | \$ 1,717,159 | 3313 |

Section 207.10. All items set forth in this section are 3315
hereby appropriated out of any moneys in the state treasury to the 3316
credit of the Education Facilities Trust Fund (Fund N87) that are 3317
not otherwise appropriated. 3318

Appropriations

| | | | | |
|----------------------------------|--|--|--|------|
| SFC SCHOOL FACILITIES COMMISSION | | | | 3319 |
|----------------------------------|--|--|--|------|

| | | | |
|---|----|-------------|------|
| CAP-780 Classroom Facilities Assistance Program | \$ | 648,500,000 | 3320 |
| Total School Facilities Commission | \$ | 648,500,000 | 3321 |
| TOTAL Education Facilities Trust Fund | \$ | 648,500,000 | 3322 |

Section 207.13. Section 207.10 of this act shall remain in 3324
full force and effect commencing on July 1, 2006, and terminating 3325
on June 30, 2008, for the purpose of drawing money from the state 3326
treasury in payment of liabilities lawfully incurred thereunder, 3327
and on June 30, 2008, and not before, the moneys appropriated 3328
thereby shall lapse into the funds from which they are severally 3329
appropriated. 3330

The appropriations made in Section 207.10 of this act are 3331
subject to all provisions of the capital appropriations act 3332
governing the 2006-2008 biennium that are generally applicable to 3333
such appropriations. Expenditures from appropriations contained in 3334
Section 207.10 of this act shall be accounted for as though made 3335
in the capital appropriations act governing the 2006-2008 3336
biennium. 3337

Section 209.10. All items set forth in this section are 3338
hereby appropriated in fiscal year 2007 for emergency repairs to 3339
Ohio Historical Society sites out of any moneys in the state 3340
treasury to the credit of the Cultural and Sports Facilities 3341
Building Fund (Fund 030) that are not otherwise appropriated: 3342

AFC CULTURAL FACILITIES COMMISSION 3343

| | | | |
|--|----|---------|------|
| CAP-745 Historic Sites and Museums | \$ | 400,000 | 3344 |
| Total Cultural Facilities Commission | \$ | 400,000 | 3345 |
| Total Cultural and Sports Facilities Building Fund | \$ | 400,000 | 3346 |

Section 209.11. The Treasurer of State is hereby authorized 3348
to issue and sell, in accordance with Section 2o of Article VII, 3349
Ohio Constitution, and pursuant to sections 151.01 and 151.40 of 3350

the Revised Code, original obligations in an aggregate principal 3351
amount not to exceed \$400,000, in addition to the original 3352
issuance of obligations heretofore authorized by prior acts of the 3353
General Assembly. These authorized obligations shall be issued and 3354
sold from time to time, subject to applicable constitutional and 3355
statutory limitations, as needed to ensure sufficient moneys to 3356
the credit of the Cultural and Sports Facilities Building Fund 3357
(Fund 030) to pay costs associated with emergency repairs to Ohio 3358
Historical Society sites. 3359

Section 303.03. PERSONAL SERVICE EXPENSES 3360

Unless otherwise prohibited by law, each appropriation in 3361
this act from which personal service expenses are paid shall bear 3362
the employer's share of public employees' retirement, workers' 3363
compensation, disabled workers' relief, and all group insurance 3364
programs; the costs of centralized accounting, centralized payroll 3365
processing, and related personnel reports and services; the cost 3366
of the Office of Collective Bargaining; the cost of the Personnel 3367
Board of Review; the cost of the Employee Assistance Program; the 3368
cost of the Equal Opportunity Center; the costs of interagency 3369
information management infrastructure; and the cost of 3370
administering the state employee merit system as required by 3371
section 124.07 of the Revised Code. Such costs shall be determined 3372
in conformity with appropriate sections of law and paid in 3373
accordance with procedures specified by the Office of Budget and 3374
Management. 3375

Section 303.06. REISSUANCE OF VOIDED WARRANTS 3376

In order to provide funds for the reissuance of voided 3377
warrants pursuant to section 117.47 of the Revised Code, there is 3378
hereby appropriated, out of moneys in the state treasury from the 3379
fund credited as provided in section 117.47 of the Revised Code, 3380

that amount sufficient to pay such warrants when approved by the 3381
Office of Budget and Management. 3382

Section 303.09. REAPPROPRIATION OF UNEXPENDED ENCUMBERED 3383
BALANCES OF OPERATING APPROPRIATIONS 3384

An unexpended balance of an operating appropriation or 3385
reappropriation that a state agency lawfully encumbered prior to 3386
the close of a fiscal year is reappropriated on the first day of 3387
July of the following fiscal year from the fund from which it was 3388
originally appropriated or reappropriated for the following period 3389
and shall remain available only for the purpose of discharging the 3390
encumbrance. 3391

(A) For an encumbrance for personal services, maintenance, 3392
equipment, or items for resale, other than an encumbrance for an 3393
item of special order manufacture not available on term contract 3394
or in the open market or for reclamation of land or oil and gas 3395
wells, for a period of not more than five months from the end of 3396
the fiscal year; 3397

(B) For an encumbrance for an item of special order 3398
manufacture not available on term contract or in the open market, 3399
for a period of not more than five months from the end of the 3400
fiscal year or, with the written approval of the Director of 3401
Budget and Management, for a period of not more than twelve months 3402
from the end of the fiscal year; 3403

(C) For an encumbrance for reclamation of land or oil and gas 3404
wells, for a period ending when the encumbered appropriation is 3405
expended or for a period of two years, whichever is less; 3406

(D) For an encumbrance for any other expense, for such period 3407
as the Director of Budget and Management approves, provided such 3408
period does not exceed two years. 3409

Any operating appropriations for which unexpended balances 3410

are reappropriated beyond a five-month period from the end of the 3411
fiscal year pursuant to division (B) of this section shall be 3412
reported to the Controlling Board by the Director of Budget and 3413
Management by the thirty-first day of December of each year. The 3414
report on each such item shall include the item, the cost of the 3415
item, and the name of the vendor. This report to the Controlling 3416
Board shall be updated on a quarterly basis for encumbrances 3417
remaining open. 3418

Upon the expiration of the reappropriation period set out in 3419
division (A), (B), (C), or (D) of this section, a reappropriation 3420
made pursuant to this section lapses, and the Director of Budget 3421
and Management shall cancel the encumbrance of the unexpended 3422
reappropriation not later than the end of the weekend following 3423
the expiration of the reappropriation period. 3424

Notwithstanding the preceding paragraph, with the approval of 3425
the Director of Budget and Management, an unexpended balance of an 3426
encumbrance that was reappropriated on the first day of July 3427
pursuant to this section for a period specified in division (C) or 3428
(D) of this section and that remains encumbered at the close of 3429
the fiscal biennium is hereby reappropriated pursuant to this 3430
section on the first day of July of the following fiscal biennium 3431
from the fund from which it was originally appropriated or 3432
reappropriated for the applicable period specified in division (C) 3433
or (D) of this section and shall remain available only for the 3434
purpose of discharging the encumbrance. 3435

If the Controlling Board approved a purchase, that approval 3436
remains in effect as long as the appropriation used to make that 3437
purchase remains encumbered. 3438

Section 403.05. That Sections 209.63.39 and 312.27 of Am. 3439
Sub. H.B. 66 of the 126th General Assembly be amended to read as 3440
follows: 3441

Sec. 209.63.39. ECONOMIC GROWTH CHALLENGE 3442

The foregoing appropriation item 235-433, Economic Growth 3443
Challenge, shall be used to enhance the basic research 3444
capabilities of Ohio's public and private institutions of higher 3445
education, support improved graduate programs throughout the 3446
state, and promote the transfer of technology developed by 3447
colleges and universities to private industry to further the 3448
economic goals of the state. 3449

Of the foregoing appropriation item 235-433, Economic Growth 3450
Challenge, \$18,000,000 in each fiscal year shall be used for the 3451
Research Incentive Program to enhance the basic research 3452
capabilities of public colleges and universities and accredited 3453
Ohio institutions of higher education holding certificates of 3454
authorization issued under section 1713.02 of the Revised Code, in 3455
order to strengthen academic research for pursuing Ohio's economic 3456
development goals. The Board of Regents, in consultation with the 3457
colleges and universities, shall administer the Research Incentive 3458
Program and utilize a means of matching, on a fractional basis, 3459
external funds attracted in the previous year by institutions for 3460
basic research. The program may include incentives for increasing 3461
the amount of external research funds coming to eligible 3462
institutions and for focusing research efforts upon critical state 3463
needs. Colleges and universities shall submit for review and 3464
approval to the Board of Regents plans for the institutional 3465
allocation of state dollars received through the program. The 3466
institutional plans shall provide the rationale for the allocation 3467
in terms of the strategic targeting of funds for academic and 3468
state purposes, for strengthening research programs, for 3469
increasing the amount of external research funds, and shall 3470
include an evaluation process to provide results of the increased 3471
support. Institutional plans for the use of Research Incentive 3472

funding must demonstrate a significant investment in Third 3473
Frontier activities funded at the institution. For a college or 3474
university with multiple Third Frontier grants, as much as ten per 3475
cent of that institution's Research Incentive funding may be 3476
invested in Third Frontier Project-related activities. Each 3477
institutional plan for the investment of Research Incentive moneys 3478
shall report on existing, planned, or possible relationships with 3479
other state science and technology programs and funding recipients 3480
in order to further ongoing statewide science and technology 3481
collaboration objectives. The Board of Regents shall submit a 3482
biennial report of progress to the General Assembly. 3483

In fiscal year 2006, ~~both those~~ all state-assisted ~~doctoral~~ 3484
doctor of philosophy degree-granting universities and those 3485
accredited Ohio institutions of higher education holding 3486
certificates of authorization under section 1713.02 of the Revised 3487
Code ~~electing to participate in the Innovation Incentive Program~~ 3488
shall initiate a comprehensive Innovation Incentive Plan designed 3489
to enhance doctoral programs and areas of research that have the 3490
greatest potential to attract preeminent researchers and build 3491
research capacity; enhance regional or state economic growth by 3492
creating new products and services to be commercialized; and 3493
complement Ohio's Third Frontier Project. 3494

Funding for the Innovation Incentive Program shall be 3495
generated from those state-assisted doctor of philosophy 3496
degree-granting universities ~~electing to set aside~~ reallocating a 3497
portion of their allocation of the current doctoral reserve as 3498
provided in appropriation item 235-501, State Share of 3499
Instruction, and state matching funds provided in appropriation 3500
item 235-433, Economic Growth Challenge. Additionally, those 3501
accredited Ohio institutions of higher education holding 3502
certificates of authorization under section 1713.02 of the Revised 3503
Code ~~electing to participate in the Innovation Incentive Program~~ 3504

shall be required to set aside an amount comparable to the 3505
state-assisted doctor of philosophy degree-granting universities. 3506
The criteria for the determination of this amount shall be 3507
developed by the Board of Regents. 3508

Of the foregoing appropriation item 235-433, Economic Growth 3509
Challenge, \$2,343,097 in fiscal year 2006 and \$4,686,194 in fiscal 3510
year 2007 shall ~~match funds set aside by the state-assisted~~ 3511
~~universities for the Innovation Incentive Program. The set aside~~ 3512
~~begins in fiscal year 2006 and is intended to increase~~ 3513
~~incrementally over a period of ten years with the goal of setting~~ 3514
~~aside a total of fifteen per cent of the doctoral reserve from~~ 3515
~~appropriation item 235-501, State Share of Instruction, by 2016.~~ 3516

The ~~be used by the~~ Board of Regents shall use the combined 3517
amount of each participating state-assisted university's set aside 3518
of the doctoral reserve that has been withheld, the state matching 3519
funds earmarked under appropriation item 235-433, Economic Growth 3520
Challenge, and the amount set aside by each accredited Ohio 3521
institution of higher education holding a certificate of 3522
authorization under section 1713.02 of the Revised Code electing 3523
to participate in the Innovation Incentive Program to make awards 3524
through a competitive process under the Innovation Incentive 3525
Program. Only universities electing to set aside the prescribed 3526
amount shall be eligible to compete for and receive Innovation 3527
Incentive awards. The participating universities shall use their 3528
internally reallocated funds and these competitive state-funded 3529
awards to restructure their array of ~~doctoral~~ doctor of philosophy 3530
degree-granting programs. 3531

After completion of a transition period during implementation 3532
of the Innovation Incentive Program, the Board of Regents may 3533
withhold up to 0.75 per cent in fiscal year 2006 and 1.5 per cent 3534
in fiscal year 2007 of a state-assisted doctor of philosophy 3535
degree-granting university's allocation of the current doctoral 3536

reserve if that university is not internally reallocating its 3537
allocation of the doctoral reserve or is not competing at an 3538
acceptable level with other participating universities according 3539
to the Innovation Incentive Program. The Board of Regents, in 3540
consultation with the participating universities and the Office of 3541
Budget and Management, shall develop guidelines for the length of 3542
the transition period and criteria for determining the acceptable 3543
level of competing in the Innovation Incentive Program. 3544

Of the foregoing appropriation item 235-433, Economic Growth 3545
Challenge, \$500,000 in fiscal year 2007 shall be distributed for 3546
the Technology Commercialization Incentive. The purpose of the 3547
Technology Commercialization Incentive is to reward public and 3548
private colleges and universities for successful technology 3549
transfer to Ohio-based business and industry resulting in the 3550
commercialization of new products, processes, and services and the 3551
establishment of new business start-ups within the state. The 3552
Third Frontier Commission, with counsel from the Third Frontier 3553
Advisory Board, shall establish the eligibility criteria for 3554
public and private colleges and universities interested in 3555
applying for Technology Commercialization Incentive funding. To 3556
qualify for the funds, public and private colleges and 3557
universities must maintain a significant investment in their own 3558
technology-transfer and commercialization operation and 3559
capabilities, and possess a significant history of successful 3560
research partnerships with Ohio-based business and industry. 3561

Sec. 312.27. TRANSFERS TO THE EDUCATION FACILITIES TRUST FUND 3562

Notwithstanding section 183.02 of the Revised Code, after all 3563
transfers from the Tobacco Master Settlement Agreement Fund (Fund 3564
087) to various other funds of cash that would have otherwise been 3565
transferred to the Tobacco Use Prevention and Cessation Trust Fund 3566
(Fund H87) in fiscal year 2006 have been made, the Director of 3567

Budget and Management shall transfer the remaining balance of the 3568
funds that would otherwise be transferred to the Tobacco Use 3569
Prevention and Cessation Trust Fund in fiscal year 2006 to the 3570
Education Facilities Trust Fund (Fund N87). 3571

Notwithstanding section 183.02 of the Revised Code and 3572
division (B)(3) of Section 206.27 of Am. Sub. H.B. 66 of the 126th 3573
General Assembly, after all transfers from the Tobacco Master 3574
Settlement Agreement Fund (Fund 087) to various other funds of 3575
cash that would have otherwise been transferred to the Tobacco Use 3576
Prevention and Cessation Trust Fund (Fund H87) in fiscal year 2007 3577
have been made, the Director of Budget and Management shall 3578
transfer the remaining balance of the funds that would otherwise 3579
be transferred to the Tobacco Use Prevention and Cessation Trust 3580
Fund in fiscal year 2007 to the Education Facilities Trust Fund 3581
(Fund N87). 3582

Section 403.06. That existing Sections 209.63.39 and 312.27 3583
of Am. Sub. H.B. 66 of the 126th General Assembly are hereby 3584
repealed. 3585

Section 403.07. That Section 209.63.57 of Am. Sub. H.B. 66 of 3586
the 126th General Assembly, as amended by Sub. H.B. 478 of the 3587
126th General Assembly, be amended to read as follows: 3588

Sec. 209.63.57. STATE SHARE OF INSTRUCTION 3589

As soon as practicable during each fiscal year of the 3590
biennium ending June 30, 2007, in accordance with instructions of 3591
the Board of Regents, each state-assisted institution of higher 3592
education shall report its actual enrollment to the Board of 3593
Regents. 3594

The Board of Regents shall establish procedures required by 3595
the system of formulas set out below and for the assignment of 3596

individual institutions to categories described in the formulas. 3597
The system of formulas establishes the manner in which aggregate 3598
expenditure requirements shall be determined for each of the three 3599
components of institutional operations. In addition to other 3600
adjustments and calculations described below, the subsidy 3601
entitlement of an institution shall be determined by subtracting 3602
from the institution's aggregate expenditure requirements income 3603
to be derived from the local contributions assumed in calculating 3604
the subsidy entitlements. The local contributions for purposes of 3605
determining subsidy support shall not limit the authority of the 3606
individual boards of trustees to establish fee levels. 3607

The General Studies and Technical models shall be adjusted by 3608
the Board of Regents so that the share of state subsidy earned by 3609
those models is not altered by changes in the overall local share. 3610
A lower-division fee differential shall be used to maintain the 3611
relationship that would have occurred between these models and the 3612
baccalaureate models had an assumed share of 37.5 per cent been 3613
funded. 3614

In defining the number of full-time equivalent (FTE) students 3615
for state subsidy purposes, the Board of Regents shall exclude all 3616
undergraduate students who are not residents of Ohio, except those 3617
charged in-state fees in accordance with reciprocity agreements 3618
made under section 3333.17 of the Revised Code or employer 3619
contracts entered into under section 3333.32 of the Revised Code. 3620

(A) AGGREGATE EXPENDITURE PER FULL-TIME EQUIVALENT STUDENT 3621

(1) INSTRUCTION AND SUPPORT SERVICES 3622

| MODEL | FY 2006 | FY 2007 | |
|---------------------|----------|----------|------|
| General Studies I | \$ 4,655 | \$ 4,655 | 3623 |
| General Studies II | \$ 5,135 | \$ 5,135 | 3624 |
| General Studies III | \$ 6,365 | \$ 6,365 | 3625 |
| Technical I | \$ 5,926 | \$ 5,926 | 3626 |

| | | | |
|------------------------------|----------|----------|------|
| Technical III | \$ 9,107 | \$ 9,107 | 3628 |
| Baccalaureate I | \$ 7,160 | \$ 7,160 | 3629 |
| Baccalaureate II | \$ 8,235 | \$ 8,235 | 3630 |
| Baccalaureate III | \$11,841 | \$11,841 | 3631 |
| Masters and Professional I | \$19,088 | \$19,088 | 3632 |
| Masters and Professional II | \$20,984 | \$20,984 | 3633 |
| Masters and Professional III | \$27,234 | \$27,234 | 3634 |
| Medical I | \$29,143 | \$29,143 | 3635 |
| Medical II | \$37,172 | \$37,172 | 3636 |
| MPD I | \$13,645 | \$13,645 | 3637 |

(2) STUDENT SERVICES 3638

For this purpose, FTE counts shall be weighted to reflect 3639
differences among institutions in the numbers of students enrolled 3640
on a part-time basis. The student services subsidy per FTE shall 3641
be \$890 in each fiscal year for all models. 3642

(B) PLANT OPERATION AND MAINTENANCE (POM) 3643

(1) DETERMINATION OF THE SQUARE-FOOT-BASED POM SUBSIDY 3644

Space undergoing renovation shall be funded at the rate 3645
allowed for storage space. 3646

In the calculation of square footage for each campus, square 3647
footage shall be weighted to reflect differences in space 3648
utilization. 3649

The space inventories for each campus shall be those 3650
determined in the fiscal year 2003 state share of instruction 3651
calculation, adjusted for changes attributable to the construction 3652
or renovation of facilities for which state appropriations were 3653
made or local commitments were made prior to January 1, 1995. 3654

Only 50 per cent of the space permanently taken out of 3655
operation in fiscal year 2006 or fiscal year 2007 that is not 3656
otherwise replaced by a campus shall be deleted from the plant 3657

operation and maintenance space inventory. 3658

The square-foot-based plant operation and maintenance subsidy 3659
for each campus shall be determined as follows: 3660

(a) For each standard room type category shown below, the 3661
subsidy-eligible net assignable square feet (NASF) for each campus 3662
shall be multiplied by the following rates, and the amounts summed 3663
for each campus to determine the total gross square-foot-based POM 3664
expenditure requirement: 3665

| | FY 2006 | FY 2007 | |
|------------------------------|---------|---------|------|
| Classrooms | \$5.86 | \$5.86 | 3666 |
| Laboratories | \$7.31 | \$7.31 | 3667 |
| Offices | \$5.86 | \$5.86 | 3668 |
| Audio Visual Data Processing | \$7.31 | \$7.31 | 3669 |
| Storage | \$2.59 | \$2.59 | 3670 |
| Circulation | \$7.39 | \$7.39 | 3671 |
| Other | \$5.86 | \$5.86 | 3672 |

(b) The total gross square-foot POM expenditure requirement 3673
shall be allocated to models in proportion to each campus's 3674
activity-based POM weight multiplied by the two- or five-year 3675
average subsidy-eligible FTEs for all models. 3676

(c) The amounts allocated to models in division (B)(1)(b) of 3677
this section shall be multiplied by the ratio of subsidy-eligible 3678
FTE students to total FTE students reported in each model, and the 3679
amounts summed for all models. To this total amount shall be added 3680
an amount to support roads and grounds expenditures, which shall 3681
also be multiplied by the ratio of subsidy-eligible FTE students 3682
to total FTEs reported for each model. From this total amount, the 3683
amounts for Doctoral I and Doctoral II shall be subtracted to 3684
produce the square-foot-based POM subsidy. 3685

(2) DETERMINATION OF THE ACTIVITY-BASED POM SUBSIDY 3686

(a) The number of subsidy-eligible FTE students in each model 3687

| | | | |
|---|---------|---------|------|
| shall be multiplied by the following rates for each campus for | | | 3689 |
| each fiscal year. | | | 3690 |
| | FY 2006 | FY 2007 | 3691 |
| General Studies I | \$ 512 | \$ 512 | 3692 |
| General Studies II | \$ 662 | \$ 662 | 3693 |
| General Studies III | \$1,464 | \$1,464 | 3694 |
| Technical I | \$ 752 | \$ 752 | 3695 |
| Technical III | \$1,343 | \$1,343 | 3696 |
| Baccalaureate I | \$ 639 | \$ 639 | 3697 |
| Baccalaureate II | \$1,149 | \$1,149 | 3698 |
| Baccalaureate III | \$1,262 | \$1,262 | 3699 |
| Masters and Professional I | \$1,258 | \$1,258 | 3700 |
| Masters and Professional II | \$2,446 | \$2,446 | 3701 |
| Masters and Professional III | \$3,276 | \$3,276 | 3702 |
| Medical I | \$1,967 | \$1,967 | 3703 |
| Medical II | \$3,908 | \$3,908 | 3704 |
| MPD I | \$1,081 | \$1,081 | 3705 |
| (b) The sum of the products for each campus determined in | | | 3706 |
| division (B)(2)(a) of this section for all models except Doctoral | | | 3707 |
| I and Doctoral II for each fiscal year shall be weighted by a | | | 3708 |
| factor to reflect sponsored research activity and job | | | 3709 |
| training-related public services expenditures to determine the | | | 3710 |
| total activity-based POM subsidy. | | | 3711 |
| (C) CALCULATION OF CORE SUBSIDY ENTITLEMENTS AND ADJUSTMENTS | | | 3712 |
| (1) CALCULATION OF CORE SUBSIDY ENTITLEMENTS | | | 3713 |
| The calculation of the core subsidy entitlement shall consist | | | 3714 |
| of the following components: | | | 3715 |
| (a) For each campus in each fiscal year, the core subsidy | | | 3716 |
| entitlement shall be determined by multiplying the amounts listed | | | 3717 |
| above in divisions (A)(1) and (2) and (B)(2) of this section less | | | 3718 |
| assumed local contributions, by (i) average subsidy-eligible FTEs | | | 3719 |

for the two-year period ending in the prior year for all models 3720
except Doctoral I and Doctoral II; and (ii) average 3721
subsidy-eligible FTEs for the five-year period ending in the prior 3722
year for all models except Doctoral I and Doctoral II. 3723

(b) In calculating the core subsidy entitlements for Medical 3724
II models only, the Board of Regents shall use the following count 3725
of FTE students: 3726

(i) For those medical schools whose current year enrollment, 3727
including students repeating terms, is below the base enrollment, 3728
the Medical II FTE enrollment shall equal: 65 per cent of the base 3729
enrollment plus 35 per cent of the current year enrollment 3730
including students repeating terms, where the base enrollment is: 3731

| | | |
|---|------|------|
| The Ohio State University | 1010 | 3732 |
| University of Cincinnati | 833 | 3733 |
| University of Toledo | 650 | 3734 |
| Wright State University | 433 | 3735 |
| Ohio University | 433 | 3736 |
| Northeastern Ohio Universities College of Medicine | 433 | 3737 |

(ii) For those medical schools whose current year enrollment, 3738
excluding students repeating terms, is equal to or greater than 3739
the base enrollment, the Medical II FTE enrollment shall equal the 3740
base enrollment plus the FTE for repeating students. 3741

(iii) Students repeating terms may be no more than five per 3742
cent of current year enrollment. 3743

(c) The Board of Regents shall compute the sum of the two 3744
calculations listed in division (C)(1)(a) of this section and use 3745
the greater sum as the core subsidy entitlement. 3746

The POM subsidy for each campus shall equal the greater of 3747
the square-foot-based subsidy or the activity-based POM subsidy 3748
component of the core subsidy entitlement. 3749

(d) The state share of instruction provided for doctoral students shall be based on a fixed percentage of the total appropriation. In each fiscal year of the biennium not more than 10.34 per cent of the total state share of instruction shall be reserved to implement the recommendations of the Graduate Funding Commission. It is the intent of the General Assembly that the doctoral reserve not exceed 10.34 per cent of the total state share of instruction to implement the recommendations of the Graduate Funding Commission. The Board of Regents may reallocate up to two per cent in each fiscal year of the reserve among the state-assisted universities on the basis of a quality review as specified in the recommendations of the Graduate Funding Commission. No such reallocation shall occur unless the Board of Regents, in consultation with representatives of state-assisted universities, determines that sufficient funds are available for this purpose.

The amount so reserved shall be allocated to universities in proportion to their share of the total number of Doctoral I equivalent FTEs as calculated on an institutional basis using the greater of the two-year or five-year FTEs for the period fiscal year 1994 through fiscal year 1998 with annualized FTEs for fiscal years 1994 through 1997 and all-term FTEs for fiscal year 1998 as adjusted to reflect the effects of doctoral review and subsequent changes in Doctoral I equivalent enrollments. For the purposes of this calculation, Doctoral I equivalent FTEs shall equal the sum of Doctoral I FTEs plus 1.5 times the sum of Doctoral II FTEs.

~~If a Each doctor of philosophy degree-granting university participates in the Innovation Incentive Program outlined in appropriation item 235-433, Economic Growth Challenge, then the Board of Regents shall withhold internally reallocate 1.5 per cent in fiscal year 2006 and three per cent in fiscal year 2007 of the participating university's its allocation of the doctoral reserve~~

for the Innovation Incentive Program outlined in Section 209.63.39 3782
of Am. Sub. H.B. 66 of the 126th General Assembly. This 3783
withholding internal reallocation is intended to increase 3784
incrementally with a goal of ~~setting aside~~ internally reallocating 3785
15 per cent of the total doctoral reserve by fiscal year 2016. 3786

~~The Board of Regents shall use the combined amount of each~~ 3787
~~participating state assisted university's set aside of the~~ 3788
~~doctoral reserve that has been withheld, the state matching funds~~ 3789
~~earmarked under appropriation item 235-433, Economic Growth~~ 3790
~~Challenge, and the amount set aside by each accredited Ohio~~ 3791
~~institution of higher education holding a certificate of~~ 3792
~~authorization under section 1713.02 of the Revised Code electing~~ 3793
~~to participate in the Innovation Incentive Program to make awards~~ 3794
~~through a competitive process under the Innovation Incentive~~ 3795
~~Program. Only universities electing to set aside the prescribed~~ 3796
~~amount shall be eligible to compete for and receive Innovation~~ 3797
~~Incentive awards. The participating universities shall use these~~ 3798
~~awards to restructure their array of doctoral programs.~~ 3799

(2) ANNUAL STATE SHARE OF INSTRUCTION FUNDING STOP LOSS 3800

In addition to and after the other adjustment noted above, in 3801
each fiscal year, no campus shall receive a state share of 3802
instruction allocation that is less than 97 per cent of the prior 3803
year's state share of instruction amount. 3804

(3) REDUCTIONS IN EARNINGS 3805

If the total state share of instruction earnings in any 3806
fiscal year exceeds the total appropriations available for such 3807
purposes, the Board of Regents shall proportionately reduce the 3808
state share of instruction earnings for all campuses by a uniform 3809
percentage so that the system wide sum equals available 3810
appropriations. 3811

(4) CAPITAL COMPONENT DEDUCTION 3812

After all other adjustments have been made, state share of 3813
instruction earnings shall be reduced for each campus by the 3814
amount, if any, by which debt service charged in Am. H.B. 748 of 3815
the 121st General Assembly, Am. Sub. H.B. 850 of the 122nd General 3816
Assembly, Am. Sub. H.B. 640 of the 123rd General Assembly, H.B. 3817
675 of the 124th General Assembly, and Am. Sub. H.B. 16 of the 3818
126th General Assembly for that campus exceeds that campus's 3819
capital component earnings. The sum of the amounts deducted shall 3820
be transferred to appropriation item 235-552, Capital Component, 3821
in each fiscal year. 3822

(D) EXCEPTIONAL CIRCUMSTANCES 3823

Adjustments may be made to the state share of instruction 3824
payments and other subsidies distributed by the Board of Regents 3825
to state-assisted colleges and universities for exceptional 3826
circumstances. No adjustments for exceptional circumstances may be 3827
made without the recommendation of the Chancellor and the approval 3828
of the Controlling Board. 3829

(E) MID-YEAR APPROPRIATION REDUCTIONS TO THE STATE SHARE OF 3830
INSTRUCTION 3831

The standard provisions of the state share of instruction 3832
calculation as described in the preceding sections of temporary 3833
law shall apply to any reductions made to appropriation item 3834
235-501, State Share of Instruction, before the Board of Regents 3835
has formally approved the final allocation of the state share of 3836
instruction funds for any fiscal year. 3837

Any reductions made to appropriation item 235-501, State 3838
Share of Instruction, after the Board of Regents has formally 3839
approved the final allocation of the state share of instruction 3840
funds for any fiscal year, shall be uniformly applied to each 3841
campus in proportion to its share of the final allocation. 3842

(F) DISTRIBUTION OF STATE SHARE OF INSTRUCTION 3843

The state share of instruction payments to the institutions 3844
shall be in substantially equal monthly amounts during the fiscal 3845
year, unless otherwise determined by the Director of Budget and 3846
Management pursuant to section 126.09 of the Revised Code. 3847
Payments during the first six months of the fiscal year shall be 3848
based upon the state share of instruction appropriation estimates 3849
made for the various institutions of higher education according to 3850
Board of Regents enrollment estimates. Payments during the last 3851
six months of the fiscal year shall be distributed after approval 3852
of the Controlling Board upon the request of the Board of Regents. 3853

(G) LAW SCHOOL SUBSIDY 3854

The state share of instruction to state-supported 3855
universities for students enrolled in law schools in fiscal year 3856
2006 and fiscal year 2007 shall be calculated by using the number 3857
of subsidy-eligible FTE law school students funded by state 3858
subsidy in fiscal year 1995 or the actual number of 3859
subsidy-eligible FTE law school students at the institution in the 3860
fiscal year, whichever is less. 3861

(H) FUNDS REQUIRING CONTROLLING BOARD APPROVAL 3862

Of the foregoing appropriation item 235-501, State Share of 3863
Instruction, \$30,000,000 in fiscal year 2007 shall not be 3864
disbursed without approval of the Controlling Board. Within ten 3865
days after the issuance of the report of the Higher Education 3866
Funding Study Council required by Section 209.63.58 of Am. Sub. 3867
H.B. 66 of the 126th General Assembly, the Board of Regents shall 3868
seek the Controlling Board's approval to disburse the \$30,000,000 3869
appropriation. 3870

Section 403.08. That existing Section 209.63.57 of Am. Sub. 3871
H.B. 66 of the 126th General Assembly, as amended by Sub. H.B. 478 3872
of the 126th General Assembly, is hereby repealed. 3873

Section 403.11. That Section 203.09 of Am. Sub. H.B. 66 of 3874
the 126th General Assembly, as amended by Am. Sub. H.B. 530 of the 3875
126th General Assembly, be amended to read as follows: 3876

| | | | | |
|--|------------------------|---------------|-----------------------|------|
| Sec. 203.09. ADJ ADJUTANT GENERAL | | | | 3877 |
| General Revenue Fund | | | | 3878 |
| GRF 745-401 | Ohio Military Reserve | \$ 15,188 | \$ 15,188 | 3879 |
| GRF 745-404 | Air National Guard | \$ 1,939,762 | 1,939,762 | 3880 |
| | | | <u>2,107,749</u> | |
| GRF 745-407 | National Guard | \$ 1,400,000 | \$ 1,400,000 | 3881 |
| Benefits | | | | |
| GRF 745-409 | Central Administration | \$ 3,949,590 | 3,949,590 | 3882 |
| | | | <u>4,317,660</u> | |
| GRF 745-499 | Army National Guard | \$ 4,086,222 | 4,086,222 | 3883 |
| | | | <u>4,820,165</u> | |
| GRF 745-502 | Ohio National Guard | \$ 102,973 | \$ 102,973 | 3884 |
| Unit Fund | | | | |
| TOTAL GRF | General Revenue Fund | \$ 11,493,735 | 11,493,735 | 3885 |
| | | | <u>12,763,735</u> | |
| General Services Fund Group | | | | 3886 |
| 534 745-612 | Armory Improvements | \$ 534,304 | \$ 534,304 | 3887 |
| 536 745-620 | Camp Perry/Buckeye Inn | \$ 1,094,970 | \$ 1,094,970 | 3888 |
| Operations | | | | |
| 537 745-604 | Ohio National Guard | \$ 219,826 | \$ 219,826 | 3889 |
| Facility Maintenance | | | | |
| TOTAL GSF | General Services Fund | \$ 1,849,100 | \$ 1,849,100 | 3890 |
| Group | | | | |
| Federal Special Revenue Fund Group | | | | 3891 |
| 3E8 745-628 | Air National Guard | \$ 12,174,760 | \$ 12,174,760 | 3892 |
| Agreement | | | | |
| 3R8 745-603 | Counter Drug | \$ 25,000 | \$ 25,000 | 3893 |

| | | | | | | |
|--|---------|---------------------|----|------------|----|----------------------------|
| | | Operations | | | | |
| 341 | 745-615 | Air National Guard | \$ | 2,424,740 | \$ | 2,424,740 3894 |
| | | Base Security | | | | |
| 342 | 745-616 | Army National Guard | \$ | 8,686,893 | \$ | 8,686,893 3895 |
| | | Agreement | | | | |
| TOTAL FED | Federal | Special Revenue | \$ | 23,311,393 | \$ | 23,311,393 3896 |
| Fund Group | | | | | | |
| State Special Revenue Fund Group | | | | | | 3897 |
| 5DN | 745-618 | Service Medal | \$ | 1,500 | \$ | 0 3898 |
| | | Production | | | | |
| 5U8 | 745-613 | Community Match | \$ | 90,000 | \$ | 91,800 3899 |
| | | Armories | | | | |
| 528 | 745-605 | Marksmanship | \$ | 126,078 | \$ | 128,600 3900 |
| | | Activities | | | | |
| TOTAL SSR | State | Special Revenue | \$ | 217,578 | \$ | 220,400 3901 |
| Fund Group | | | | | | |
| TOTAL ALL BUDGET | FUND | GROUPS | \$ | 36,871,806 | \$ | 36,874,628 3902 |
| | | | | | | <u>38,144,628</u> |
| NATIONAL GUARD BENEFITS | | | | | | 3903 |
| The foregoing appropriation item 745-407, National Guard | | | | | | 3904 |
| Benefits, shall be used for purposes of sections 5919.31 and | | | | | | 3905 |
| 5919.33 of the Revised Code, and for administrative costs of the | | | | | | 3906 |
| associated programs. | | | | | | 3907 |
| For active duty members of the Ohio National Guard who died | | | | | | 3908 |
| after October 7, 2001, while performing active duty, the death | | | | | | 3909 |
| benefit, pursuant to section 5919.33 of the Revised Code, shall be | | | | | | 3910 |
| paid to the beneficiary or beneficiaries designated on the | | | | | | 3911 |
| member's Servicemembers' Group Life Insurance Policy. | | | | | | 3912 |
| STATE ACTIVE DUTY COSTS | | | | | | 3913 |
| Of the foregoing appropriation item 745-409, Central | | | | | | 3914 |
| Administration, \$50,000 in each fiscal year shall be used for the | | | | | | 3915 |

purpose of paying expenses related to state active duty of members 3916
of the Ohio organized militia, in accordance with a proclamation 3917
of the Governor. Expenses include, but are not limited to, the 3918
cost of equipment, supplies, and services, as determined by the 3919
Adjutant General's Department. 3920

NATIONAL GUARD SERVICE MEDAL PRODUCTION 3921

The foregoing appropriation item 745-618, Service Medal 3922
Production, shall be used to cover costs of production of the 3923
Commemorative National Guard Service Medal pursuant to section 3924
5919.19 of the Revised Code. 3925

CASH TRANSFER TO NATIONAL GUARD SERVICE MEDAL FUND 3926

At the request of the Adjutant General, the Director of 3927
Budget and Management may transfer up to \$1,500 cash from the 3928
General Revenue Fund to the National Guard Service Medal Fund 3929
(Fund 5DN) in fiscal year 2006. 3930

Section 403.12. That existing Section 203.09 of Am. Sub. H.B. 3931
66 of the 126th General Assembly, as amended by Am. Sub. H.B. 530 3932
of the 126th General Assembly, is hereby repealed. 3933

Section 483.03. (A) Pursuant to section 5911.10 of the 3934
Revised Code, the Governor is hereby authorized to execute a deed 3935
in the name of the state conveying to a buyer or buyers to be 3936
determined in the manner provided in division (C) of this section, 3937
and the buyer's or buyers' successors and assigns or heirs and 3938
assigns, all of the state's right, title, and interest in the 3939
following described parcel of real estate that the Adjutant 3940
General has determined is no longer required for armory or 3941
military purposes: 3942

Situated in Section 36, Township 2, Range 1, in the Township of 3943
Steubenville, County of Jefferson and State of Ohio, and more 3944

particularly described as follows. Beginning at a stake 54.37 feet 3945
eastwardly from the southeast corner of the intersection of 3946
Franklin Avenue with Jacksonville Road now known as Brady Avenue. 3947
Thence with the south line of Franklin Avenue N. 69 degrees 52' 3948
west 29.37 feet to the P.C. of a curve having a central angle of 3949
64 degrees 37'; thence in an arc of a circle a distance of 44.52 3950
feet to the P.T. of said curve; thence south 45 degrees 31' west 3951
with the east line of Brady Avenue 356.99 feet to the P.C. of a 3952
curve having a central angle of 129 degrees 14'; thence in an arc 3953
of a circle a distance of 42.73 feet to the P.T. of said curve; 3954
thence south 83 degrees 43' east with north line of Pershing 3955
Avenue 280.17 feet to a 15 foot alley; thence with the west line 3956
of said alley north 6 degrees 17' east 303.03 feet to the place of 3957
beginning. Containing 1.678 Acres more of less, but subject to all 3958
legal highways, and saving, excepting and reserving from the above 3959
described real estate, all the coal underlying the same, with the 3960
right to mine and remove the same by means of approaches from 3961
other lands. 3962

(B) At the request of the Adjutant General, the Director of 3963
Administrative Services, pursuant to the procedures described in 3964
division (C) of this section, shall assist in the sale of the 3965
parcel described in division (A) of this section. 3966

(C) The Adjutant General shall appraise the parcel described 3967
in division (A) of this section or have it appraised by one of 3968
more disinterested persons for a fee to be determined by the 3969
Adjutant General, and shall offer the parcel for sale as follows: 3970

(1) The Adjutant General first shall offer the parcel for 3971
sale at its appraised value to the township in which it is 3972
located. 3973

(2) If, after sixty days, the township has not accepted the 3974
offer to purchase the parcel at its appraised value or has 3975

accepted the offer but has failed to complete the purchase, the 3976
Adjutant General shall offer the parcel for sale at its appraised 3977
value to the county in which it is located. 3978

(3) If, after sixty days, the county has not accepted the 3979
offer to purchase the parcel at its appraised value or has 3980
accepted the offer but has failed to complete the purchase, a 3981
public auction shall be held, and the parcel shall be sold to the 3982
highest bidder at a price acceptable to the Adjutant General. The 3983
Adjutant General may reject any and all bids for any reason 3984
whatsoever. 3985

The Adjutant General shall advertise each public auction in a 3986
newspaper of general circulation within the county in which the 3987
parcel is located once a week for two consecutive weeks before the 3988
date of the auction. 3989

The terms of sale of a parcel at a public auction shall be 3990
payment of ten per cent of the purchase price, as bid by the 3991
highest bidder, in cash, bank draft, or certified check on the 3992
date of sale, with the balance payable within sixty days after the 3993
date of sale. A purchaser who does not timely complete the 3994
conditions of the sale as prescribed in this section shall forfeit 3995
to the state the ten per cent of the purchase price paid on the 3996
date of the sale as liquidated damages. 3997

If the purchase is not completed and the sale is voided, the 3998
Adjutant General may sell the parcel to the second highest bidder 3999
at the public auction held pursuant to this section. 4000

(D) Advertising costs, appraisal fees, and other costs of the 4001
sale of the parcels described in division (A) of this section 4002
shall be paid by the Adjutant General's Department. 4003

(E) Upon the payment of ten per cent of the purchase price of 4004
the parcel described in division (A) of this section in accordance 4005
with division (C)(3) of this section, or upon notice from the 4006

Adjutant General's Department that the parcel of real estate 4007
described in division (A) of this section has been sold to a 4008
township or county in accordance with division (C) of this 4009
section, a deed shall be prepared for that parcel by the Auditor 4010
of State, with the assistance of the Attorney General, be executed 4011
by the Governor, countersigned by the Secretary of State, sealed 4012
with the Great Seal of the State, and presented for recording in 4013
the Office of the Auditor of State. Upon the grantee's payment of 4014
the balance of the purchase price, the deed shall be delivered to 4015
the grantee. The grantee shall present the deed for recording in 4016
the office of the Jefferson County Recorder. 4017

(F) The net proceeds of the sale of the parcel described in 4018
division (A) of this section shall be deposited in the State 4019
Treasury to the credit of the Armory Improvements Fund pursuant to 4020
section 5911.10 of the Revised Code. 4021

(G) If the parcel of real estate described in division (A) of 4022
this section is sold to a township or county and that political 4023
subdivision sells that parcel within two years after its purchase, 4024
the political subdivision shall pay to the state, for deposit in 4025
the state treasury to the credit of the Armory Improvements Fund 4026
pursuant to section 5911.10 of the Revised Code, an amount 4027
representing one-half of any net profit derived from that 4028
subsequent sale. The net profit shall be computed by first 4029
subtracting the price at which the political subdivision bought 4030
the parcel from the price at which the political subdivision sold 4031
the parcel, and then subtracting from that remainder the amount of 4032
any expenditures the political subdivision made for improvements 4033
to the parcel. 4034

(H) This section shall expire five years after its effective 4035
date. 4036

Section 483.04. (A) Pursuant to section 5911.10 of the 4037

Revised Code, the Governor is hereby authorized to execute a deed 4038
in the name of the state conveying to The Ohio State University, 4039
and its successors and assigns, all of the state's right, title, 4040
and interest in the following described real estate that the 4041
Adjutant General has determined is no longer required for armory 4042
or military purposes: 4043

Situated in the County of Franklin, Township of Perry, State of 4044
Ohio: 4045

and being part of Section #4, Township #2, Range #19, United 4046
States Military lands, more particularly bounded and described as 4047
follows: 4048

Beginning at an iron pin; said iron pin being S. 86 degrees 44 4049
minutes E., a distance of 60.10 feet from the southeast corner of 4050
a 25 Acre Tract of land deeded to Frank C. and Marguerite H. 4051
Norris by Warranty Deed, filed for record in Deed Book #1336, Page 4052
#376, Recorder's Office, Franklin County, Ohio; thence N. 2 4053
degrees 46 minutes E., a distance of 1179.80 feet to an iron pin; 4054
thence S. 86 degrees 49 minutes E., a distance of 295.96 feet to 4055
an iron pin; thence S. 2 degrees 47 minutes W., a distance of 4056
1180.24 feet to an iron pin; thence N. 86 degrees 44 minutes W., a 4057
distance of 295.74 feet (passing an iron pin at 34.58 feet) to the 4058
place of beginning containing 8.017 acres, more or less, but 4059
subject to all legal highways or easements of previous records. 4060

(B) Consideration for the conveyance of the real estate 4061
described in division (A) of this section is a purchase price, 4062
acceptable to the Adjutant General, based on the real estate's 4063
fair market value. 4064

(C) Upon payment of the purchase price, the Auditor of State, 4065
with the assistance of the Attorney General, shall prepare a deed 4066
to the real estate described in division (A) of this section. The 4067
deed shall state the consideration. The deed shall be executed by 4068

the Governor in the name of the state, countersigned by the
Secretary of State, sealed with the Great Seal of the State, and
presented for recording in the Office of the Auditor of State. The
Ohio State University shall present the deed for recording in the
office of the Franklin County Recorder.

(D) The net proceeds of the sale of the real estate described
in division (A) of this section shall be deposited in the State
Treasury to the credit of the Armory Improvements Fund pursuant to
section 5911.10 of the Revised Code.

(E) The Ohio State University shall pay the costs of the
conveyance described in division (A) of this section.

(F) This section shall expire two years after its effective
date.

Section 483.05. (A) The sale provisions specified in Section
2 of Am. Sub. S.B. 234 of the 125th General Assembly do not apply
to Parcel No. 10, Chillicothe Armory; instead, pursuant to section
5911.10 of the Revised Code, the Governor is hereby authorized to
execute a deed in the name of the state, conveying to the City of
Chillicothe, and its successors and assigns, all of the state's
right, title, and interest in the following described real estate:

Chillicothe Armory - Volume 201, Page 177, Ross County Deed
Records

Situate in the City Park in the City of Chillicothe, County
of Ross, and State of Ohio, be, and the same is hereby donated to
the State of Ohio: - Beginning at a point 628.88' on the center
line of Paint Street extended, (which has a bearing of N. 11
degrees 8 minutes W.) from the intersection of the North property
line of Riverside Street with the centerline of Paint Street;
thence N. 28 degrees 46 minutes E. 102.73' to a stake; thence N.
14 degrees 20 minutes W. 300' to a stake in the south side of a

cinder path; thence with the path S. 82 degrees 40 minutes W. 4099
201.50' to a stake; thence S. 14 degrees 20 minutes E. 324.56' to 4100
a stake near the north side of the Park roadway; thence S. 47 4101
degrees 43 minutes E. 150.20' to a steel flag pole in the concrete 4102
foundation of the Park cannon; thence N. 28 degrees 46 minutes E. 4103
69.02' to the beginning, containing 1.67 acres of land more or 4104
less. 4105

(B) Consideration for the conveyance of the real estate 4106
described in division (A) of this section is the complete and 4107
usable sewer system connecting to the National Guard Readiness 4108
Center at Camp Sherman, including any tap in-fees or other fees to 4109
access the sewer line, and the purchase price of one dollar. 4110

(C) Upon payment of the purchase price, the Auditor of State, 4111
with the assistance of the Attorney General, shall prepare a deed 4112
to the real estate described in division (A) of this section. The 4113
deed shall state the consideration. The deed shall be executed by 4114
the Governor in the name of the state, countersigned by the 4115
Secretary of State, sealed with the Great Seal of the State, and 4116
presented for recording in the Office of the Auditor of State. The 4117
City of Chillicothe shall present the deed for recording in the 4118
office of the Ross County Recorder. 4119

(D) The City of Chillicothe shall pay the costs of the 4120
conveyance described in division (A) of this section. 4121

(E) This section shall expire one year after its effective 4122
date. 4123

Section 503.03. The items of law of which the sections of law 4124
contained in this act are composed, and their applications, are 4125
independent and severable. If any item of law that constitutes the 4126
whole or part of a section of law contained in this act, or if any 4127
application of any item of law that constitutes the whole or part 4128

of a section of law contained in this act, is held invalid, the 4129
invalidity does not affect other items of law or applications of 4130
items of law that can be given effect without the invalid item of 4131
law or application. 4132

Section 506.03. An item of law that composes the whole or 4133
part of a section of law contained in this act that makes, or that 4134
provides for funding of, an appropriation or reappropriation of 4135
money has no effect after June 30, 2008, unless its context 4136
clearly indicates otherwise. 4137

Section 509.03. Except as otherwise specifically provided in 4138
this act, the amendment or enactment of the sections of law 4139
contained in this act, and the items of law of which the 4140
amendments or enactments are composed, are not subject to the 4141
referendum. Therefore, under Ohio Constitution, Article II, 4142
Section 1d and section 1.471 of the Revised Code, the amendments 4143
or enactments, and the items of law of which the amendments or 4144
enactments are composed, go into immediate effect when this act 4145
becomes law. 4146

Section 512.03. The amendment or enactment by this act of the 4147
sections of law listed in this section, and the items of law of 4148
which the amendments or enactments are composed, are subject to 4149
the referendum. Therefore, under Ohio Constitution, Article II, 4150
Section 1c and section 1.471 of the Revised Code, the amendments 4151
or enactments, and the items of law of which the amendments or 4152
enactments are composed, take effect on the ninety-first day after 4153
this act is filed with the Secretary of State. If, however, a 4154
referendum petition is filed against any such amendment or 4155
enactment, or against any item of law of which any such amendment 4156
or enactment is composed, the amendment or enactment, or item, 4157
unless rejected at the referendum, takes effect at the earliest 4158

time permitted by law. 4159

Sections 107.032, 107.033, 107.034, 107.035, 125.021, 131.55, 4160
131.56, 131.57, 131.58, 131.59, 131.60, 183.04, 183.05, 183.30, 4161
3318.05, 3318.051, 3318.06, 3318.063, 3318.08, 3318.121, 3318.18, 4162
3318.36, 3702.72, 3702.73, 3702.81, 3702.89, 3702.92, 5751.20, and 4163
5751.21 of the Revised Code. 4164

Section 515.03. Section 125.021 of the Revised Code is 4165
presented in this act as a composite of the section as amended by 4166
Am. Sub. H.B. 426 of the 125th General Assembly and H.B. 65 of the 4167
126th General Assembly. The General Assembly, applying the 4168
principle stated in division (B) of section 1.52 of the Revised 4169
Code that amendments are to be harmonized if reasonably capable of 4170
simultaneous operation, finds that the composite is the resulting 4171
version of the section in effect prior to the effective date of 4172
the section as presented in this act. 4173