

As Introduced

**127th General Assembly
Regular Session
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H. B. No. 554

Representative Hottinger

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A B I L L

To amend sections 149.311, 166.01, 166.02, 166.08, 1
166.11, 184.02, 1555.03, 3333.38, 3333.68, 2
3333.69, 3333.70, 3345.32, 5725.151, 5733.47, 3
5747.76, and 5747.98 and to enact sections 164.28, 4
166.25, 166.26, 166.30, 184.23 to 184.26, 3333.71 5
to 3333.80, 3706.25 to 3706.29, and 5537.141 of 6
the Revised Code to establish the Ohio Bioproducts 7
Development Program and Ohio Biomedical 8
Development Program to be administered by the 9
Third Frontier Commission, to establish the Third 10
Frontier Economic Stimulus Advisory Board, to 11
expand the economic development programs 12
administered by the Department of Development to 13
include transportation logistics and distribution 14
infrastructure projects, to provide additional 15
money for capital improvement projects of local 16
subdivisions and for highway capital improvement 17
projects, to modify the authority of the Ohio Coal 18
Development Office, to administer coal research 19
and development projects, to provide for advanced 20
energy projects administered by the Ohio Air 21
Quality Development Authority, to establish the 22
Ohio Innovation Partnership Co-op/Internship 23
Program, to extend the historical building 24

rehabilitation tax credit, limit credit amounts, 25
require regional distributive balance and economic 26
effects to be considered, and to make an 27
appropriation. 28

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

Section 1. That sections 149.311, 166.01, 166.02, 166.08, 29
166.11, 184.02, 1555.03, 3333.38, 3333.68, 3333.69, 3333.70, 30
3345.32, 5725.151, 5733.47, 5747.76, and 5747.98 be amended and 31
that sections 164.28, 166.25, 166.26, 166.30, 184.23, 184.24, 32
184.25, 184.26, 3333.71, 3333.72, 3333.73, 3333.74, 3333.75, 33
3333.76, 3333.77, 3333.78, 3333.79, 3333.80, 3706.25, 3706.26, 34
3706.27, 3706.28, 3706.29, and 5537.141 of the Revised Code be 35
enacted to read as follows: 36

Sec. 149.311. (A) As used in this section: 37

(1) "Historic building" means a building, including its 38
structural components, that is located in this state and that is 39
either individually listed on the national register of historic 40
places under 16 U.S.C. 470a, located in a registered historic 41
district, and certified by the state historic preservation officer 42
as being of historic significance to the district, or is 43
individually listed as a historic landmark designated by a local 44
government certified under 16 U.S.C. 470a(c). 45

(2) "Qualified rehabilitation expenditures" means 46
expenditures paid or incurred during the rehabilitation period, 47
and before and after that period as determined under 26 U.S.C. 47, 48
by an owner of a historic building to rehabilitate the building. 49
"Qualified rehabilitation expenditures" includes architectural or 50
engineering fees paid or incurred in connection with the 51
rehabilitation, and expenses incurred in the preparation of 52

nomination forms for listing on the national register of historic places. "Qualified rehabilitation expenditures" does not include any of the following:

(a) The cost of acquiring, expanding, or enlarging a historic building;

(b) Expenditures attributable to work done to facilities related to the building, such as parking lots, sidewalks, and landscaping;

(c) New building construction costs.

(3) "Owner" of a historic building means a person holding the fee simple interest in the building. "Owner" does not include the state or a state agency, any political subdivision as defined in section 9.23 of the Revised Code, or a nonprofit corporation.

(4) "Certificate owner" means the owner of a historic building to which a rehabilitation tax credit certificate was issued under this section.

(5) "Registered historic district" means a historic district listed in the national register of historic places under 16 U.S.C. 470a, a historic district designated by a local government certified under 16 U.S.C. 470a(c), or a local historic district certified under 36 C.F.R. 67.8 and 67.9.

(6) "Rehabilitation" means the process of repairing or altering a historic building or buildings, making possible an efficient use while preserving those portions and features of the building and its site and environment that are significant to its historic, architectural, and cultural values.

(7) "Rehabilitation period" means one of the following:

(a) If the rehabilitation initially was not planned to be completed in stages, a period chosen by the owner not to exceed twenty-four months during which rehabilitation occurs;

(b) If the rehabilitation initially was planned to be 83
completed in stages, a period chosen by the owner not to exceed 84
sixty months during which rehabilitation occurs. 85

(8) "State historic preservation officer" or "officer" means 86
the state historic preservation officer appointed by the governor 87
under 16 U.S.C. 470a. 88

(9) "Application period" means ~~either~~ any of the following 89
time periods ~~during~~ for which an application for a rehabilitation 90
tax credit certificate may be filed under this section: 91

(a) July 1, 2007, through June 30, 2008; 92

(b) ~~July 1, 2008, through June 30, 2009~~ July 1, 2009, through 93
June 30, 2010; 94

(c) July 1, 2010, through June 30, 2011. 95

(B) ~~On or after July 1, 2007, but before July 1, 2009~~ For any 96
application period, the owner of a historic building may apply to 97
the state historic preservation officer for a rehabilitation tax 98
credit certificate for qualified rehabilitation expenditures paid 99
or incurred after April 4, 2007, for rehabilitation of a historic 100
building. The form and manner of filing such applications shall be 101
prescribed by rule of the director of development, and 102
applications expire at the end of each application period. ~~Before~~ 103
~~July 1, 2007, the~~ Each application shall state the amount of 104
qualified rehabilitation expenditures the applicant estimates will 105
be paid or incurred. The director may require applicants to 106
furnish documentation of such estimates. 107
108

The director, after consultation with the tax commissioner 109
and in accordance with Chapter 119. of the Revised Code, shall 110
adopt rules that establish all of the following: 111

(1) Forms and procedures by which applicants may apply for 112

rehabilitation tax credit certificates;	113
(2) Criteria for reviewing, evaluating, and approving applications for certificates within the limitation on the number of applications that may be approved in an application period <u>limitations</u> under division (D) of this section, criteria for assuring that the certificates issued encompass a mixture of high and low qualified rehabilitation expenditures, and criteria for issuing certificates under division (C)(3)(b) of this section;	114 115 116 117 118 119 120
(3) Eligibility requirements for obtaining a certificate under this section;	121 122
(4) The form of rehabilitation tax credit certificates;	123
(5) Reporting requirements and monitoring procedures;	124
(6) Any other rules necessary to implement and administer this section.	125 126
(C) The state historic preservation officer shall accept applications in the order in which they are filed. Within seven days after an application is filed, the officer shall <u>and</u> forward it <u>them</u> to the director of development, who shall review the application <u>applications</u> and determine whether all of the following criteria are met:	127 128 129 130 131 132
(1) That the building that is the subject of the application is a historic building and the applicant is the owner of the building;	133 134 135
(2) That the rehabilitation will satisfy standards prescribed by the United States secretary of the interior under 16 U.S.C. 470, et seq., as amended, and 36 C.F.R. 67.7 or a successor to that section;	136 137 138 139
(3) That receiving a rehabilitation tax credit certificate under this section is a major factor in:	140 141
(a) The applicant's decision to rehabilitate the historic	142

building; or 143

(b) To increase the level of investment in such 144
rehabilitation. 145

An applicant shall demonstrate to the satisfaction of the 146
state historic preservation officer and director of development 147
that the rehabilitation will satisfy the standards described in 148
division (C)(2) of this section before the applicant begins the 149
physical rehabilitation of the historic building. 150

(D) ~~If the~~ The director of development may approve an 151
application and issue a rehabilitation tax credit certificate to 152
an applicant only if the director determines that the criteria in 153
divisions (C)(1), (2), and (3) of this section are met, ~~the~~ 154
~~director, in conjunction with the tax commissioner, shall conduct~~ 155
~~a cost and benefit analysis for the historic building that is the~~ 156
~~subject of an application filed under this section to determine~~ 157
~~whether rehabilitation of the historic building, including~~ 158
~~activities during the construction phase of the rehabilitation,~~ 159
~~will result in a net revenue gain in state and local taxes. The~~ 160
~~director shall not approve an application and issue a~~ 161
~~rehabilitation tax credit certificate to an applicant unless the~~ 162
~~cost and benefit analysis of the historic building determines that~~ 163
~~there will be a net revenue gain in state and local taxes once the~~ 164
~~building is used. A. The director shall consider the potential~~ 165
economic impact and the regional distributive balance of the 166
credits throughout the state. 167

A rehabilitation tax credit certificate shall not be issued 168
before rehabilitation of a historic building is completed or for 169
an amount greater than the estimated amount furnished by the 170
applicant on the application for such certificate and approved by 171
the director. The director shall not approve more than ~~one hundred~~ 172
~~applications in a total of sixty million dollars of rehabilitation~~ 173
tax credits for an application period. 174

(E) Issuance of a certificate represents a finding by the 175
director of development of the matters described in divisions 176
(C)(1), (2), and (3) of this section only; issuance of a 177
certificate does not represent a verification or certification by 178
the director of the amount of qualified rehabilitation 179
expenditures for which a tax credit may be claimed under section 180
5725.151, 5733.47, or 5747.76 of the Revised Code. The amount of 181
qualified rehabilitation expenditures for which a tax credit may 182
be claimed is subject to inspection and examination by the tax 183
commissioner or employees of the commissioner under section 184
5703.19 of the Revised Code and any other applicable law. Upon the 185
issuance of a certificate, the director shall certify to the tax 186
commissioner, in the form and manner requested by the tax 187
commissioner, the name of the applicant, the amount of qualified 188
rehabilitation expenditures shown on the certificate, and any 189
other information required by the rules adopted under this 190
section. 191

(F)(1) On or before the first day of December in 2007, 2008, 192
~~and~~ 2009, 2010, and 2011, the director of development and tax 193
commissioner jointly shall submit to the president of the senate 194
and the speaker of the house of representatives a report on the 195
tax credit program established under this section and sections 196
5725.151, 5733.47, and 5747.76 of the Revised Code. The report 197
shall present an overview of the program and shall include 198
information on the number of rehabilitation tax credit 199
certificates issued under this section during an application 200
period, an update on the status of each historic building for 201
which an application was approved under this section, the dollar 202
amount of the tax credits granted under sections 5725.151, 203
5733.47, and 5747.76 of the Revised Code, and any other 204
information the director and commissioner consider relevant to the 205
topics addressed in the report. 206

(2) On or before December 1, ~~2010~~ 2012, the director of development and tax commissioner jointly shall submit to the president of the senate and the speaker of the house of representatives a comprehensive report that includes the information required by division (F)(1) of this section and a detailed analysis of the effectiveness of issuing tax credits for rehabilitating historic buildings. The report shall be prepared with the assistance of an economic research organization jointly chosen by the director and commissioner.

Sec. 164.28. The local infrastructure development fund is hereby created in the state treasury. The fund shall consist of cash transferred from the jobs fund created in the state treasury. Money in the fund shall be used to provide grants for local infrastructure development and for capital improvement projects. All investment earnings of the fund shall be credited to the fund.

Sec. 166.01. As used in this chapter:

(A) "Allowable costs" means all or part of the costs of project facilities, eligible projects, eligible innovation projects, ~~or~~ eligible research and development projects, eligible advanced energy projects, or eligible logistics and distribution projects, including costs of acquiring, constructing, reconstructing, rehabilitating, renovating, enlarging, improving, equipping, or furnishing project facilities, eligible projects, eligible innovation projects, ~~or~~ eligible research and development projects, eligible advanced energy projects, or eligible logistics and distribution projects, site clearance and preparation, supplementing and relocating public capital improvements or utility facilities, designs, plans, specifications, surveys, studies, and estimates of costs, expenses necessary or incident to determining the feasibility or practicability of assisting an eligible project, an eligible innovation project, ~~or~~ an eligible

research and development project, an eligible advanced energy project, or an eligible logistics and distribution project, or providing project facilities or facilities related to an eligible project, an eligible innovation project ~~or,~~ an eligible research and development project, an eligible advanced energy project, or an eligible logistics and distribution project, architectural, engineering, and legal services fees and expenses, the costs of conducting any other activities as part of a voluntary action, and such other expenses as may be necessary or incidental to the establishment or development of an eligible project, an eligible innovation project, ~~or~~ an eligible research and development project, an eligible advanced energy project, or an eligible logistics and distribution project, and reimbursement of moneys advanced or applied by any governmental agency or other person for allowable costs.

(B) "Allowable innovation costs" includes allowable costs of eligible innovation projects and, in addition, includes the costs of research and development of eligible innovation projects; obtaining or creating any requisite software or computer hardware related to an eligible innovation project or the products or services associated therewith; testing (including, without limitation, quality control activities necessary for initial production), perfecting, and marketing of such products and services; creating and protecting intellectual property related to an eligible innovation project or any products or services related thereto, including costs of securing appropriate patent, trademark, trade secret, trade dress, copyright, or other form of intellectual property protection for an eligible innovation project or related products and services; all to the extent that such expenditures could be capitalized under then-applicable generally accepted accounting principles; and the reimbursement of moneys advanced or applied by any governmental agency or other person for allowable innovation costs.

(C) "Eligible innovation project" includes an eligible project, including any project facilities associated with an eligible innovation project and, in addition, includes all tangible and intangible property related to a new product or process based on new technology or the creative application of existing technology, including research and development, product or process testing, quality control, market research, and related activities, that is to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination thereof, the operation of which, alone or in conjunction with other eligible projects, eligible innovation projects, or innovation property, will create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of the people of the state.

(D) "Eligible project" means project facilities to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination thereof, the operation of which, alone or in conjunction with other facilities, will create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of the people of the state. "Eligible project" includes, without limitation, a voluntary action. For purposes of this division, "new jobs" does not include existing jobs transferred from another facility within the state, and "existing jobs" includes only those existing jobs with work places within the municipal corporation or unincorporated area of the county in which the eligible project is located.

"Eligible project" does not include project facilities to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination of industry, commerce, distribution, or research,

if the project facilities consist solely of 303
point-of-final-purchase retail facilities. If the project 304
facilities consist of both point-of-final-purchase retail 305
facilities and nonretail facilities, only the portion of the 306
project facilities consisting of nonretail facilities is an 307
eligible project. If a warehouse facility is part of a 308
point-of-final-purchase retail facility and supplies only that 309
facility, the warehouse facility is not an eligible project. 310
Catalog distribution facilities are not considered 311
point-of-final-purchase retail facilities for purposes of this 312
paragraph, and are eligible projects. 313

(E) "Eligible research and development project" means an 314
eligible project, including project facilities, comprising, 315
within, or related to, a facility or portion of a facility at 316
which research is undertaken for the purpose of discovering 317
information that is technological in nature and the application of 318
which is intended to be useful in the development of a new or 319
improved product, process, technique, formula, or invention, a new 320
product or process based on new technology, or the creative 321
application of existing technology. 322

(F) "Financial assistance" means inducements under division 323
(B) of section 166.02 of the Revised Code, loan guarantees under 324
section 166.06 of the Revised Code, and direct loans under section 325
166.07 of the Revised Code. 326

(G) "Governmental action" means any action by a governmental 327
agency relating to the establishment, development, or operation of 328
an eligible project, eligible innovation project, ~~or~~ eligible 329
research and development project, eligible advanced energy 330
project, or eligible logistics and distribution project, and 331
project facilities that the governmental agency acting has 332
authority to take or provide for the purpose under law, including, 333
but not limited to, actions relating to contracts and agreements, 334

zoning, building, permits, acquisition and disposition of 335
property, public capital improvements, utility and transportation 336
service, taxation, employee recruitment and training, and liaison 337
and coordination with and among governmental agencies. 338
339

(H) "Governmental agency" means the state and any state 340
department, division, commission, institution or authority; a 341
municipal corporation, county, or township, and any agency 342
thereof, and any other political subdivision or public corporation 343
or the United States or any agency thereof; any agency, 344
commission, or authority established pursuant to an interstate 345
compact or agreement; and any combination of the above. 346

(I) "Innovation financial assistance" means inducements under 347
division (B) of section 166.12 of the Revised Code, innovation 348
Ohio loan guarantees under section 166.15 of the Revised Code, and 349
innovation Ohio loans under section 166.16 of the Revised Code. 350

(J) "Innovation Ohio loan guarantee reserve requirement" 351
means, at any time, with respect to innovation loan guarantees 352
made under section 166.15 of the Revised Code, a balance in the 353
innovation Ohio loan guarantee fund equal to the greater of twenty 354
per cent of the then-outstanding principal amount of all 355
outstanding innovation loan guarantees made pursuant to section 356
166.15 of the Revised Code or fifty per cent of the principal 357
amount of the largest outstanding guarantee made pursuant to 358
section 166.15 of the Revised Code. 359

(K) "Innovation property" includes property and also includes 360
software, inventory, licenses, contract rights, goodwill, 361
intellectual property, including without limitation, patents, 362
patent applications, trademarks and service marks, and trade 363
secrets, and other tangible and intangible property, and any 364
rights and interests in or connected to the foregoing. 365

(L) "Loan guarantee reserve requirement" means, at any time, 366
with respect to loan guarantees made under section 166.06 of the 367
Revised Code, a balance in the loan guarantee fund equal to the 368
greater of twenty per cent of the then-outstanding principal 369
amount of all outstanding guarantees made pursuant to section 370
166.06 of the Revised Code or fifty per cent of the principal 371
amount of the largest outstanding guarantee made pursuant to 372
section 166.06 of the Revised Code. 373

(M) "Person" means any individual, firm, partnership, 374
association, corporation, or governmental agency, and any 375
combination thereof. 376

(N) "Project facilities" means buildings, structures, and 377
other improvements, and equipment and other property, excluding 378
small tools, supplies, and inventory, and any one, part of, or 379
combination of the above, comprising all or part of, or serving or 380
being incidental to, an eligible project, an eligible innovation 381
project, ~~or~~ an eligible research and development project, an 382
eligible advanced energy project, or an eligible logistics and 383
distribution project, including, but not limited to, public 384
capital improvements. 385

(O) "Property" means real and personal property and interests 386
therein. 387

(P) "Public capital improvements" means capital improvements 388
or facilities that any governmental agency has authority to 389
acquire, pay the costs of, own, maintain, or operate, or to 390
contract with other persons to have the same done, including, but 391
not limited to, highways, roads, streets, water and sewer 392
facilities, railroad and other transportation facilities, and air 393
and water pollution control and solid waste disposal facilities. 394
For purposes of this division, "air pollution control facilities" 395
includes, without limitation, solar, geothermal, biofuel, biomass, 396
wind, hydro, wave, and other advanced energy projects as defined 397

in section 3706.25 of the Revised Code. 398

(Q) "Research and development financial assistance" means 399
inducements under section 166.17 of the Revised Code, research and 400
development loans under section 166.21 of the Revised Code, and 401
research and development tax credits under sections 5733.352 and 402
5747.331 of the Revised Code. 403

(R) "Targeted innovation industry sectors" means industry 404
sectors involving the production or use of advanced materials, 405
instruments, controls and electronics, power and propulsion, 406
biosciences, and information technology, or such other sectors as 407
may be designated by the director of development. 408

(S) "Voluntary action" means a voluntary action, as defined 409
in section 3746.01 of the Revised Code, that is conducted under 410
the voluntary action program established in Chapter 3746. of the 411
Revised Code. 412

(T) "Project financing obligations" means obligations issued 413
pursuant to section 166.08 of the Revised Code other than 414
obligations for which the bond proceedings provide that bond 415
service charges shall be paid from receipts of the state 416
representing gross profit on the sale of spirituous liquor as 417
referred to in division (B)(4) of section 4310.10 of the Revised 418
Code. 419

(U) "Regional economic development entity" means an entity 420
that is under contract with the director of development to 421
administer a loan program under this chapter in a particular area 422
of this state. 423

(V) "Advanced energy research and development fund" means the 424
advanced energy research and development fund created in section 425
3706.27 of the Revised Code. 426

(W) "Advanced energy research and development taxable fund" 427
means the advanced energy research and development taxable fund 428

created in section 3706.27 of the Revised Code. 429

(X) "Eligible advanced energy project" means an eligible 430
project that is an "advanced energy project" as defined in section 431
3706.25 of the Revised Code. 432

(Y) "Eligible logistics and distribution project" means an 433
eligible project, including project facilities, to be acquired, 434
established, expanded, remodeled, rehabilitated, or modernized for 435
transportation logistics and distribution infrastructure purposes. 436
As used in this division, "transportation logistics and 437
distribution infrastructure purposes" means promoting, providing 438
for, and enabling improvements to the ground, air, and water 439
transportation infrastructure comprising the transportation system 440
in this state, including, without limitation, highways, streets, 441
roads, bridges, railroads carrying freight, and air and water 442
ports and port facilities, and all related supporting facilities. 443

Sec. 166.02. (A) The general assembly finds that many local 444
areas throughout the state are experiencing economic stagnation or 445
decline, and that the economic development ~~program~~ programs 446
provided for in ~~sections 166.01 to 166.11 of the Revised Code~~ this 447
chapter will constitute a deserved, necessary reinvestment by the 448
state in those areas, materially contribute to their economic 449
revitalization, and result in improving the economic welfare of 450
all the people of the state. Accordingly, it is declared to be the 451
public policy of the state, through the operations ~~under sections~~ 452
~~166.01 to 166.11 of the Revised Code~~ this chapter and other 453
applicable laws adopted pursuant to Section 2p or 13 of Article 454
VIII, Ohio Constitution, and other authority vested in the general 455
assembly, to assist in and facilitate the establishment or 456
development of eligible projects or assist and cooperate with any 457
governmental agency in achieving such purpose. 458

(B) In furtherance of such public policy and to implement 459

such purpose, the director of development may: 460

(1) After consultation with appropriate governmental 461
agencies, enter into agreements with persons engaged in industry, 462
commerce, distribution, or research and with governmental agencies 463
to induce such persons to acquire, construct, reconstruct, 464
rehabilitate, renovate, enlarge, improve, equip, or furnish, or 465
otherwise develop, eligible projects and make provision therein 466
for project facilities and governmental actions, as authorized by 467
this chapter and other applicable laws, subject to any required 468
actions by the general assembly or the controlling board and 469
subject to applicable local government laws and regulations; 470

(2) Provide for the guarantees and loans as provided for in 471
sections 166.06 and 166.07 of the Revised Code; 472

(3) Subject to release of such moneys by the controlling 473
board, contract for labor and materials needed for, or contract 474
with others, including governmental agencies, to provide, project 475
facilities the allowable costs of which are to be paid for or 476
reimbursed from moneys in the facilities establishment fund, and 477
contract for the operation of such project facilities; 478

(4) Subject to release thereof by the controlling board, from 479
moneys in the facilities establishment fund acquire or contract to 480
acquire by gift, exchange, or purchase, including the obtaining 481
and exercise of purchase options, property, and convey or 482
otherwise dispose of, or provide for the conveyance or disposition 483
of, property so acquired or contracted to be acquired by sale, 484
exchange, lease, lease purchase, conditional or installment sale, 485
transfer, or other disposition, including the grant of an option 486
to purchase, to any governmental agency or to any other person 487
without necessity for competitive bidding and upon such terms and 488
conditions and manner of consideration pursuant to and as the 489
director determines to be appropriate to satisfy the objectives of 490
sections 166.01 to 166.11 of the Revised Code; 491

(5) Retain the services of or employ financial consultants, 492
appraisers, consulting engineers, superintendents, managers, 493
construction and accounting experts, attorneys, and employees, 494
agents, and independent contractors as are necessary in the 495
director's judgment and fix the compensation for their services; 496

(6) Receive and accept from any person grants, gifts, and 497
contributions of money, property, labor, and other things of 498
value, to be held, used and applied only for the purpose for which 499
such grants, gifts, and contributions are made; 500

(7) Enter into appropriate arrangements and agreements with 501
any governmental agency for the taking or provision by that 502
governmental agency of any governmental action; 503

(8) Do all other acts and enter into contracts and execute 504
all instruments necessary or appropriate to carry out the 505
provisions of ~~Chapter 166. of the Revised Code~~ this chapter; 506

(9) Adopt rules to implement any of the provisions of ~~Chapter~~ 507
~~166. of the Revised Code~~ this chapter applicable to the director. 508

(C) The determinations by the director that facilities 509
constitute eligible projects, that facilities are project 510
facilities, that costs of such facilities are allowable costs, and 511
all other determinations relevant thereto or to an action taken or 512
agreement entered into shall be conclusive for purposes of the 513
validity and enforceability of rights of parties arising from 514
actions taken and agreements entered into under this chapter. 515

(D) Except as otherwise prescribed in ~~Chapter 166. of the~~ 516
~~Revised Code~~ this chapter, all expenses and obligations incurred 517
by the director in carrying out the director's powers and in 518
exercising the director's duties under ~~Chapter 166. of the Revised~~ 519
~~Code~~ this chapter, shall be payable solely from, as appropriate, 520
moneys in the facilities establishment fund, the loan guarantee 521
fund, the innovation Ohio loan guarantee fund, the innovation Ohio 522

loan fund, the research and development loan fund, the logistics 523
and distribution infrastructure fund, or moneys appropriated for 524
such purpose by the general assembly. ~~Chapter 166. of the Revised~~ 525
~~Code~~ This chapter does not authorize the director or the issuing 526
authority under section 166.08 of the Revised Code to incur bonded 527
indebtedness of the state or any political subdivision thereof, or 528
to obligate or pledge moneys raised by taxation for the payment of 529
any bonds or notes issued or guarantees made pursuant to ~~Chapter~~ 530
~~166. of the Revised Code~~ this chapter. 531

(E) No financial assistance for project facilities shall be 532
provided under this chapter unless the provisions of the agreement 533
providing for such assistance specify that all wages paid to 534
laborers and mechanics employed on such project facilities for 535
which the assistance is granted shall be paid at the prevailing 536
rates of wages of laborers and mechanics for the class of work 537
called for by such project facilities, which wages shall be 538
determined in accordance with the requirements of Chapter 4115. of 539
the Revised Code for determination of prevailing wage rates, 540
provided that the requirements of this division do not apply where 541
the federal government or any of its agencies provides financing 542
assistance as to all or any part of the funds used in connection 543
with such project facilities and prescribes predetermined minimum 544
wages to be paid to such laborers and mechanics; and provided 545
further that should a nonpublic user beneficiary of the eligible 546
project undertake, as part of the eligible project, construction 547
to be performed by its regular bargaining unit employees who are 548
covered under a collective bargaining agreement which was in 549
existence prior to the date of the document authorizing such 550
assistance then, in that event, the rate of pay provided under the 551
collective bargaining agreement may be paid to such employees. 552

(F) Any governmental agency may enter into an agreement with 553
the director, any other governmental agency, or a person to be 554

assisted under this chapter, to take or provide for the purposes 555
of this chapter any governmental action it is authorized to take 556
or provide, and to undertake on behalf and at the request of the 557
director any action which the director is authorized to undertake 558
pursuant to divisions (B)(3), (4), and (5) of this section or 559
divisions (B)(3), (4), and (5) of section 166.12 of the Revised 560
Code. Governmental agencies of the state shall cooperate with and 561
provide assistance to the director of development and the 562
controlling board in the exercise of their respective functions 563
under this chapter. 564

Sec. 166.08. (A) As used in this chapter: 565

(1) "Bond proceedings" means the resolution, order, trust 566
agreement, indenture, lease, and other agreements, amendments and 567
supplements to the foregoing, or any one or more or combination 568
thereof, authorizing or providing for the terms and conditions 569
applicable to, or providing for the security or liquidity of, 570
obligations issued pursuant to this section, and the provisions 571
contained in such obligations. 572

(2) "Bond service charges" means principal, including 573
mandatory sinking fund requirements for retirement of obligations, 574
and interest, and redemption premium, if any, required to be paid 575
by the state on obligations. 576

(3) "Bond service fund" means the applicable fund and 577
accounts therein created for and pledged to the payment of bond 578
service charges, which may be, or may be part of, the economic 579
development bond service fund created by division (S) of this 580
section including all moneys and investments, and earnings from 581
investments, credited and to be credited thereto. 582

(4) "Issuing authority" means the treasurer of state, or the 583
officer who by law performs the functions of such officer. 584

(5) "Obligations" means bonds, notes, or other evidence of obligation including interest coupons pertaining thereto, issued pursuant to this section.

(6) "Pledged receipts" means all receipts of the state representing the gross profit on the sale of spirituous liquor, as referred to in division (B)(4) of section 4301.10 of the Revised Code, after paying all costs and expenses of the division of liquor control and providing an adequate working capital reserve for the division of liquor control as provided in that division, but excluding the sum required by the second paragraph of section 4301.12 of the Revised Code, as in effect on May 2, 1980, to be paid into the state treasury; moneys accruing to the state from the lease, sale, or other disposition, or use, of project facilities, and from the repayment, including interest, of loans made from proceeds received from the sale of obligations; accrued interest received from the sale of obligations; income from the investment of the special funds; and any gifts, grants, donations, and pledges, and receipts therefrom, available for the payment of bond service charges.

(7) "Special funds" or "funds" means, except where the context does not permit, the bond service fund, and any other funds, including reserve funds, created under the bond proceedings, and the economic development bond service fund created by division (S) of this section to the extent provided in the bond proceedings, including all moneys and investments, and earnings from investment, credited and to be credited thereto.

(B) Subject to the limitations provided in section 166.11 of the Revised Code, the issuing authority, upon the certification by the director of development or, with respect to eligible advanced energy projects, the Ohio air quality development authority to the issuing authority of the amount of moneys or additional moneys needed in the facilities establishment fund, the loan guarantee

fund, the innovation Ohio loan fund, the innovation Ohio loan 617
guarantee fund, ~~or~~ the research and development loan fund, the 618
logistics and distribution infrastructure fund, the advanced 619
energy research and development fund, or the advanced energy 620
research and development taxable fund, as applicable, for the 621
purpose of paying, or making loans for, allowable costs from the 622
facilities establishment fund, allowable innovation costs from the 623
innovation Ohio loan fund, ~~or~~ allowable costs from the research 624
and development loan fund, allowable costs from the logistics and 625
distribution infrastructure fund, allowable costs from the 626
advanced energy research and development fund, or allowable costs 627
from the advanced energy research and development taxable fund, as 628
applicable, or needed for capitalized interest, for funding 629
reserves, and for paying costs and expenses incurred in connection 630
with the issuance, carrying, securing, paying, redeeming, or 631
retirement of the obligations or any obligations refunded thereby, 632
including payment of costs and expenses relating to letters of 633
credit, lines of credit, insurance, put agreements, standby 634
purchase agreements, indexing, marketing, remarketing and 635
administrative arrangements, interest swap or hedging agreements, 636
and any other credit enhancement, liquidity, remarketing, renewal, 637
or refunding arrangements, all of which are authorized by this 638
section, or providing moneys for the loan guarantee fund or the 639
innovation Ohio loan guarantee fund, as provided in this chapter 640
or needed for the purposes of funds established in accordance with 641
or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56, 642
122.561, 122.57, and 122.80 of the Revised Code which are within 643
the authorization of Section 13 of Article VIII, Ohio 644
Constitution, or, with respect to certain eligible advanced energy 645
projects, Section 2p of Article VIII, Ohio Constitution, shall 646
issue obligations of the state under this section in the required 647
amount; provided that such obligations may be issued to satisfy 648
the covenants in contracts of guarantee made under section 166.06 649

or 166.15 of the Revised Code, notwithstanding limitations 650
otherwise applicable to the issuance of obligations under this 651
section. The proceeds of such obligations, except for the portion 652
to be deposited in special funds, including reserve funds, as may 653
be provided in the bond proceedings, shall as provided in the bond 654
proceedings be deposited by the director of development to the 655
facilities establishment fund, the loan guarantee fund, the 656
innovation Ohio loan guarantee fund, the innovation Ohio loan 657
fund, ~~or~~ the research and development loan fund, or the logistics 658
and distribution infrastructure fund, or be deposited by the Ohio 659
air quality development authority to the advanced energy research 660
and development fund or the advanced energy research and 661
development taxable fund. Bond proceedings for project financing 662
obligations may provide that the proceeds derived from the 663
issuance of such obligations shall be deposited into such fund or 664
funds provided for in the bond proceedings and, to the extent 665
provided for in the bond proceedings, such proceeds shall be 666
deemed to have been deposited into the facilities establishment 667
fund and transferred to such fund or funds. The issuing authority 668
may appoint trustees, paying agents, and transfer agents and may 669
retain the services of financial advisors, accounting experts, and 670
attorneys, and retain or contract for the services of marketing, 671
remarketing, indexing, and administrative agents, other 672
consultants, and independent contractors, including printing 673
services, as are necessary in the issuing authority's judgment to 674
carry out this section. The costs of such services are allowable 675
costs payable from the facilities establishment fund or the 676
research and development loan fund ~~or~~, allowable innovation costs 677
payable from the innovation Ohio loan fund, or allowable costs 678
payable from the logistics and distribution infrastructure fund, 679
the advanced energy research and development fund, or the advanced 680
energy research and development taxable fund, as applicable. 681

(C) The holders or owners of such obligations shall have no 682

right to have moneys raised by taxation obligated or pledged, and 683
moneys raised by taxation shall not be obligated or pledged, for 684
the payment of bond service charges. Such holders or owners shall 685
have no rights to payment of bond service charges from any moneys 686
accruing to the state from the lease, sale, or other disposition, 687
or use, of project facilities, or from payment of the principal of 688
or interest on loans made, or fees charged for guarantees made, or 689
from any money or property received by the director, treasurer of 690
state, or the state under Chapter 122. of the Revised Code, or 691
from any other use of the proceeds of the sale of the obligations, 692
and no such moneys may be used for the payment of bond service 693
charges, except for accrued interest, capitalized interest, and 694
reserves funded from proceeds received upon the sale of the 695
obligations and except as otherwise expressly provided in the 696
applicable bond proceedings pursuant to written directions by the 697
director. The right of such holders and owners to payment of bond 698
service charges is limited to all or that portion of the pledged 699
receipts and those special funds pledged thereto pursuant to the 700
bond proceedings in accordance with this section, and each such 701
obligation shall bear on its face a statement to that effect. 702

(D) Obligations shall be authorized by resolution or order of 703
the issuing authority and the bond proceedings shall provide for 704
the purpose thereof and the principal amount or amounts, and shall 705
provide for or authorize the manner or agency for determining the 706
principal maturity or maturities, not exceeding twenty-five years 707
from the date of issuance, the interest rate or rates or the 708
maximum interest rate, the date of the obligations and the dates 709
of payment of interest thereon, their denomination, and the 710
establishment within or without the state of a place or places of 711
payment of bond service charges. Sections 9.98 to 9.983 of the 712
Revised Code are applicable to obligations issued under this 713
section, subject to any applicable limitation under section 166.11 714
of the Revised Code. The purpose of such obligations may be stated 715

in the bond proceedings in terms describing the general purpose or 716
purposes to be served. The bond proceedings also shall provide, 717
subject to the provisions of any other applicable bond 718
proceedings, for the pledge of all, or such part as the issuing 719
authority may determine, of the pledged receipts and the 720
applicable special fund or funds to the payment of bond service 721
charges, which pledges may be made either prior or subordinate to 722
other expenses, claims, or payments, and may be made to secure the 723
obligations on a parity with obligations theretofore or thereafter 724
issued, if and to the extent provided in the bond proceedings. The 725
pledged receipts and special funds so pledged and thereafter 726
received by the state are immediately subject to the lien of such 727
pledge without any physical delivery thereof or further act, and 728
the lien of any such pledges is valid and binding against all 729
parties having claims of any kind against the state or any 730
governmental agency of the state, irrespective of whether such 731
parties have notice thereof, and shall create a perfected security 732
interest for all purposes of Chapter 1309. of the Revised Code, 733
without the necessity for separation or delivery of funds or for 734
the filing or recording of the bond proceedings by which such 735
pledge is created or any certificate, statement or other document 736
with respect thereto; and the pledge of such pledged receipts and 737
special funds is effective and the money therefrom and thereof may 738
be applied to the purposes for which pledged without necessity for 739
any act of appropriation. Every pledge, and every covenant and 740
agreement made with respect thereto, made in the bond proceedings 741
may therein be extended to the benefit of the owners and holders 742
of obligations authorized by this section, and to any trustee 743
therefor, for the further security of the payment of the bond 744
service charges. 745

(E) The bond proceedings may contain additional provisions as 746
to: 747

(1) The redemption of obligations prior to maturity at the option of the issuing authority at such price or prices and under such terms and conditions as are provided in the bond proceedings;	748 749 750
(2) Other terms of the obligations;	751
(3) Limitations on the issuance of additional obligations;	752
(4) The terms of any trust agreement or indenture securing the obligations or under which the same may be issued;	753 754
(5) The deposit, investment and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this chapter, with respect to particular funds or moneys, provided that any bank or trust company which acts as depository of any moneys in the special funds may furnish such indemnifying bonds or may pledge such securities as required by the issuing authority;	755 756 757 758 759 760 761 762
(6) Any or every provision of the bond proceedings being binding upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;	763 764 765 766 767
(7) Any provision that may be made in a trust agreement or indenture;	768 769
(8) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including the assignment of mortgages or other security obtained or to be obtained for loans under section 122.43, 166.07, or 166.16 of the Revised Code.	770 771 772 773 774
(F) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations and any coupons pertaining to obligations shall be	775 776 777

signed or bear the facsimile signature of the issuing authority. 778
Any obligations or coupons may be executed by the person who, on 779
the date of execution, is the proper issuing authority although on 780
the date of such bonds or coupons such person was not the issuing 781
authority. If the issuing authority whose signature or a facsimile 782
of whose signature appears on any such obligation or coupon ceases 783
to be the issuing authority before delivery thereof, such 784
signature or facsimile is nevertheless valid and sufficient for 785
all purposes as if the former issuing authority had remained the 786
issuing authority until such delivery; and if the seal to be 787
affixed to obligations has been changed after a facsimile of the 788
seal has been imprinted on such obligations, such facsimile seal 789
shall continue to be sufficient as to such obligations and 790
obligations issued in substitution or exchange therefor. 791

(G) All obligations are negotiable instruments and securities 792
under Chapter 1308. of the Revised Code, subject to the provisions 793
of the bond proceedings as to registration. The obligations may be 794
issued in coupon or in registered form, or both, as the issuing 795
authority determines. Provision may be made for the registration 796
of any obligations with coupons attached thereto as to principal 797
alone or as to both principal and interest, their exchange for 798
obligations so registered, and for the conversion or reconversion 799
into obligations with coupons attached thereto of any obligations 800
registered as to both principal and interest, and for reasonable 801
charges for such registration, exchange, conversion, and 802
reconversion. 803

(H) Obligations may be sold at public sale or at private 804
sale, as determined in the bond proceedings. 805

Obligations issued to provide moneys for the loan guarantee 806
fund or the innovation Ohio loan guarantee fund may, as determined 807
by the issuing authority, be sold at private sale, and without 808
publication of a notice of sale. 809

(I) Pending preparation of definitive obligations, the 810
issuing authority may issue interim receipts or certificates which 811
shall be exchanged for such definitive obligations. 812

(J) In the discretion of the issuing authority, obligations 813
may be secured additionally by a trust agreement or indenture 814
between the issuing authority and a corporate trustee which may be 815
any trust company or bank having a place of business within the 816
state. Any such agreement or indenture may contain the resolution 817
or order authorizing the issuance of the obligations, any 818
provisions that may be contained in any bond proceedings, and 819
other provisions which are customary or appropriate in an 820
agreement or indenture of such type, including, but not limited 821
to: 822

(1) Maintenance of each pledge, trust agreement, indenture, 823
or other instrument comprising part of the bond proceedings until 824
the state has fully paid the bond service charges on the 825
obligations secured thereby, or provision therefor has been made; 826

(2) In the event of default in any payments required to be 827
made by the bond proceedings, or any other agreement of the 828
issuing authority made as a part of the contract under which the 829
obligations were issued, enforcement of such payments or agreement 830
by mandamus, the appointment of a receiver, suit in equity, action 831
at law, or any combination of the foregoing; 832

(3) The rights and remedies of the holders of obligations and 833
of the trustee, and provisions for protecting and enforcing them, 834
including limitations on rights of individual holders of 835
obligations; 836

(4) The replacement of any obligations that become mutilated 837
or are destroyed, lost, or stolen; 838

(5) Such other provisions as the trustee and the issuing 839
authority agree upon, including limitations, conditions, or 840

qualifications relating to any of the foregoing. 841

(K) Any holders of obligations or trustees under the bond 842
proceedings, except to the extent that their rights are restricted 843
by the bond proceedings, may by any suitable form of legal 844
proceedings, protect and enforce any rights under the laws of this 845
state or granted by such bond proceedings. Such rights include the 846
right to compel the performance of all duties of the issuing 847
authority, the director of development, the Ohio air quality 848
development authority, or the division of liquor control required 849
by this chapter or the bond proceedings; to enjoin unlawful 850
activities; and in the event of default with respect to the 851
payment of any bond service charges on any obligations or in the 852
performance of any covenant or agreement on the part of the 853
issuing authority, the director of development, the Ohio air 854
quality development authority, or the division of liquor control 855
in the bond proceedings, to apply to a court having jurisdiction 856
of the cause to appoint a receiver to receive and administer the 857
pledged receipts and special funds, other than those in the 858
custody of the treasurer of state, which are pledged to the 859
payment of the bond service charges on such obligations or which 860
are the subject of the covenant or agreement, with full power to 861
pay, and to provide for payment of bond service charges on, such 862
obligations, and with such powers, subject to the direction of the 863
court, as are accorded receivers in general equity cases, 864
excluding any power to pledge additional revenues or receipts or 865
other income or moneys of the issuing authority or the state or 866
governmental agencies of the state to the payment of such 867
principal and interest and excluding the power to take possession 868
of, mortgage, or cause the sale or otherwise dispose of any 869
project facilities. 870

Each duty of the issuing authority and the issuing 871
authority's officers and employees, and of each governmental 872

agency and its officers, members, or employees, undertaken 873
pursuant to the bond proceedings or any agreement or lease, 874
lease-purchase agreement, or loan made under authority of this 875
chapter, and in every agreement by or with the issuing authority, 876
is hereby established as a duty of the issuing authority, and of 877
each such officer, member, or employee having authority to perform 878
such duty, specifically enjoined by the law resulting from an 879
office, trust, or station within the meaning of section 2731.01 of 880
the Revised Code. 881

The person who is at the time the issuing authority, or the 882
issuing authority's officers or employees, are not liable in their 883
personal capacities on any obligations issued by the issuing 884
authority or any agreements of or with the issuing authority. 885

(L) The issuing authority may authorize and issue obligations 886
for the refunding, including funding and retirement, and advance 887
refunding with or without payment or redemption prior to maturity, 888
of any obligations previously issued by the issuing authority. 889
Such obligations may be issued in amounts sufficient for payment 890
of the principal amount of the prior obligations, any redemption 891
premiums thereon, principal maturities of any such obligations 892
maturing prior to the redemption of the remaining obligations on a 893
parity therewith, interest accrued or to accrue to the maturity 894
dates or dates of redemption of such obligations, and any 895
allowable costs including expenses incurred or to be incurred in 896
connection with such issuance and such refunding, funding, and 897
retirement. Subject to the bond proceedings therefor, the portion 898
of proceeds of the sale of obligations issued under this division 899
to be applied to bond service charges on the prior obligations 900
shall be credited to an appropriate account held by the trustee 901
for such prior or new obligations or to the appropriate account in 902
the bond service fund for such obligations. Obligations authorized 903
under this division shall be deemed to be issued for those 904

purposes for which such prior obligations were issued and are 905
subject to the provisions of this section pertaining to other 906
obligations, except as otherwise provided in this section; 907
provided that, unless otherwise authorized by the general 908
assembly, any limitations imposed by the general assembly pursuant 909
to this section with respect to bond service charges applicable to 910
the prior obligations shall be applicable to the obligations 911
issued under this division to refund, fund, advance refund or 912
retire such prior obligations. 913

(M) The authority to issue obligations under this section 914
includes authority to issue obligations in the form of bond 915
anticipation notes and to renew the same from time to time by the 916
issuance of new notes. The holders of such notes or interest 917
coupons pertaining thereto shall have a right to be paid solely 918
from the pledged receipts and special funds that may be pledged to 919
the payment of the bonds anticipated, or from the proceeds of such 920
bonds or renewal notes, or both, as the issuing authority provides 921
in the resolution or order authorizing such notes. Such notes may 922
be additionally secured by covenants of the issuing authority to 923
the effect that the issuing authority and the state will do such 924
or all things necessary for the issuance of such bonds or renewal 925
notes in appropriate amount, and apply the proceeds thereof to the 926
extent necessary, to make full payment of the principal of and 927
interest on such notes at the time or times contemplated, as 928
provided in such resolution or order. For such purpose, the 929
issuing authority may issue bonds or renewal notes in such 930
principal amount and upon such terms as may be necessary to 931
provide funds to pay when required the principal of and interest 932
on such notes, notwithstanding any limitations prescribed by or 933
for purposes of this section. Subject to this division, all 934
provisions for and references to obligations in this section are 935
applicable to notes authorized under this division. 936

The issuing authority in the bond proceedings authorizing the 937
issuance of bond anticipation notes shall set forth for such bonds 938
an estimated interest rate and a schedule of principal payments 939
for such bonds and the annual maturity dates thereof, and for 940
purposes of any limitation on bond service charges prescribed 941
under division (A) of section 166.11 of the Revised Code, the 942
amount of bond service charges on such bond anticipation notes is 943
deemed to be the bond service charges for the bonds anticipated 944
thereby as set forth in the bond proceedings applicable to such 945
notes, but this provision does not modify any authority in this 946
section to pledge receipts and special funds to, and covenant to 947
issue bonds to fund, the payment of principal of and interest and 948
any premium on such notes. 949

(N) Obligations issued under this section are lawful 950
investments for banks, societies for savings, savings and loan 951
associations, deposit guarantee associations, trust companies, 952
trustees, fiduciaries, insurance companies, including domestic for 953
life and domestic not for life, trustees or other officers having 954
charge of sinking and bond retirement or other special funds of 955
political subdivisions and taxing districts of this state, the 956
commissioners of the sinking fund of the state, the administrator 957
of workers' compensation, the state teachers retirement system, 958
the public employees retirement system, the school employees 959
retirement system, and the Ohio police and fire pension fund, 960
notwithstanding any other provisions of the Revised Code or rules 961
adopted pursuant thereto by any governmental agency of the state 962
with respect to investments by them, and are also acceptable as 963
security for the deposit of public moneys. 964

(O) Unless otherwise provided in any applicable bond 965
proceedings, moneys to the credit of or in the special funds 966
established by or pursuant to this section may be invested by or 967
on behalf of the issuing authority only in notes, bonds, or other 968

obligations of the United States, or of any agency or 969
instrumentality of the United States, obligations guaranteed as to 970
principal and interest by the United States, obligations of this 971
state or any political subdivision of this state, and certificates 972
of deposit of any national bank located in this state and any 973
bank, as defined in section 1101.01 of the Revised Code, subject 974
to inspection by the superintendent of banks. If the law or the 975
instrument creating a trust pursuant to division (J) of this 976
section expressly permits investment in direct obligations of the 977
United States or an agency of the United States, unless expressly 978
prohibited by the instrument, such moneys also may be invested in 979
no-front-end-load money market mutual funds consisting exclusively 980
of obligations of the United States or an agency of the United 981
States and in repurchase agreements, including those issued by the 982
fiduciary itself, secured by obligations of the United States or 983
an agency of the United States; and in common trust funds 984
established in accordance with section 1111.20 of the Revised Code 985
and consisting exclusively of any such securities, notwithstanding 986
division (A)(4) of that section. The income from such investments 987
shall be credited to such funds as the issuing authority 988
determines, and such investments may be sold at such times as the 989
issuing authority determines or authorizes. 990

(P) Provision may be made in the applicable bond proceedings 991
for the establishment of separate accounts in the bond service 992
fund and for the application of such accounts only to the 993
specified bond service charges on obligations pertinent to such 994
accounts and bond service fund and for other accounts therein 995
within the general purposes of such fund. Unless otherwise 996
provided in any applicable bond proceedings, moneys to the credit 997
of or in the several special funds established pursuant to this 998
section shall be disbursed on the order of the treasurer of state, 999
provided that no such order is required for the payment from the 1000
bond service fund when due of bond service charges on obligations. 1001

(Q) The issuing authority may pledge all, or such portion as 1002
the issuing authority determines, of the pledged receipts to the 1003
payment of bond service charges on obligations issued under this 1004
section, and for the establishment and maintenance of any 1005
reserves, as provided in the bond proceedings, and make other 1006
provisions therein with respect to pledged receipts as authorized 1007
by this chapter, which provisions are controlling notwithstanding 1008
any other provisions of law pertaining thereto. 1009

(R) The issuing authority may covenant in the bond 1010
proceedings, and any such covenants are controlling 1011
notwithstanding any other provision of law, that the state and 1012
applicable officers and governmental agencies of the state, 1013
including the general assembly, so long as any obligations are 1014
outstanding, shall: 1015

(1) Maintain statutory authority for and cause to be charged 1016
and collected wholesale and retail prices for spirituous liquor 1017
sold by the state or its agents so that the pledged receipts are 1018
sufficient in amount to meet bond service charges, and the 1019
establishment and maintenance of any reserves and other 1020
requirements provided for in the bond proceedings, and, as 1021
necessary, to meet covenants contained in contracts of guarantee 1022
made under section 166.06 of the Revised Code; 1023

(2) Take or permit no action, by statute or otherwise, that 1024
would impair the exemption from federal income taxation of the 1025
interest on the obligations. 1026

(S) There is hereby created the economic development bond 1027
service fund, which shall be in the custody of the treasurer of 1028
state but shall be separate and apart from and not a part of the 1029
state treasury. All moneys received by or on account of the 1030
issuing authority or state agencies and required by the applicable 1031
bond proceedings, consistent with this section, to be deposited, 1032
transferred, or credited to a bond service fund or the economic 1033

development bond service fund, and all other moneys transferred or 1034
allocated to or received for the purposes of the fund, shall be 1035
deposited and credited to such fund and to any separate accounts 1036
therein, subject to applicable provisions of the bond proceedings, 1037
but without necessity for any act of appropriation. During the 1038
period beginning with the date of the first issuance of 1039
obligations and continuing during such time as any such 1040
obligations are outstanding, and so long as moneys in the 1041
pertinent bond service funds are insufficient to pay all bond 1042
services charges on such obligations becoming due in each year, a 1043
sufficient amount of the gross profit on the sale of spirituous 1044
liquor included in pledged receipts are committed and shall be 1045
paid to the bond service fund or economic development bond service 1046
fund in each year for the purpose of paying the bond service 1047
charges becoming due in that year without necessity for further 1048
act of appropriation for such purpose and notwithstanding anything 1049
to the contrary in Chapter 4301. of the Revised Code. The economic 1050
development bond service fund is a trust fund and is hereby 1051
pledged to the payment of bond service charges to the extent 1052
provided in the applicable bond proceedings, and payment thereof 1053
from such fund shall be made or provided for by the treasurer of 1054
state in accordance with such bond proceedings without necessity 1055
for any act of appropriation. 1056

(T) The obligations, the transfer thereof, and the income 1057
therefrom, including any profit made on the sale thereof, shall at 1058
all times be free from taxation within the state. 1059

Sec. 166.11. (A) The aggregate principal amount of project 1060
financing obligations that may be issued under section 166.08 of 1061
the Revised Code is three hundred million dollars, plus the 1062
principal amount of such project financing obligations retired by 1063
payments. The aggregate principal amount of obligations, exclusive 1064
of project financing obligations, that may be issued under section 1065

166.08 of the Revised Code is ~~five~~ six hundred ~~thirty~~ million 1066
dollars, plus the principal amount of any such obligations retired 1067
by payment, the amounts held or obligations pledged for the 1068
payment of the principal amount of any such obligations 1069
outstanding, amounts in special funds held as reserves to meet 1070
bond service charges, and amounts of obligations issued to provide 1071
moneys required to meet payments from the loan guarantee fund 1072
created in section 166.06 of the Revised Code and the innovation 1073
Ohio loan guarantee fund created in section 166.15 of the Revised 1074
Code. Of that six hundred thirty million dollars, not more than 1075
eighty-four million principal amount of obligations may be issued 1076
for eligible advanced energy projects and not more than one 1077
hundred million principal amount of obligations may be issued for 1078
eligible logistics and distribution projects. The terms of the 1079
obligations issued under section 166.08 of the Revised Code, other 1080
than obligations issued to meet guarantees that cannot be 1081
satisfied from amounts then held in the loan guarantee fund or the 1082
innovation Ohio loan guarantee fund, shall be such that the 1083
aggregate amount of moneys used from profit from the sale of 1084
spirituous liquor, and not from other sources, in any fiscal year 1085
shall not exceed ~~forty-five~~ sixty-three million dollars. For 1086
purposes of the preceding sentence, "other sources" include the 1087
annual investment income on special funds to the extent it will be 1088
available for payment of any bond service charges in lieu of use 1089
of profit from the sale of spirituous liquor, and shall be 1090
estimated on the basis of the expected funding of those special 1091
funds and assumed investment earnings thereon at a rate equal to 1092
the weighted average yield on investments of those special funds 1093
determined as of any date within sixty days immediately preceding 1094
the date of issuance of the bonds in respect of which the 1095
determination is being made. The determinations required by this 1096
division shall be made by the treasurer of state at the time of 1097
issuance of an issue of obligations and shall be conclusive for 1098

purposes of such issue of obligations from and after their 1099
issuance and delivery. 1100

(B) The aggregate amount of the guaranteed portion of the 1101
unpaid principal of loans guaranteed under sections 166.06 and 1102
166.15 of the Revised Code and the unpaid principal of loans made 1103
under sections 166.07 , 166.16, and 166.21 of the Revised Code may 1104
not at any time exceed eight hundred million dollars. Of that 1105
eight hundred million dollars, the aggregate amount of the 1106
guaranteed portion of the unpaid principal of loans guaranteed 1107
under sections 166.06 and 166.15 of the Revised Code shall not at 1108
any time exceed two hundred million dollars. However, the 1109
limitations established under this division do not apply to loans 1110
made with proceeds from the issuance and sale of project financing 1111
obligations. 1112

Sec. 166.25. (A) The director of development, with the 1113
approval of the controlling board and subject to the other 1114
applicable provisions of this chapter, may lend money in the 1115
logistics and distribution infrastructure fund to persons for the 1116
purpose of paying allowable costs of eligible logistics and 1117
distribution projects. 1118

(B) In determining the eligible logistics and distribution 1119
projects to be assisted and the nature, amount, and terms of 1120
assistance to be provided for an eligible logistics and 1121
distribution project, the director shall consult with appropriate 1122
governmental agencies, including the department of transportation 1123
and the Ohio rail development commission. 1124

(C)(1) The director shall submit to the development financing 1125
advisory council the terms of the proposed assistance to be 1126
provided for an eligible logistics and distribution project and 1127
such other relevant information as the council may request. 1128

(2) The council, on the basis of such information, shall make 1129

recommendations as to the appropriateness of the assistance to be 1130
provided. The recommendations may be revised to reflect any 1131
changes in the proposed assistance the director may submit to the 1132
council. 1133

(3) The director shall submit the terms of the proposed 1134
assistance to be provided, along with the recommendations, as 1135
amended, of the council as to the appropriateness of the proposed 1136
assistance, to the controlling board. 1137

Sec. 166.26. (A) There is hereby created in the state 1138
treasury the logistics and distribution infrastructure fund. The 1139
fund shall consist of grants, gifts, and contributions of money or 1140
rights to money lawfully designated for or deposited into the 1141
fund, all money and rights to money lawfully appropriated and 1142
transferred to the fund, including money received from the 1143
issuance of obligations under section 166.08 of the Revised Code 1144
and subject to section 166.11 of the Revised Code for purposes of 1145
allowable costs of eligible logistics and distribution projects, 1146
and money credited to the fund pursuant to division (B) of this 1147
section. All investment earnings on the cash balance in the fund 1148
shall be credited to the fund. The fund shall not be comprised, in 1149
any part, of money raised by taxation. 1150

(B) There shall be credited to the logistics and distribution 1151
infrastructure fund the money received by the state from the 1152
repayment of loans and recovery on loan guarantees, including 1153
interest thereon, made from the fund. 1154

Sec. 166.30. (A) The Ohio air quality development authority, 1155
with the approval of the controlling board and subject to sections 1156
3706.25 to 3706.29 of the Revised Code, may provide grants from 1157
money in the advanced energy research and development fund and may 1158
lend money in the advanced energy research and development taxable 1159
fund to persons for the purposes of paying allowable costs of 1160

eligible advanced energy projects. 1161

(B) In determining the eligible advanced energy projects to 1162
be assisted and the nature, amount, and terms of assistance to be 1163
provided for an eligible advanced energy project, the authority 1164
shall consult with appropriate governmental agencies. 1165

(C)(1) The authority shall submit to the development 1166
financing advisory council the terms of the proposed assistance to 1167
be provided for an eligible advanced energy project and such other 1168
relevant information as the council may request. 1169

(2) The council, on the basis of such information, shall make 1170
recommendations as to the appropriateness of the assistance to be 1171
provided. The recommendations may be revised to reflect any 1172
changes in the proposed assistance the authority may submit to the 1173
council. 1174

(3) The authority shall submit the terms of the proposed 1175
assistance to be provided, along with the recommendations, as 1176
amended, of the council as to the appropriateness of the proposed 1177
assistance, to the controlling board. 1178

Sec. 184.02. (A) In addition to the powers and duties under 1179
sections 184.10 to 184.20 and 184.25 and 184.26 of the Revised 1180
Code, the third frontier commission may perform any act to ensure 1181
the performance of any function necessary or appropriate to carry 1182
out the purposes of, and exercise the powers granted under, 1183
sections 184.01 and 184.02 of the Revised Code. In addition, the 1184
commission may do any of the following: 1185

(1) Adopt, amend, and rescind rules under section 111.15 of 1186
the Revised Code for the administration of any aspect of its 1187
operations; 1188

(2) Adopt bylaws governing its operations, including bylaws 1189
that establish procedures and set policies as may be necessary to 1190

assist with the furtherance of its purposes;	1191
(3) Appoint and set the compensation of employees needed to carry out its duties;	1192 1193
(4) Contract with, retain the services of, or designate, and fix the compensation of, such financial consultants, accountants, other consultants and advisors, and other independent contractors as may be necessary or desirable to carry out its duties;	1194 1195 1196 1197
(5) Solicit input and comments from the third frontier advisory board, and specialized industry, professional, and other relevant interest groups concerning its purposes;	1198 1199 1200
(6) Facilitate alignment of the state's science and technology programs and activities;	1201 1202
(7) Make grants and loans to individuals, public agencies, private companies or organizations, or joint ventures for any of the broad range of activities related to its purposes.	1203 1204 1205
(B) In addition to the powers and duties under sections 184.10 to 184.20 <u>and 184.25 and 184.26</u> of the Revised Code, the commission shall do all of the following:	1206 1207 1208
(1) Establish a competitive process for the award of grants and loans that is designed to fund the most meritorious proposals and, when appropriate, provide for peer review of proposals;	1209 1210 1211
(2) Within ninety days after the end of each fiscal year, submit to the governor and the general assembly a report of the activities of the commission during the preceding fiscal year;	1212 1213 1214
(3) With specific application to the biomedical research and technology transfer trust fund, periodically make strategic assessments of the types of state investments in biomedical research and biotechnology in the state that would likely create jobs and business opportunities in the state and produce the most beneficial long-term improvements to the public health of Ohioans,	1215 1216 1217 1218 1219 1220

including, but not limited to, biomedical research and 1221
biotechnology initiatives that address tobacco-related illnesses 1222
as may be outlined in any master agreement. The commission shall 1223
award grants and loans from the fund pursuant to a process 1224
established under division (B)(1) of this section. 1225

Sec. 184.23. (A) There is hereby created the third frontier 1226
economic stimulus advisory board. The advisory board shall provide 1227
general advice to the commission regarding bioproduct and 1228
biomedical issues. 1229

(B) The board shall consist of seven members selected for 1230
their bioproducts and biomedical knowledge and experience. The 1231
governor shall appoint two members. The speaker of the house of 1232
representatives shall appoint two members, one of whom may be 1233
recommended by the minority leader of the house of 1234
representatives. The president of the senate shall appoint two 1235
members, one of whom may be recommended by the minority leader of 1236
the senate. The director of development shall appoint one member. 1237
Membership on the advisory board created under section 184.03 of 1238
the Revised Code does not prohibit membership on the advisory 1239
board created under this section. All members of the board shall 1240
serve at the pleasure of their appointing authorities. 1241

(C) The board shall select from among its members a 1242
chairperson. A majority of board members constitutes a quorum, and 1243
no action shall be taken without the affirmative vote of a 1244
majority of the members. 1245

(D) A vacancy shall be filled in the same manner as the 1246
original appointment. The governor may remove any member of the 1247
board for malfeasance, misfeasance, or nonfeasance after a hearing 1248
in accordance with Chapter 119. of the Revised Code. 1249

(E) Members of the board shall not act as representatives of 1250
any specific disciplinary, regional, or organizational interest. 1251

Members shall represent a wide variety of experience valuable in 1252
technology research and development, product process innovation 1253
and commercialization, and creating and managing high-growth 1254
technology-based companies. 1255

(F) Members of the board shall file financial disclosure 1256
statements described in division (B) of section 102.02 of the 1257
Revised Code. 1258

(G) Members of the board shall serve without compensation, 1259
but shall receive their reasonable and necessary expenses incurred 1260
in the conduct of board business. 1261

(H) The department of development shall provide office space 1262
and facilities for the board. 1263

Sec. 184.24. Money in the jobs fund created in the state 1264
treasury shall be used in accordance with sections 184.25 and 1265
184.26 of the Revised Code and may be used to provide cash 1266
transfers to the local infrastructure development fund created in 1267
section 164.28 of the Revised Code. 1268

Sec. 184.25. There is hereby created the Ohio bioproducts 1269
development program to be administered by the third frontier 1270
commission. The commission shall provide loans, loan guarantees, 1271
or grants to for-profit or not-for-profit entities to promote, 1272
provide for and enable innovation, development and 1273
commercialization of bioproducts, including biopolymers, 1274
chemicals, and advanced materials that use biomaterials and 1275
renewable agriculture resources, through efforts including, but 1276
not limited to, agribusiness and the agricultural industry in 1277
Ohio, state and local government entities and agencies, 1278
educational institutions, or research organizations and 1279
institutions. The program shall be funded from the jobs fund 1280
created in section 184.24 of the Revised Code. 1281

Sec. 184.26. There is hereby created the Ohio biomedical 1282
development program to be administered by the third frontier 1283
commission. The commission shall provide loans, loan guarantees, 1284
or grants to for-profit or not-for-profit entities to promote, 1285
provide for and enable innovation, development and 1286
commercialization of biomedical and biotechnological products, 1287
processes and applications, including medical devices, 1288
diagnostics, informatics, therapies, and drugs, through efforts by 1289
and collaboration among and including business and industry in 1290
Ohio, state and local governmental entities and agencies, 1291
educational institutions, or research organizations and 1292
institutions. The program shall be funded from the jobs fund 1293
created in section 184.24 of the Revised Code. 1294

Sec. 1555.03. For the purposes of this chapter, the director 1295
of the Ohio coal development office may: 1296

(A) With the advice of the technical advisory committee 1297
created in section 1551.35 of the Revised Code and the affirmative 1298
vote of a majority of the members of the Ohio air quality 1299
development authority, make loans, guarantee loans, and make 1300
grants to persons doing business in this state or to educational 1301
or scientific institutions located in this state for coal research 1302
and development projects by any such person or educational or 1303
scientific institution and adopt rules under Chapter 119. of the 1304
Revised Code for making such loans, guarantees, and grants. 1305

(B) In making loans, loan guarantees, and grants under 1306
division (A) of this section and section 1555.04 of the Revised 1307
Code, the director of the office shall ensure that an adequate 1308
portion of the total amount of those loans, loan guarantees, and 1309
grants, as determined by the director with the advice of the 1310
technical advisory committee, is used for conducting research on 1311
fundamental scientific problems related to the utilization of Ohio 1312

coal and shall ensure, to the maximum feasible extent, joint 1313
financial participation by the federal government or other 1314
investors or interested parties in conjunction with any such loan, 1315
loan guarantee, or grant. The director, in each grant agreement or 1316
contract under division (A) of this section, loan contract or 1317
agreement under this division or section 1555.04 of the Revised 1318
Code, and contract of guarantee under section 1555.05 of the 1319
Revised Code, shall require that the facility or project be 1320
maintained and kept in good condition and repair by the person or 1321
educational or scientific institution to whom the grant or loan 1322
was made or for whom the guarantee was made. 1323

(C) From time to time, with the advice of the technical 1324
advisory committee and the affirmative vote of a majority of the 1325
members of the Ohio air quality development authority, request the 1326
issuance of coal research and development general obligations 1327
under section 151.07 of the Revised Code, for any of the purposes 1328
set forth in Section 15 of Article VIII, Ohio Constitution, and 1329
subject to the limitations therein upon the aggregate total amount 1330
of obligations that may be outstanding at any time. 1331

(D) Include as a condition of any loan, loan guarantee, or 1332
grant contract or agreement with any such person or educational or 1333
scientific institution that the director of the office receive, in 1334
addition to payments of principal and interest on any such loan or 1335
service charges for any such guarantee, as appropriate, as 1336
authorized by Section 15, Article VIII, Ohio Constitution, a 1337
reasonable royalty or portion of the income or profits arising out 1338
of the developments, discoveries, or inventions, including patents 1339
or copyrights, that result in whole or in part from coal research 1340
and development projects conducted under any such contract or 1341
agreement, in such amounts and for such period of years as may be 1342
negotiated and provided by the contract or agreement in advance of 1343
the making of the grant, loan, or loan guarantee. Moneys ~~se~~ 1344

received by the director of the office ~~shall~~ under this section 1345
may be credited to the coal research and development bond service 1346
fund or used to make additional loans, loan guarantees, grants, or 1347
agreements under this section. 1348

(E) Employ managers, superintendents, and other employees and 1349
retain or contract with consulting engineers, financial 1350
consultants, accounting experts, architects, and such other 1351
consultants and independent contractors as are necessary in the 1352
judgment of the director of the office to carry out this chapter, 1353
and fix the compensation thereof. 1354

(F) Receive and accept from any federal agency, subject to 1355
the approval of the governor, grants for or in aid of the 1356
construction or operation of any coal research and development 1357
project or for coal research and development, and receive and 1358
accept aid or contributions from any source of money, property, 1359
labor, or other things of value, to be held, used, and applied 1360
only for the purposes for which such grants and contributions are 1361
made. 1362

(G) Purchase fire and extended coverage and liability 1363
insurance for any coal research and development project, insurance 1364
protecting the office and its officers and employees against 1365
liability for damage to property or injury to or death of persons 1366
arising from its operations, and any other insurance the director 1367
of the office determines necessary or proper under this chapter. 1368
Any moneys received by the director from the proceeds of any such 1369
insurance with respect to a coal research and development project 1370
and any moneys received by the director from the proceeds of any 1371
settlement, judgment, foreclosure, or other insurance with respect 1372
to a coal research and development project or facility shall be 1373
credited to the coal research and development bond service fund. 1374

(H) In the exercise of the powers of the director of the 1375
office under this chapter, call to the director's assistance, 1376

temporarily, from time to time, any engineers, technical experts, 1377
financial experts, and other employees in any state department, 1378
agency, or commission, or in the Ohio state university, or other 1379
educational institutions financed wholly or partially by this 1380
state for purposes of assisting the director of the office with 1381
reviewing and evaluating applications for financial assistance 1382
under this chapter, monitoring performance of coal research and 1383
development projects receiving financial assistance under this 1384
chapter, and reviewing and evaluating the progress and findings of 1385
those projects. Such engineers, experts, and employees shall not 1386
receive any additional compensation over that which they receive 1387
from the department, agency, commission, or educational 1388
institution by which they are employed, but they shall be 1389
reimbursed for their actual and necessary expenses incurred while 1390
working under the direction of the director. 1391

(I) Do all acts necessary or proper to carry out the powers 1392
expressly granted in this chapter. 1393

Sec. 3333.38. (A) As used in this section: 1394

(1) "Institution of higher education" includes all of the 1395
following: 1396

(a) A state institution of higher education, as defined in 1397
section 3345.011 of the Revised Code; 1398

(b) A nonprofit institution issued a certificate of 1399
authorization under Chapter 1713. of the Revised Code; 1400

(c) A private institution exempt from regulation under 1401
Chapter 3332. of the Revised Code, as prescribed in section 1402
3333.046 of the Revised Code; 1403

(d) An institution of higher education with a certificate of 1404
registration from the state board of career colleges and schools 1405
under Chapter 3332. of the Revised Code. 1406

(2) "Student financial assistance supported by state funds" 1407
includes assistance granted under sections 3315.33, 3333.12, 1408
3333.122, 3333.21, 3333.26, 3333.27, 3333.28, 3333.372, 5910.03, 1409
5910.032, and 5919.34 of the Revised Code ~~or~~, financed by an award 1410
under the choose Ohio first scholarship program established under 1411
section 3333.61 of the Revised Code, or financed by an award under 1412
the Ohio innovation partnership co-op/internship program 1413
established under section 3333.72 of the Revised Code, and any 1414
other post-secondary student financial assistance supported by 1415
state funds. 1416

(B) An individual who is convicted of, pleads guilty to, or 1417
is adjudicated a delinquent child for one of the following 1418
violations shall be ineligible to receive any student financial 1419
assistance supported by state funds at an institution of higher 1420
education for two calendar years from the time the individual 1421
applies for assistance of that nature: 1422

(1) A violation of section 2917.02 or 2917.03 of the Revised 1423
Code; 1424

(2) A violation of section 2917.04 of the Revised Code that 1425
is a misdemeanor of the fourth degree; 1426

(3) A violation of section 2917.13 of the Revised Code that 1427
is a misdemeanor of the fourth or first degree and occurs within 1428
the proximate area where four or more others are acting in a 1429
course of conduct in violation of section 2917.11 of the Revised 1430
Code. 1431

(C) If an individual is convicted of, pleads guilty to, or is 1432
adjudicated a delinquent child for committing a violation of 1433
section 2917.02 or 2917.03 of the Revised Code, and if the 1434
individual is enrolled in a state-supported institution of higher 1435
education, the institution in which the individual is enrolled 1436
shall immediately dismiss the individual. No state-supported 1437

institution of higher education shall admit an individual of that 1438
nature for one academic year after the individual applies for 1439
admission to a state-supported institution of higher education. 1440
This division does not limit or affect the ability of a 1441
state-supported institution of higher education to suspend or 1442
otherwise discipline its students. 1443

Sec. 3333.68. When making an award under the choose Ohio 1444
~~innovation partnership~~ first scholarship program or the Ohio 1445
research scholars program, the chancellor of the Ohio board of 1446
regents, subject to approval by the controlling board, may commit 1447
to giving a state university's or college's proposal preference 1448
for future awards after the current fiscal year or fiscal 1449
biennium. A proposal's eligibility for future awards remains 1450
conditional on all of the following: 1451

(A) Future appropriations of the general assembly; 1452

(B) The university's or college's adherence to the agreement 1453
entered into under section 3333.65 of the Revised Code, including 1454
its fulfillment of pledges of other institutional, public, or 1455
nonpublic resources; 1456

(C) With respect to the choose Ohio first scholarship 1457
program, a demonstration that the students receiving the 1458
scholarship are satisfied with the state universities or colleges 1459
selected by the chancellor to offer the scholarships. 1460

The chancellor and the controlling board shall not commit to 1461
awarding any proposal for more than five fiscal years at a time. 1462
However, when a commitment for future awards expires, a state 1463
university or college may reapply. 1464

Sec. 3333.69. The chancellor of the Ohio board of regents 1465
shall monitor each initiative for which an award is granted under 1466
the choose Ohio ~~innovation partnership~~ first scholarship program 1467

or the Ohio research scholars program to ensure the following: 1468

(A) Fiscal accountability, so that the award is used in 1469
accordance with the agreement entered into under section 3333.65 1470
of the Revised Code; 1471

(B) Operating progress, so that the initiative is managed to 1472
achieve the goals stated in the proposal and in the agreement, and 1473
so that problems may be promptly identified and remedied; 1474

(C) Desired outcomes, so that the initiative contributes to 1475
the programs' goals of enhancing regional educational and economic 1476
strengths and meeting regional economic needs. 1477

Sec. 3333.70. Not later than December 31, 2008, and the 1478
thirty-first day of December of each year thereafter, the 1479
chancellor of the Ohio board of regents shall submit to the 1480
general assembly in accordance with section 101.68 of the Revised 1481
Code a report on the academic and economic impact of the choose 1482
Ohio ~~innovation partnership~~ first scholarship program and the Ohio 1483
research scholars program. At a minimum, the report shall include 1484
the following: 1485

(A) Progress and performance metrics for each initiative that 1486
received an award in the previous fiscal year; 1487

(B) Economic indicators of the impact of each initiative, and 1488
all initiatives as a whole, on the regional economies and the 1489
statewide economy; 1490

(C) The chancellor's strategy in assigning choose Ohio first 1491
scholarships among state universities and colleges and how the 1492
actual awards fit that strategy. 1493

Sec. 3333.71. As used in sections 3333.71 to 3333.80 of the 1494
Revised Code: 1495

(A) "Cooperative education program" means a partnership 1496

between students, institutions of higher education, and employers 1497
that formally integrates students' academic study with work 1498
experience in cooperating employer organizations and that meets 1499
all of the following conditions: 1500

(1) Alternates or combines periods of academic study and work 1501
experience in appropriate fields as an integral part of student 1502
education; 1503

(2) Provides students with compensation from the cooperative 1504
employer in the form of wages or salaries for work performed; 1505

(3) Evaluates each participating student's performance in the 1506
cooperative position, both from the perspective of the student's 1507
institution of higher education and the student's cooperative 1508
employer; 1509

(4) Provides participating students with academic credit from 1510
the institution of higher education upon successful completion of 1511
their cooperative education; 1512

(5) Is part of an overall degree program for which a 1513
percentage of the total program acceptable to the chancellor of 1514
the Ohio board of regents involves cooperative education. 1515

(B) "Internship program" means a partnership between 1516
students, institutions of higher education, and employers that 1517
formally integrates students' academic study with work or 1518
community service experience and that does both of the following: 1519

(1) Offers internships of specified and definite duration; 1520

(2) Evaluates each participating student's performance in the 1521
internship position, both from the perspective of the student's 1522
institution of higher education and the student's internship 1523
employer. 1524

An internship program may provide participating students with 1525
academic credit upon successful completion of the internship, and 1526

may provide students with compensation in the form of wages or 1527
salaries, stipends, or scholarships. 1528

(C) "Nonpublic university or college" means a nonprofit 1529
institution holding a certificate of authorization issued under 1530
Chapter 1713. of the Revised Code. 1531

(D) "State institution of higher education" has the same 1532
meaning as in section 3345.011 of the Revised Code. 1533

Sec. 3333.72. The chancellor of the Ohio board of regents 1534
shall establish and administer, as part of the Ohio innovation 1535
partnership, the co-op/internship program to promote and encourage 1536
cooperative education programs or internship programs at Ohio 1537
institutions of higher education for the purpose of recruiting 1538
Ohio students to stay in the state, and recruiting Ohio residents 1539
who left Ohio to attend out-of-state institutions of higher 1540
education back to Ohio institutions of higher education, to 1541
participate in high quality academic programs that use cooperative 1542
education programs or significant internship programs, in order to 1543
support the growth of Ohio's businesses by providing businesses 1544
with Ohio's most talented students and providing Ohio graduates 1545
with job opportunities with Ohio's growing companies. 1546

The chancellor, subject to approval by the controlling board, 1547
shall make awards to state institutions of higher education for 1548
new or existing programs and initiatives meeting the goals of the 1549
Ohio innovation partnership co-op/internship program. Awards may 1550
be granted for programs and initiatives to be implemented by a 1551
state institution of higher education alone or in collaboration 1552
with other state institutions of higher education or nonpublic 1553
Ohio universities and colleges. If the chancellor makes an award 1554
to a program or initiative that is intended to be implemented by a 1555
state institution of higher education in collaboration with other 1556
1557

state institutions of higher education or nonpublic Ohio 1558
universities or colleges, the chancellor may provide that some 1559
portion of the award be received directly by the collaborating 1560
universities or colleges consistent with all terms of the Ohio 1561
innovation partnership co-op/internship program. 1562

The Ohio innovation partnership co-op/internship program 1563
shall support the creation and maintenance of high quality 1564
academic programs that utilize an intensive cooperative education 1565
or internship program for students at state institutions of higher 1566
education, or assign a number of scholarships to institutions to 1567
recruit Ohio residents as students in a high quality academic 1568
program, or both. If scholarships are included in an award to an 1569
institution of higher education, the scholarships shall be awarded 1570
to each participating eligible student as a grant to the state 1571
institution of higher education the student is attending and shall 1572
be reflected on the student's tuition bill. 1573

1574
Notwithstanding any other provision of this section or 1575
sections 3333.73 to 3333.80 of the Revised Code, an Ohio four-year 1576
nonpublic university or college may submit a proposal as lead 1577
applicant or co-lead applicant for an award under the Ohio 1578
innovation partnership co-op/internship program if the proposal is 1579
to be implemented in collaboration with a state institution of 1580
higher education. If the chancellor grants a nonpublic university 1581
or college an award, the nonpublic university or college shall 1582
comply with all requirements of this section, sections 3333.73 to 1583
3333.80 of the Revised Code, and the rules adopted under this 1584
section that apply to state institutions of higher education that 1585
receive awards under the program. 1586

The chancellor shall adopt rules in accordance with Chapter 1587
119. of the Revised Code to administer the Ohio innovation 1588
partnership co-op/internship program. 1589

Sec. 3333.73. The chancellor of the Ohio board of regents shall establish a competitive process for making awards under the Ohio innovation partnership co-op/internship program. The chancellor, on completion of that process, shall make a recommendation to the controlling board asking for approval of each award selected by the chancellor.

The state institution of higher education shall submit a proposal and other documentation required by the chancellor, in the form and manner prescribed by the chancellor, for each award it seeks. A proposal may propose an initiative to be implemented solely by the state institution of higher education or in collaboration with other state institutions of higher education or nonpublic Ohio universities or colleges.

The chancellor shall determine which proposals will receive awards each fiscal year, and the amount of each award, on the basis of the merit of each proposal, which the chancellor, subject to approval by the controlling board, shall determine based on one or more of the following criteria:

(A) The extent to which the proposal will keep Ohio students in Ohio institutions of higher education;

(B) The extent to which the proposal will attract Ohio residents who left Ohio to attend out-of-state institutions of higher education to return to Ohio institutions of higher education;

(C) The extent to which the proposal will increase the number of Ohio graduates who remain in Ohio and enter Ohio's workforce;

(D) The quality of the program that is the subject of the proposal and the extent to which additional resources will enhance its quality;

(E) The extent to which the proposal is integrated with the

<u>strengths of the regional economy;</u>	1620
<u>(F) The extent to which the proposal is aligned with the report submitted by the chancellor pursuant to Section 4 of Sub. H.B. 2 of the 127th general assembly, as amended;</u>	1621 1622 1623
<u>(G) The extent to which the proposal facilitates the development of high quality academic programs with a cooperative education program or a significant internship program at state institutions of higher education;</u>	1624 1625 1626 1627
<u>(H) The extent to which the proposal is integrated with supporting private companies to fill potential job growth;</u>	1628 1629
<u>(I) The amount of other institutional, public, or private resources, whether monetary or nonmonetary, the proposal pledges to leverage that are in addition to the monetary cost-sharing requirement prescribed in section 3333.74 of the Revised Code;</u>	1630 1631 1632 1633
<u>(J) The extent to which the proposal is collaborative with other Ohio institutions of higher education;</u>	1634 1635
<u>(K) The extent to which the proposal is integrated with the institution's mission;</u>	1636 1637
<u>(L) The extent to which the proposal meets a statewide educational need at the undergraduate or graduate level;</u>	1638 1639
<u>(M) The demonstrated productivity or future capacity of the students to be recruited;</u>	1640 1641
<u>(N) The extent to which the proposal will create additional capacity in a high quality academic program with a cooperative education program or significant internship program;</u>	1642 1643 1644
<u>(O) The extent to which the proposal will encourage students who received degrees from two-year institutions to pursue baccalaureate degrees;</u>	1645 1646 1647
<u>(P) The extent to which the proposal facilitates the completion of a baccalaureate degree in a cost-effective manner;</u>	1648 1649

(Q) The extent to which other institutional, public, or private resources that are pledged to the proposal, in addition to the monetary cost-sharing requirement prescribed in section 3333.74 of the Revised Code, will be deployed to assist in sustaining the academic program of excellence; 1650
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(R) The extent to which the proposal increases the likelihood that students will successfully complete their degree programs; 1655
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(S) The extent to which the proposal ensures that a student participating in the high quality academic program funded by the Ohio innovation partnership co-op/internship program is appropriately qualified and prepared to successfully transition into professions in Ohio's growing companies and industries. 1657
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Sec. 3333.74. (A) Except as provided in division (B) of this section, each award under the Ohio innovation partnership co-op/internship program shall require a pledge of private funds equal to the following: 1662
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(1) In the case of a program, initiative, or scholarships for undergraduate students, at least one hundred per cent of the money awarded; 1666
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(2) In the case of a program, initiative, or scholarships for graduate students, at least one hundred fifty per cent of the money awarded. 1669
1670
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(B) The chancellor of the Ohio board of regents may waive the requirement of division (A) of this section if the chancellor finds that exceptional circumstances exist to do so, provided that the chancellor reviews the proposal with the advisory committee established under section 3333.80 of the Revised Code and provides an explanation for the waiver to the controlling board. 1672
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(C) The chancellor shall endeavor to distribute awards in 1679

such a way that a wide range of disciplines is supported and that 1680
all regions of the state benefit from the economic development 1681
impact of the program. 1682

Sec. 3333.75. The chancellor of the Ohio board of regents 1683
shall require each state institution of higher education that the 1684
controlling board approves to receive an award under the Ohio 1685
innovation partnership co-op/internship program to enter into an 1686
agreement governing the use of the award. The agreement shall 1687
contain terms the chancellor determines to be necessary, which 1688
shall include performance measures, reporting requirements, and an 1689
obligation to fulfill pledges of other institutional, public, or 1690
nonpublic resources for the proposal. 1691

The chancellor may require a state institution of higher 1692
education that violates the terms of its agreement to repay the 1693
award plus interest at the rate required by section 5703.47 of the 1694
Revised Code to the chancellor. 1695

If the chancellor makes an award to a program or initiative 1696
that is intended to be implemented by a state institution of 1697
higher education in collaboration with other state institutions of 1698
higher education or nonpublic Ohio universities or colleges, the 1699
chancellor may enter into an agreement with the collaborating 1700
universities or colleges that permits awards to be received 1701
directly by the collaborating universities or colleges consistent 1702
with the terms of the program or initiative. In that case, the 1703
chancellor shall incorporate into the agreement terms consistent 1704
with the requirements of this section. 1705

Sec. 3333.76. The chancellor of the Ohio board of regents 1706
shall encourage state institutions of higher education, alone or 1707
in collaboration with other state institutions of higher education 1708
or nonpublic Ohio universities and colleges, to submit proposals 1709

under the Ohio innovation partnership co-op/internship program for 1710
initiatives that recruit Ohio residents enrolled in colleges and 1711
universities in other states or other countries to return to Ohio 1712
and enroll in state institutions of higher education or nonpublic 1713
Ohio universities and colleges as graduate students in a high 1714
quality academic program that uses a cooperative education 1715
program, a significant internship program in a private industry or 1716
institutional laboratory, or a similar model involving a variation 1717
of cooperative education or internship programs common to graduate 1718
education, and is in an educational area, industry, or industry 1719
sector of need. 1720

The chancellor may encourage state institutions of higher 1721
education, alone or in collaboration with other state institutions 1722
of higher education or nonpublic Ohio universities and colleges, 1723
to submit proposals for initiatives that recruit Ohio residents 1724
who have received baccalaureate degrees to remain in Ohio and 1725
enroll in state institutions of higher education or nonpublic Ohio 1726
universities and colleges as graduate students in a high quality 1727
academic program of the type described in the preceding paragraph. 1728

Sec. 3333.77. When making an award under the Ohio innovation 1729
partnership co-op/internship program, the chancellor of the Ohio 1730
board of regents, subject to approval by the controlling board, 1731
may commit to giving a state institution of higher education's 1732
proposal preference for future awards after the current fiscal 1733
year or fiscal biennium. A proposal's eligibility for future 1734
awards remains conditional on all of the following: 1735

(A) Future appropriations of the general assembly; 1736

(B) The institution's adherence to the agreement entered into 1737
under section 3333.75 of the Revised Code, including its 1738
fulfillment of pledges of other institutional, public, or 1739

nonpublic resources; 1740

(C) A demonstration that the students participating in the 1741
programs and initiatives or receiving scholarships financed by the 1742
awards are satisfied with the institutions selected by the 1743
chancellor to offer the programs, initiatives, or scholarships 1744
financed by the awards. 1745

The chancellor and the controlling board shall not commit to 1746
awarding any proposal after June 30, 2014. 1747

Sec. 3333.78. The chancellor of the Ohio board of regents 1748
shall monitor each initiative for which an award is granted under 1749
the Ohio innovation partnership co-op/internship program to ensure 1750
the following: 1751

(A) Fiscal accountability, so that the award is used in 1752
accordance with the agreement entered into under section 3333.75 1753
of the Revised Code; 1754

(B) Operating progress, so that the initiative is managed to 1755
achieve the goals stated in the proposal and in the agreement, and 1756
so that problems may be promptly identified and remedied; 1757

(C) Desired outcomes, so that the initiative contributes to 1758
the program's goal of retaining Ohio's students after graduation. 1759

Sec. 3333.79. Not later than December 31, 2010, and the 1760
thirty-first day of December of each year thereafter, the 1761
chancellor of the Ohio board of regents shall submit to the 1762
general assembly in accordance with section 101.68 of the Revised 1763
Code a report on the academic and economic impact of the Ohio 1764
innovation partnership co-op/internship program. At a minimum, the 1765
report shall include the following: 1766

(A) Progress and performance metrics for each initiative that 1767
received an award in the previous fiscal year; 1768

(B) Economic indicators of the impact of each initiative, and 1769
all initiatives as a whole, on the regional economies and the 1770
statewide economy; 1771

(C) The chancellor's strategy in allocating awards among 1772
state institutions of higher education and how the actual awards 1773
fit that strategy. 1774

Sec. 3333.80. (A) The co-op/internship program advisory 1775
committee is hereby created. The committee shall consist of the 1776
following members: 1777

(1) Five members appointed by the governor, two of whom shall 1778
represent academia, two of whom shall be representatives of 1779
private industry, and one of whom shall be a member of the public; 1780

(2) The director of development, or the director's designee; 1781

(3) Five members appointed by the president of the senate, 1782
three of whom shall be members of the senate, one of whom shall 1783
represent academia, and one of whom shall be a member of the 1784
public; 1785

(4) Five members appointed by the speaker of the house of 1786
representatives, three of whom shall be members of the house of 1787
representatives, one of whom shall represent private industry, and 1788
one of whom shall be a member of the public. 1789

(B) Members of the committee who are members of the general 1790
assembly shall serve for terms of four years or until their 1791
legislative terms end, whichever is sooner. The director of 1792
development or the director's designee shall serve as an 1793
ex-officio, voting member. Otherwise, initial members shall serve 1794
the following terms: 1795

(1) Of the initial members appointed by the governor, the 1796
member representing the public and one member representing 1797
academia shall serve for terms of one year; one member 1798

representing private industry shall serve for a term of two years; 1799
and one member representing private industry and one member 1800
representing academia shall serve for terms of three years. 1801

(2) The member representing academia and the representative 1802
of the public initially appointed by the president of the senate 1803
shall serve for terms of two years. 1804

(3) The member representing private industry initially 1805
appointed by the speaker of the house of representatives shall 1806
serve for a term of one year. 1807

(4) The representative of the public initially appointed by 1808
the speaker of the house of representatives shall serve for a term 1809
of three years. 1810

Thereafter, terms shall be for three years, with each term 1811
ending on the same day of the same month as did the term that it 1812
succeeds. Each member shall serve from the date of appointment 1813
until the end of the term for which the member was appointed. 1814
Members may be reappointed. Vacancies shall be filled in the same 1815
manner as provided for original appointments. Any member appointed 1816
to fill a vacancy occurring prior to the expiration date of the 1817
term for which the member was appointed shall hold office for the 1818
remainder of that term. A member shall continue to serve after the 1819
expiration date of the member's term until the member's successor 1820
is appointed or until a period of sixty days has elapsed, 1821
whichever occurs first. The appointing authority may remove a 1822
member from the committee for failure to attend two consecutive 1823
meetings without showing good cause for the absences. 1824

(C) The committee annually shall select a chairperson and a 1825
vice-chairperson. Only the members who represent academia and 1826
private industry may serve as chairperson and vice-chairperson. 1827
For this purpose, any committee member appointed as a member of 1828
the public who is a trustee, officer, employee, or student of an 1829

institution of higher education shall be included among the 1830
representatives of academia who may serve as chairperson or 1831
vice-chairperson, and any committee member appointed as a member 1832
of the public who is a director, officer, or employee of a private 1833
business shall be included among the representatives of private 1834
industry who may serve as chairperson or vice-chairperson. The 1835
committee annually shall rotate the selection of the chairperson 1836
between these two groups and shall select a member of the other 1837
group to serve as vice-chairperson. 1838

The committee annually shall select one of its members to 1839
serve as secretary to keep a record of the committee's 1840
proceedings. 1841

(D) A majority vote of the members of the full committee is 1842
necessary to take action on any matter. The committee may adopt 1843
bylaws governing its operation, including bylaws that establish 1844
the frequency of meetings. 1845

(E) Members of the committee shall serve without 1846
compensation. 1847

(F) A member of the committee shall not participate in 1848
discussions or votes concerning a proposed initiative or an actual 1849
award under the Ohio innovation partnership co-op/internship 1850
program that involves an institution of higher education of which 1851
the member is a trustee, officer, employee, or student; an 1852
organization of which the member is a trustee, director, officer, 1853
or employee; or a business of which the member is a director, 1854
officer, or employee or a shareholder of more than five per cent 1855
of the business' stock. 1856

(G) The committee shall advise the chancellor of the Ohio 1857
board of regents on growing industries well-suited for awards 1858
under the Ohio innovation partnership co-op/internship program. 1859
The chancellor shall consult with the committee and request the 1860

committee's advice at each of the following times: 1861

(1) Prior to issuing each request for applications under the 1862
program; 1863

(2) While the chancellor is reviewing applications and before 1864
deciding on awards to submit for the controlling board's approval; 1865

(3) After deciding on awards to submit for the controlling 1866
board's approval and prior to submitting them. 1867

The committee shall advise the chancellor on other matters 1868
the chancellor considers appropriate. 1869

(H) The chancellor shall provide meeting space for the 1870
committee. The committee shall be assisted in its duties by the 1871
chancellor's staff. 1872

(I) Sections 101.82 to 101.87 of the Revised Code do not 1873
apply to the committee. 1874

Sec. 3345.32. (A) As used in this section: 1875

(1) "State university or college" means the institutions 1876
described in section 3345.27 of the Revised Code and the 1877
northeastern Ohio universities college of medicine. 1878

(2) "Resident" has the meaning specified by rule of the 1879
chancellor of the Ohio board of regents. 1880

(3) "Statement of selective service status" means a statement 1881
certifying one of the following: 1882

(a) That the individual filing the statement has registered 1883
with the selective service system in accordance with the "Military 1884
Selective Service Act," 62 Stat. 604, 50 U.S.C. App. 453, as 1885
amended; 1886

(b) That the individual filing the statement is not required 1887
to register with the selective service for one of the following 1888
reasons: 1889

(i) The individual is under eighteen or over twenty-six years of age. 1890
1891

(ii) The individual is on active duty with the armed forces of the United States other than for training in a reserve or national guard unit. 1892
1893
1894

(iii) The individual is a nonimmigrant alien lawfully in the United States in accordance with section 101 (a)(15) of the "Immigration and Nationality Act," 8 U.S.C. 1101, as amended. 1895
1896
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(iv) The individual is not a citizen of the United States and is a permanent resident of the Trust Territory of the Pacific Islands or the Northern Mariana Islands. 1898
1899
1900

(4) "Institution of higher education" means any eligible institution approved by the United States department of education pursuant to the "Higher Education Act of 1965," 79 Stat. 1219, as amended, or any institution whose students are eligible for financial assistance under any of the programs described by division (E) of this section. 1901
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(B) The chancellor shall, by rule, specify the form of statements of selective service status to be filed in compliance with divisions (C) to (F) of this section. Each statement of selective service status shall contain a section wherein a male student born after December 31, 1959, certifies that the student has registered with the selective service system in accordance with the "Military Selective Service Act," 62 Stat. 604, 50 U.S.C. App. 453, as amended. For those students not required to register with the selective service, as specified in divisions (A)(2)(b)(i) to (iv) of this section, a section shall be provided on the statement of selective service status for the certification of nonregistration and for an explanation of the reason for the exemption. The chancellor may require that such statements be accompanied by documentation specified by rule of the chancellor. 1907
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(C) A state university or college that enrolls in any course, 1922
class, or program a male student born after December 31, 1959, who 1923
has not filed a statement of selective service status with the 1924
university or college shall, regardless of the student's 1925
residency, charge the student any tuition surcharge charged 1926
students who are not residents of this state. 1927

(D) No male born after December 31, 1959, shall be eligible 1928
to receive any loan, grant, scholarship, or other financial 1929
assistance for educational expenses granted under section 3315.33, 1930
3333.12, 3333.122, 3333.21, 3333.22, 3333.26, 3333.27, 5910.03, 1931
5910.032, or 5919.34 of the Revised Code, ~~or~~ financed by an award 1932
under the choose Ohio first scholarship program established under 1933
section 3333.61 of the Revised Code, or financed by an award under 1934
the Ohio innovation partnership co-op/internship program 1935
established under section 3333.72 of the Revised Code, unless that 1936
person has filed a statement of selective service status with that 1937
person's institution of higher education. 1938

(E) If an institution of higher education receives a 1939
statement from an individual certifying that the individual has 1940
registered with the selective service system in accordance with 1941
the "Military Selective Service Act," 62 Stat. 604, 50 U.S.C. App. 1942
453, as amended or that the individual is exempt from registration 1943
for a reason other than that the individual is under eighteen 1944
years of age, the institution shall not require the individual to 1945
file any further statements. If it receives a statement certifying 1946
that the individual is not required to register because the 1947
individual is under eighteen years of age, the institution shall 1948
require the individual to file a new statement of selective 1949
service status each time the individual seeks to enroll for a new 1950
academic term or makes application for a new loan or loan 1951
guarantee or for any form of financial assistance for educational 1952

expenses, until it receives a statement certifying that the 1953
individual has registered with the selective service system or is 1954
exempt from registration for a reason other than that the 1955
individual is under eighteen years of age. 1956

Sec. 3706.25. As used in sections 3706.25 to 3706.29 of the 1957
Revised Code: 1958

(A) "Advanced energy project" means any technologies, 1959
products, activities, or management practices or strategies that 1960
facilitate the generation or use of electricity and that reduce or 1961
support the reduction of energy consumption or support the 1962
production of clean, renewable energy for industrial, 1963
distribution, commercial, institutional, governmental, research, 1964
not-for-profit, or residential energy users including, but not 1965
limited to, advanced energy resources and renewable energy 1966
resources. "Advanced energy project" includes any project 1967
described in division (A), (B), or (C) of section 4928.621 of the 1968
Revised Code. "Advanced energy project" does not include any 1969
project that uses coal. 1970

(B) "Advanced energy resource" means any of the following: 1971

(1) Any method or any modification or replacement of any 1972
property, process, device, structure, or equipment that increases 1973
the generation output of an electric generating facility to the 1974
extent such efficiency is achieved without additional carbon 1975
dioxide emissions by that facility; 1976

(2) Any distributed generation system consisting of customer 1977
cogeneration of electricity and thermal output simultaneously, 1978
primarily to meet the energy needs of the customer's facilities; 1979

(3) Advanced nuclear energy technology consisting of 1980
generation III technology as defined by the nuclear regulatory 1981
commission; other, later technology; or significant improvements 1982

to existing facilities; 1983

(4) Any fuel cell used in the generation of electricity, 1984
including, but not limited to, a proton exchange membrane fuel 1985
cell, phosphoric acid fuel cell, molten carbonate fuel cell, or 1986
solid oxide fuel cell; 1987

(5) Advanced solid waste or construction and demolition 1988
debris conversion technology, including, but not limited to, 1989
advanced stoker technology, and advanced fluidized bed 1990
gasification technology, that results in measurable greenhouse gas 1991
emissions reductions as calculated pursuant to the United States 1992
environmental protection agency's waste reduction model (WARM). 1993
1994

(C) "Renewable energy resource" means solar photovoltaic or 1995
solar thermal energy, wind energy, power produced by a 1996
hydroelectric facility, geothermal energy, fuel derived from solid 1997
wastes, as defined in section 3734.01 of the Revised Code, through 1998
fractionation, biological decomposition, or other process that 1999
does not principally involve combustion, biomass energy, 2000
biologically derived methane gas, or energy derived from 2001
nontreated by-products of the pulping process or wood 2002
manufacturing process, including bark, wood chips, sawdust, and 2003
lignin in spent pulping liquors. "Renewable energy resource" 2004
includes, but is not limited to, any fuel cell used in the 2005
generation of electricity, including, but not limited to, a proton 2006
exchange membrane fuel cell, phosphoric acid fuel cell, molten 2007
carbonate fuel cell, or solid oxide fuel cell; wind turbine 2008
located in the state's territorial waters of Lake Erie; storage 2009
facility that will promote the better utilization of a renewable 2010
energy resource that primarily generates off peak; or distributed 2011
generation system used by a customer to generate electricity from 2012
any such energy. As used in this division, "hydroelectric 2013
facility" means a hydroelectric generating facility that is 2014

located at a dam on a river, or on any water discharged to a 2015
river, that is within or bordering this state or within or 2016
bordering an adjoining state and meets all of the following 2017
standards: 2018

(1) The facility provides for river flows that are not 2019
detrimental for fish, wildlife, and water quality, including 2020
seasonal flow fluctuations as defined by the applicable licensing 2021
agency for the facility. 2022

(2) The facility demonstrates that it complies with the water 2023
quality standards of this state, which compliance may consist of 2024
certification under Section 401 of the "Clean Water Act of 1977," 2025
91 Stat. 1598, 1599, 33 U.S.C. 1341, and demonstrates that it has 2026
not contributed to a finding by this state that the river has 2027
impaired water quality under Section 303(d) of the "Clean Water 2028
Act of 1977," 114 Stat. 870, 33 U.S.C. 1313. 2029

2030

(3) The facility complies with mandatory prescriptions 2031
regarding fish passage as required by the federal energy 2032
regulatory commission license issued for the project, regarding 2033
fish protection for riverine, anadromous, and catadromus fish. 2034

(4) The facility complies with the recommendations of the 2035
Ohio environmental protection agency and with the terms of its 2036
federal energy regulatory commission license regarding watershed 2037
protection, mitigation, or enhancement, to the extent of each 2038
agency's respective jurisdiction over the facility. 2039

(5) The facility complies with provisions of the "Endangered 2040
Species Act of 1973," 87 Stat. 884, 16 U.S.C. 1531 to 1544, as 2041
amended. 2042

(6) The facility does not harm cultural resources of the 2043
area. This can be shown through compliance with the terms of its 2044
federal energy regulatory commission license or, if the facility 2045

is not regulated by that commission, through development of a plan 2046
approved by the Ohio historic preservation office, to the extent 2047
it has jurisdiction over the facility. 2048

(7) The facility complies with the terms of its federal 2049
energy regulatory commission license or exemption that are related 2050
to recreational access, accommodation, and facilities or, if the 2051
facility is not regulated by that commission, the facility 2052
complies with similar requirements as are recommended by resource 2053
agencies, to the extent they have jurisdiction over the facility; 2054
and the facility provides access to water to the public without 2055
fee or charge. 2056

(8) The facility is not recommended for removal by any 2057
federal agency or agency of any state, to the extent the 2058
particular agency has jurisdiction over the facility. 2059

Sec. 3706.26. (A) The Ohio air quality development authority 2060
may, with the approval of its executive director and the 2061
affirmative vote of a majority of its members, request the 2062
issuance of bonds under section 166.08 of the Revised Code for the 2063
purpose of providing loans and grants for acquiring, 2064
manufacturing, constructing, reconstructing, expanding, improving, 2065
or equipping facilities or facility components by business and 2066
industry in this state, entities and agencies of state and local 2067
government, educational institutions, research organizations and 2068
institutions, or any combination thereof, for energy production, 2069
delivery, storage, conservation, and efficiency through advanced 2070
energy projects. The authority may, with the approval of its 2071
executive director and the affirmative vote of a majority of its 2072
members, make such loans and provide such grants in the manner 2073
provided for in section 166.30 of the Revised Code. 2074

(B) The issuance of bonds for the purpose described in this 2075
section is subject to the limitation established in division (A) 2076

of section 166.11 of the Revised Code. 2077

Sec. 3706.27. (A) There is hereby created in the state 2078
treasury the advanced energy research and development fund to 2079
provide grants for advanced energy projects. There is hereby 2080
created in the state treasury the advanced energy research and 2081
development taxable fund to provide loans for advanced energy 2082
projects. 2083

(B)(1) The advanced energy research and development fund and 2084
the advanced energy research and development taxable fund shall 2085
consist of the proceeds of obligations issued under section 166.08 2086
of the Revised Code. Money shall be credited to the respective 2087
funds in the proportion that the executive director of the Ohio 2088
air quality development authority, with the affirmative vote of a 2089
majority of the members of the authority, determines appropriate. 2090

(2) Any investment earnings from the money in the advanced 2091
energy research and development fund and in the advanced energy 2092
research and development taxable fund shall be credited to those 2093
funds, respectively. Any repayment of loans made from money in the 2094
advanced energy research and development taxable fund shall be 2095
credited to the facilities establishment fund created in section 2096
166.03 of the Revised Code. 2097

(C) The director of budget and management shall establish and 2098
maintain records or accounts for or within these funds in such a 2099
manner as to show the amount credited to the funds pursuant to 2100
section 166.08 of the Revised Code and that the amounts so 2101
credited have been expended for the purposes set forth in Section 2102
2p or 13 of Article VIII, Ohio Constitution, and sections 166.08, 2103
166.30, and 3706.26 of the Revised Code. 2104

Sec. 3706.28. (A) Determinations made by the executive 2105
director of the Ohio air quality development authority, with the 2106

affirmative vote of a majority of the members of the authority, 2107
that a particular project is an advanced energy project and is 2108
consistent with Chapter 166. of the Revised Code and Section 2p or 2109
13 of Article VIII, Ohio Constitution, shall be conclusive as to 2110
the validity and enforceability of the obligations issued to 2111
finance such a project and of the authorizations, trust agreements 2112
or indentures, loan agreements, or grant agreements, and other 2113
agreements made in connection therewith, all in accordance with 2114
their terms. 2115

(B) Advanced energy facilities for industry, commerce, 2116
distribution, or research are hereby deemed to qualify as 2117
facilities for the control of air pollution and thermal pollution 2118
related to air under Section 2p or 13 of Article VIII, Ohio 2119
Constitution. 2120

Sec. 3706.29. The Ohio air quality development authority 2121
shall, in accordance with Chapter 119. of the Revised Code, adopt 2122
any rules necessary to implement section 166.30 and sections 2123
3706.25 to 3706.28 of the Revised Code. 2124

Sec. 5537.141. Notwithstanding sections 5537.14 and 5537.28 2125
of the Revised Code, the Ohio turnpike commission shall pay to the 2126
state, for deposit into the state treasury to the credit of the 2127
highway operating fund created in section 5735.291 of the Revised 2128
Code, an annual amount determined by the director of budget and 2129
management to be used for the purposes of that fund. The 2130
obligation to make those payments shall be evidenced by an 2131
agreement between the commission, the office of budget and 2132
management, and the department of transportation. The agreement 2133
shall be entered into not later than September 30, 2008, and 2134
shall, at a minimum, set forth all of the following: 2135

(A) The obligation of the commission to make those payments 2136

from revenues available after satisfying its debt obligations and 2137
covenants under any outstanding bond proceedings; 2138

(B) The amount due and payable in each calendar year, which 2139
amount shall not exceed twenty million dollars; 2140

(C) A schedule for making periodic payments during the year 2141
and the manner in which those payments are to be made; 2142

(D) A termination date for the agreement, which date shall 2143
not be later than December 31, 2030. 2144

Sec. 5725.151. (A) As used in this section, "certificate 2145
owner" has the same meaning as in section 149.311 of the Revised 2146
Code. 2147

(B) There is allowed a ~~refundable~~ nonrefundable credit 2148
against the tax imposed by section 5707.03 and assessed under 2149
section 5725.15 of the Revised Code for a dealer in intangibles 2150
subject to that tax that is a certificate owner of a 2151
rehabilitation tax credit certificate issued under section 149.311 2152
of the Revised Code. The credit shall equal twenty-five per cent 2153
of the dollar amount indicated on the certificate, but the amount 2154
of the credit allowed for any dealer for any year shall not exceed 2155
five million dollars. The credit shall be claimed in the calendar 2156
year specified in the certificate but a dealer may carry forward 2157
any credit amount in excess of the tax assessed for that year, and 2158
shall deduct the amount of the excess credit allowed for that year 2159
from the balance carried forward to the next year. The credit may 2160
be carried forward for not more than five years following the year 2161
for which the credit is first claimed. 2162

(C) A dealer in intangibles claiming a credit under this 2163
section shall retain the rehabilitation tax credit certificate for 2164
four years following the end of the year in which the credit was 2165
claimed, and shall make the certificate available for inspection 2166

by the tax commissioner upon the request of the tax commissioner 2167
during that period. 2168

(D) For the purpose of division (C) of section 5725.24 of the 2169
Revised Code, reductions in the amount of taxes collected on 2170
account of credits allowed under this section shall be applied to 2171
reduce the amount credited to the general revenue fund and shall 2172
not be applied to reduce the amount to be credited to the 2173
undivided local government funds of the counties in which such 2174
taxes originate. 2175

Sec. 5733.47. (A) As used in this section, "certificate 2176
owner" has the same meaning as in section 149.311 of the Revised 2177
Code. 2178

(B) There is allowed a refundable credit against the tax 2179
imposed under section 5733.06 of the Revised Code for a taxpayer 2180
that is a certificate owner of a rehabilitation tax credit 2181
certificate issued under section 149.311 of the Revised Code. The 2182
credit shall equal twenty-five per cent of the dollar amount 2183
indicated on the certificate, but shall not exceed five million 2184
dollars. The credit shall be claimed for the tax year specified in 2185
the certificate and in the order required under section 5733.98 of 2186
the Revised Code. For purposes of making tax payments under this 2187
chapter, taxes equal to the amount of the refundable credit shall 2188
be considered to be paid to the state on the first day of the tax 2189
year. 2190

(C) A taxpayer claiming a credit under this section shall 2191
retain the rehabilitation tax credit certificate for four years 2192
following the end of the tax year to which the credit was applied, 2193
and shall make the certificate available for inspection by the tax 2194
commissioner upon the request of the tax commissioner during that 2195
period. 2196

(D) If, pursuant to division (G) of section 5733.01 of the 2197

Revised Code, a taxpayer no longer pays a tax under this chapter, 2198
the taxpayer may nonetheless file an annual report under section 2199
5733.02 of the Revised Code and claim the refundable credit 2200
authorized by this section. Nothing in this division allows a 2201
taxpayer to claim the credit under this section more than once. 2202

Sec. 5747.76. (A) As used in this section, "certificate 2203
owner" has the same meaning as in section 149.311 of the Revised 2204
Code. 2205

(B) There is allowed a ~~refundable~~ nonrefundable credit 2206
against the tax imposed under section 5747.02 of the Revised Code 2207
for a taxpayer that is the certificate owner of a rehabilitation 2208
tax credit certificate issued under section 149.311 of the Revised 2209
Code. The credit shall equal twenty-five per cent of the dollar 2210
amount indicated on the certificate, but the amount of credit 2211
allowed for any taxpayer shall not exceed five million dollars. 2212
The credit shall be claimed for the taxable year specified in the 2213
certificate and in the order required under section 5747.98 of the 2214
Revised Code. ~~For purposes of making tax payments under this~~ 2215
~~chapter, taxes equal to the amount of the refundable credit shall~~ 2216
~~be considered to be paid to the state on the first day of the~~ 2217
~~taxable year.~~ 2218

(C) Nothing in this section limits or disallows pass-through 2219
treatment of the credit if the certificate owner is a pass-through 2220
entity. If the certificate owner is a pass-through entity, the 2221
amount of the credit allowed for the pass-through entity shall not 2222
exceed five million dollars. 2223

(D) If the credit allowed for any taxable year exceeds the 2224
tax otherwise due under section 5747.02 of the Revised Code, after 2225
allowing for any other credits preceding the credit in the order 2226
prescribed by section 5747.98 of the Revised Code, the taxpayer 2227
may carry forward the excess for not more than five taxable years 2228

following the taxable year for which the credit is claimed, and 2229
shall deduct the excess credit allowed in any such year from the 2230
balance carried forward to the next taxable year. 2231

(E) A taxpayer claiming a credit under this section shall 2232
retain the rehabilitation tax credit certificate for four years 2233
following the end of the taxable year to which the credit was 2234
applied, and shall make the certificate available for inspection 2235
by the tax commissioner upon the request of the tax commissioner 2236
during that period. 2237

Sec. 5747.98. (A) To provide a uniform procedure for 2238
calculating the amount of tax due under section 5747.02 of the 2239
Revised Code, a taxpayer shall claim any credits to which the 2240
taxpayer is entitled in the following order: 2241

(1) The retirement income credit under division (B) of 2242
section 5747.055 of the Revised Code; 2243

(2) The senior citizen credit under division (C) of section 2244
5747.05 of the Revised Code; 2245

(3) The lump sum distribution credit under division (D) of 2246
section 5747.05 of the Revised Code; 2247

(4) The dependent care credit under section 5747.054 of the 2248
Revised Code; 2249

(5) The lump sum retirement income credit under division (C) 2250
of section 5747.055 of the Revised Code; 2251

(6) The lump sum retirement income credit under division (D) 2252
of section 5747.055 of the Revised Code; 2253

(7) The lump sum retirement income credit under division (E) 2254
of section 5747.055 of the Revised Code; 2255

(8) The low-income credit under section 5747.056 of the 2256
Revised Code; 2257

(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	2258 2259
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	2260 2261
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	2262 2263
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	2264 2265
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	2266 2267
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	2268 2269
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	2270 2271
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	2272 2273
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	2274 2275
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	2276 2277
(19) The job retention credit under division (B) of section 5747.058 of the Revised Code;	2278 2279
(20) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	2280 2281
(21) 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;	2282 2283 2284
(22) The job training credit under section 5747.39 of the Revised Code;	2285 2286

(23) The enterprise zone credit under section 5709.66 of the Revised Code;	2287 2288
(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	2289 2290
(25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	2291 2292
(26) The ethanol plant investment credit under section 5747.75 of the Revised Code;	2293 2294
(27) <u>The nonrefundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;</u>	2295 2296
<u>(28)</u> The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	2297 2298
(28) <u>(29)</u> The export sales credit under section 5747.057 of the Revised Code;	2299 2300
(29) <u>(30)</u> The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	2301 2302 2303
(30) <u>(31)</u> The enterprise zone credits under section 5709.65 of the Revised Code;	2304 2305
(31) <u>(32)</u> The research and development credit under section 5747.331 of the Revised Code;	2306 2307
(32) <u>(33)</u> The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	2308 2309
(33) <u>(34)</u> The refundable jobs creation credit under division (A) of section 5747.058 of the Revised Code;	2310 2311
(34) <u>(35)</u> The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	2312 2313
(35) <u>(36)</u> The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of	2314 2315

section 5747.08 of the Revised Code; 2316

~~(36)~~(37) The refundable credit for tax withheld under 2317
division (B)(1) of section 5747.062 of the Revised Code; 2318

~~(37)~~(38) The refundable credit under section 5747.80 of the 2319
Revised Code for losses on loans made to the Ohio venture capital 2320
program under sections 150.01 to 150.10 of the Revised Code. 2321

(B) For any credit, except the credits enumerated in 2322
divisions (A)~~(32)~~(33) to ~~(37)~~(38) of this section and the credit 2323
granted under division (I) of section 5747.08 of the Revised Code, 2324
the amount of the credit for a taxable year shall not exceed the 2325
tax due after allowing for any other credit that precedes it in 2326
the order required under this section. Any excess amount of a 2327
particular credit may be carried forward if authorized under the 2328
section creating that credit. Nothing in this chapter shall be 2329
construed to allow a taxpayer to claim, directly or indirectly, a 2330
credit more than once for a taxable year. 2331
2332

Section 2. That existing sections 149.311, 166.01, 166.02, 2333
166.08, 166.11, 184.02, 1555.03, 3333.38, 3333.68, 3333.69, 2334
3333.70, 3345.32, 5725.151, 5733.47, 5747.76, and 5747.98 of the 2335
Revised Code are hereby repealed. 2336

Section 3. (A) Except as provided in division (B) of this 2337
section, the amendment by this act of sections 149.311, 5725.151, 2338
5733.47, 5747.76, and 5747.98 of the Revised Code applies only to 2339
the application periods beginning July 1, 2009, and July 1, 2010, 2340
and to tax credits allowed under rehabilitation tax credit 2341
certificates issued for applications filed for those application 2342
periods. Those sections as they existed before their amendment by 2343
this act apply to the application period beginning July 1, 2007, 2344
and ending June 30, 2008, and to tax credits allowed under 2345

rehabilitation tax credit certificates issued for applications 2346
filed for that application period. 2347

(B) The amendment by this act of division (A)(9) of section 2348
149.311 of the Revised Code, eliminating the application period 2349
beginning July 1, 2008, and ending June 30, 2009, takes effect 2350
when this act becomes law. The State Historic Preservation Officer 2351
shall not accept applications for that period, and the Director of 2352
Development shall not issue any rehabilitation tax credit 2353
certificates for that period. 2354

Section 4. The amendment by this act of sections 149.311, 2355
5725.151, 5733.47, 5747.76, and 5747.98 of the Revised Code and 2356
the enactment of Section 3 of this act provide for or are 2357
essential to the implementation of a tax levy. Therefore, under 2358
Ohio Constitution, Article II, Section 1d, the amendment and 2359
enactment are not subject to the referendum and go into immediate 2360
effect when this act becomes law. 2361

Section 5. All items in this section are hereby appropriated 2362
as designated out of any moneys in the state treasury to the 2363
credit of the designated fund that are not otherwise appropriated. 2364
For all appropriations made in this section, those in the first 2365
column are for fiscal year 2008 and those in the second column are 2366
for fiscal year 2009. The appropriations made in this section are 2367
in addition to any other appropriations made for the FY 2008-FY 2368
2009 biennium. 2369

AIR AIR QUALITY DEVELOPMENT AUTHORITY 2370

Appropriations

Coal Research/ Development Fund Group 2371
7046 898604 Coal Research and \$ 0 \$ 66,000,000 2372
Development Fund
TOTAL 7046 Coal \$ 0 \$ 66,000,000 2373

Within the limits set forth in this section, the Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this section, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from appropriations contained in this section shall be accounted for as though made in Am. Sub. H.B. 119 of the 127th General Assembly.

The appropriations made in this section are subject to all provisions of Am. Sub. H.B. 119 of the 127th General Assembly that are generally applicable to such appropriations.

Section 6. The Governor has informed the General Assembly of the Governor's intent to propose appropriations, and it is the intent of the General Assembly to appropriate \$20,000,000 in fiscal year 2010 and \$10,000,000 in fiscal year 2011 for the purposes of the Ohio Bioproducts Development Program established in section 184.25 of the Revised Code.

Section 7. The Governor has informed the General Assembly of the Governor's intent to propose appropriations, and it is the intent of the General Assembly to appropriate \$40,000,000 in fiscal year 2010 and \$20,000,000 in fiscal year 2011 for the purposes of the Ohio Biomedical Development Program established in section 184.26 of the Revised Code.

Section 8. The Governor has informed the General Assembly of the Governor's intent to propose appropriations, and it is the intent of the General Assembly to appropriate \$80 million in fiscal year 2012 out of moneys transferred from the Jobs Fund (Fund 5Z30), created by Section 4 of Sub. H.B. 544 of the 127th General Assembly, to the Local Infrastructure Development Fund (Fund 7039) created by section 164.28 of the Revised Code for use by the Public Works Commission for capital improvement projects

under Chapter 164. of the Revised Code. 2427

Section 9. On June 30, 2011, or as soon as possible 2428
thereafter, the Director of Budget and Management shall transfer 2429
the cash balance in the Jobs Fund (Fund 5Z30) to the General 2430
Revenue Fund. Upon completion of the transfer, the Jobs Fund (Fund 2431
5Z30) is abolished. 2432

Section 10. On or before June 30, 2013, or as soon as 2433
possible thereafter, the Director of the Public Works Commission 2434
shall notify the Director of Budget and Management that all 2435
projects funded by the Local Infrastructure Development Fund (Fund 2436
7039) have been completed and the Director of Budget and 2437
Management shall transfer the cash balance remaining in the Local 2438
Infrastructure Development Fund (Fund 7039) to the General Revenue 2439
Fund. Upon completion of the transfer, the Local Infrastructure 2440
Development Fund (Fund 7039) is abolished. 2441

Section 11. The Governor has informed the General Assembly of 2442
the Governor's intent to propose appropriations, and it is the 2443
intent of the General Assembly to appropriate \$25,000,000 for 2444
fiscal year 2010 and \$25,000,000 for fiscal year 2011 for eligible 2445
logistics and distribution infrastructure projects as defined in 2446
section 166.01 of the Revised Code. 2447

Section 12. The Ohio Public Facilities Commission, upon the 2448
request of the Director of the Ohio Coal Development Office of the 2449
Ohio Air Quality Development Authority with the advice of the 2450
Technical Advisory Committee created in section 1551.35 of the 2451
Revised Code and the affirmative vote of a majority of the members 2452
of the Ohio Air Quality Development Authority, is hereby 2453
authorized to issue and sell, in accordance with Section 15 of 2454
Article VIII, Ohio Constitution, and Chapter 151. and particularly 2455

sections 151.01 and 151.07 of the Revised Code, bonds and other 2456
obligations of the State of Ohio in an aggregate principal amount 2457
not to exceed \$66,000,000 in addition to the issuance of 2458
obligations heretofore authorized by prior acts of the General 2459
Assembly. The obligations shall be dated, issued, and sold from 2460
time to time in such amounts as may be necessary to provide 2461
sufficient moneys to the credit of the Coal Research and 2462
Development Fund created in section 1555.15 of the Revised Code to 2463
pay costs charged to the fund when due. 2464

Section 13. The Governor has informed the General Assembly of 2465
the Governor's intent to propose appropriations, and it is the 2466
intent of the General Assembly to appropriate \$100,000,000 in 2467
fiscal year 2010 and \$100,000,000 in fiscal year 2011 for use by 2468
the Public Works Commission for the Local Transportation 2469
Improvement Program established in section 164.14 of the Revised 2470
Code. The appropriations will be supported by periodic transfers 2471
of cash made by the Director of Budget and Management from the 2472
Highway Operating Fund created in section 5735.291 of the Revised 2473
Code to the Local Transportation Improvement Program Fund created 2474
in section 164.14 of the Revised Code. These appropriations are in 2475
addition to any other appropriations that may be made for this 2476
purpose. 2477

Section 14. The Governor has informed the General Assembly of 2478
the Governor's intent to propose appropriations, and it is the 2479
intent of the General Assembly to appropriate from the Highway 2480
Capital Improvement Fund created in section 5528.53 of the Revised 2481
Code \$100,000,000 in fiscal year 2010 and \$100,000,000 in fiscal 2482
year 2011 for highway capital facilities and projects. Those 2483
appropriations will be supported by the issuance of general 2484
obligations authorized for that purpose under Article VIII, 2485

Section 2m of the Ohio Constitution. These appropriations are in 2486
addition to any other appropriations that may be made for this 2487
purpose. 2488

Section 15. All items set forth in this section are hereby 2489
appropriated out of any moneys in the state treasury, for the 2490
biennium ending on June 30, 2010, to the credit of the Advanced 2491
Energy Research and Development Taxable Fund (Fund 7004) that are 2492
not otherwise appropriated: 2493

AIR AIR QUALITY DEVELOPMENT AUTHORITY 2494

C89800	Advanced Energy R&D Taxable	\$	9,000,000	2495
	Total Air Quality Development Authority	\$	9,000,000	2496
	TOTAL Advanced Energy Research and Development			2497
	Taxable Fund	\$	9,000,000	2498

The foregoing appropriation item C89800, Advanced Energy R&D 2499
Taxable, shall be used for advanced energy projects in the manner 2500
provided in sections 3706.25 to 3706.29 of the Revised Code. The 2501
Executive Director of the Air Quality Development Authority may 2502
certify to the Director of Budget and Management that a need 2503
exists to appropriate investment earnings of Fund 7004 to be so 2504
used. If the Director of Budget and Management, pursuant to 2505
sections 3706.25 to 3706.29 of the Revised Code, determines that 2506
investment earnings are available to support additional 2507
appropriations, such amounts are hereby appropriated. 2508

Expenditures from appropriations contained in this section 2509
may be accounted as though made in the main capital appropriations 2510
act of the FY 2009-FY 2010 biennium of the 127th General Assembly. 2511
The appropriations made in this section are subject to all 2512
provisions of the FY 2009-FY 2010 biennial capital appropriations 2513
act of the 127th General Assembly that are generally applicable to 2514
such appropriations. 2515

Section 16. All items set forth in this section are hereby 2516
appropriated out of any moneys in the state treasury, for the 2517
biennium ending on June 30, 2010, to the credit of the Advanced 2518
Energy Research and Development Fund (Fund 7005) that are not 2519
otherwise appropriated: 2520

AIR AIR QUALITY DEVELOPMENT AUTHORITY			2521
C89801	Advanced Energy R&D	\$ 19,000,000	2522
	Total Air Quality Development Authority	\$ 19,000,000	2523
	TOTAL Advanced Energy Research and Development		2524
	Fund	\$ 19,000,000	2525

The foregoing appropriation item C89801, Advanced Energy R&D, 2526
shall be used for advanced energy projects in the manner provided 2527
in sections 3706.25 to 3706.29 of the Revised Code. The Executive 2528
Director of the Air Quality Development Authority may certify to 2529
the Director of Budget and Management that a need exists to 2530
appropriate investment earnings of Fund 7005 to be so used. If the 2531
Director of Budget and Management, pursuant to sections 3706.25 to 2532
3706.29 of the Revised Code, determines that investment earnings 2533
are available to support additional appropriations, such amounts 2534
are hereby appropriated. 2535

Expenditures from appropriations contained in this section 2536
may be accounted as though made in the main capital appropriations 2537
act of the FY 2009-FY 2010 biennium of the 127th General Assembly. 2538
The appropriations made in this section are subject to all 2539
provisions of the FY 2009-FY 2010 biennial capital appropriations 2540
act of the 127th General Assembly that are generally applicable to 2541
such appropriations. 2542

Section 17. The Governor has informed the General Assembly of 2543
the Governor's intent to propose appropriations, and it is the 2544
intent of the General Assembly to appropriate amounts not to 2545
exceed \$56 million for the biennium ending on June 30, 2012, from 2546

bond proceeds deposited in the state treasury to the credit of the 2547
Advanced Energy Research and Development Taxable Fund (Fund 7004) 2548
and the Advanced Energy Research and Development Fund (Fund 7005) 2549
for advanced energy projects and projects that use sustainable 2550
resources as provided in sections 3706.25 to 3706.29 of the 2551
Revised Code. 2552

Section 18. All items set forth in this section are hereby 2553
appropriated out of any moneys in the state treasury, for the 2554
biennium ending on June 30, 2010, to the credit of the State 2555
Capital Improvements Fund (Fund 7038) that are not otherwise 2556
appropriated. 2557

		Appropriations	
PWC PUBLIC WORKS COMMISSION			2558
C15000	Local Public Infrastructure	\$ 120,000,000	2559
Total Public Works Commission		\$ 120,000,000	2560
TOTAL State Capital Improvements Fund		\$ 120,000,000	2561

The foregoing appropriation item C15000, Local Public 2562
Infrastructure, shall be used in accordance with sections 164.01 2563
to 164.12 of the Revised Code. The Director of the Public Works 2564
Commission may certify to the Director of Budget and Management 2565
that a need exists to appropriate investment earnings of Fund 7038 2566
to be used in accordance with sections 164.01 to 164.12 of the 2567
Revised Code. If the Director of Budget and Management, pursuant 2568
to division (D) of section 164.08 and section 164.12 of the 2569
Revised Code, determines that investment earnings are available to 2570
support additional appropriations, such amounts are hereby 2571
appropriated. 2572

Expenditures from appropriations contained in this section 2573
may be accounted as though made in the main capital appropriations 2574
act of the FY 2009-FY 2010 biennium of the 127th General Assembly. 2575
The appropriations made in this section are subject to all 2576

provisions of the FY 2009-FY 2010 biennial capital appropriations 2577
act of the 127th General Assembly that are generally applicable to 2578
such appropriations. 2579

Section 19. The Ohio Public Facilities Commission is hereby 2580
authorized to issue and sell, in accordance with Section 2p of 2581
Article VIII, Ohio Constitution, and pursuant to sections 151.01 2582
and 151.08 of the Revised Code, original obligations of the state, 2583
in an aggregate principal amount not to exceed \$120,000,000, in 2584
addition to the original obligations heretofore authorized by 2585
prior acts of the General Assembly. These authorized obligations 2586
shall be issued and sold from time to time, subject to applicable 2587
constitutional and statutory limitations, as needed to ensure 2588
sufficient moneys to the credit of the State Capital Improvements 2589
Fund (Fund 7038) to pay costs of the state in financing or 2590
assisting in the financing of local subdivision capital 2591
improvement projects. 2592

Section 20. CAPITAL RELEASE BY THE DIRECTOR OF BUDGET AND 2593
MANAGEMENT 2594

Notwithstanding section 126.14 of the Revised Code, 2595
appropriations from the State Capital Improvement Fund (Fund 7038) 2596
shall be released upon presentation of a request to release the 2597
funds by the Director of the Public Works Commission to the 2598
Director of Budget and Management. 2599

Section 21. The Governor has informed the General Assembly of 2600
the Governor's intent to propose appropriations, and it is the 2601
intent of the General Assembly to appropriate, for the Ohio 2602
Innovation Partnership Co-op/Internship Program established under 2603
section 3333.72 of the Revised Code a minimum of \$50,000,000 each 2604
fiscal year from fiscal year 2010 through fiscal year 2014. 2605
2606

Section 22. The amendments to section 184.02 and enactments 2607
of sections 184.23, 184.24, 184.25, and 184.26 of the Revised Code 2608
are hereby repealed, effective June 30, 2011. 2609

Section 23. The enactment of section 164.28 of the Revised 2610
Code is hereby repealed, effective June 30, 2013. 2611

Section 24. The amendment or enactment by this act of a 2612
codified or uncodified section listed below is exempt from the 2613
referendum under Ohio Constitution, Article II, Section 1d and 2614
section 1.471 of the Revised Code and takes effect immediately 2615
when this act becomes law: 2616

Sec. 164.28, 166.01, 166.02, 166.08, 166.11, 166.25, 166.26, 2617
166.30, 184.02, 184.23, 184.24, 184.25, 184.26, 1555.03 2618

Section 5. 2619