

# As Passed by the House

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## Representative Hottinger

**Cosponsors: Representatives Peterson, Skindell, Bacon, Boyd, Brown, Budish, Evans, Flowers, Gardner, Jones, McGregor, R., Redfern, Schlichter, Sears, Yates, Beatty, Bolon, Book, Brady, Celeste, Chandler, Daniels, DeBose, DeGeeter, Dodd, Dolan, Domenick, Dyer, Fende, Foley, Garrison, Gerberry, Gibbs, Goyal, Hagan, J., Hagan, R., Harwood, Heard, Hite, Hughes, Koziura, Letson, Luckie, Lundy, Mallory, McGregor, J., Mecklenborg, Newcomb, Oelslager, Otterman, J., Patton, Sayre, Schindel, Schneider, Setzer, Slesnick, Stewart, D., Sykes, Szollosi, Uecker, Ujvagi, White, Widener, Widowfield, Williams, B., Wolpert, Yuko, Zehringer**

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## A B I L L

To amend sections 149.311, 151.01, 166.01, 166.02, 1  
166.08, 166.11, 184.02, 1555.03, 3333.38, 3345.32, 2  
4511.101, 5725.151, 5733.47, 5747.76, and 5747.98 3  
and to enact sections 151.071, 164.28, 166.25, 4  
166.26, 166.30, 184.23 to 184.26, 184.30 to 5  
184.37, 3333.71 to 3333.80, and 5537.141 of the 6  
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 provide for coal research 19  
and development projects administered by the Third 20  
Frontier Commission, to provide for advanced 21  
energy projects administered by the Third Frontier 22  
Commission, to establish the Choose Ohio First 23  
Co-op/Internship Program, to extend the historical 24  
building rehabilitation tax credit, limit credit 25  
amounts, require regional distributive balance and 26  
economic 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, 151.01, 166.01, 166.02, 29  
166.08, 166.11, 184.02, 1555.03, 3333.38, 3345.32, 4511.101, 30  
5725.151, 5733.47, 5747.76, and 5747.98 be amended and that 31  
sections 151.071, 164.28, 166.25, 166.26, 166.30, 184.23, 184.24, 32  
184.25, 184.26, 184.30, 184.31, 184.32, 184.33, 184.34, 184.35, 33  
184.36, 184.37, 3333.71, 3333.72, 3333.73, 3333.74, 3333.75, 34  
3333.76, 3333.77, 3333.78, 3333.79, 3333.80, and 5537.141 of the 35  
Revised Code be 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 53  
places. "Qualified rehabilitation expenditures" does not include 54  
any of the following: 55

(a) The cost of acquiring, expanding, or enlarging a historic 56  
building; 57

(b) Expenditures attributable to work done to facilities 58  
related to the building, such as parking lots, sidewalks, and 59  
landscaping; 60

(c) New building construction costs. 61

(3) "Owner" of a historic building means a person holding the 62  
fee simple interest in the building. "Owner" does not include the 63  
state or a state agency, or any political subdivision as defined 64  
in section 9.23 of the Revised Code. 65

(4) "Certificate owner" means the owner of a historic 66  
building to which a rehabilitation tax credit certificate was 67  
issued under this section. 68

(5) "Registered historic district" means a historic district 69  
listed in the national register of historic places under 16 U.S.C. 70  
470a, a historic district designated by a local government 71  
certified under 16 U.S.C. 470a(c), or a local historic district 72  
certified under 36 C.F.R. 67.8 and 67.9. 73

(6) "Rehabilitation" means the process of repairing or 74

altering a historic building or buildings, making possible an 75  
efficient use while preserving those portions and features of the 76  
building and its site and environment that are significant to its 77  
historic, architectural, and cultural values. 78

(7) "Rehabilitation period" means one of the following: 79

(a) If the rehabilitation initially was not planned to be 80  
completed in stages, a period chosen by the owner not to exceed 81  
twenty-four months during which rehabilitation occurs; 82

(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, except as 102  
otherwise provided in division (D) of this section, applications 103  
expire at the end of each application period. ~~Before July 1, 2007,~~ 104

~~the~~ Each application shall state the amount of qualified 105  
rehabilitation expenditures the applicant estimates will be paid 106  
or incurred. The director may require applicants to furnish 107  
documentation of such estimates. 108

109

The director, after consultation with the tax commissioner 110  
and in accordance with Chapter 119. of the Revised Code, shall 111  
adopt rules that establish all of the following: 112

(1) Forms and procedures by which applicants may apply for 113  
rehabilitation tax credit certificates; 114

(2) Criteria for reviewing, evaluating, and approving 115  
applications for certificates within the ~~limitation on the number~~ 116  
~~of applications that may be approved in an application period~~ 117  
limitations under division (D) of this section, criteria for 118  
assuring that the certificates issued encompass a mixture of high 119  
and low qualified rehabilitation expenditures, and criteria for 120  
issuing certificates under division (C)(3)(b) of this section; 121

(3) Eligibility requirements for obtaining a certificate 122  
under this section; 123

(4) The form of rehabilitation tax credit certificates; 124

(5) Reporting requirements and monitoring procedures; 125

(6) Any other rules necessary to implement and administer 126  
this section. 127

(C) The state historic preservation officer shall accept 128  
applications ~~in the order in which they are filed. Within seven~~ 129  
~~days after an application is filed, the officer shall~~ and forward 130  
~~it~~ them to the director of development, who shall review the 131  
~~application~~ applications and determine whether all of the 132  
following criteria are met: 133

(1) That the building that is the subject of the application 134

is a historic building and the applicant is the owner of the 135  
building; 136

(2) That the rehabilitation will satisfy standards prescribed 137  
by the United States secretary of the interior under 16 U.S.C. 138  
470, et seq., as amended, and 36 C.F.R. 67.7 or a successor to 139  
that section; 140

(3) That receiving a rehabilitation tax credit certificate 141  
under this section is a major factor in: 142

(a) The applicant's decision to rehabilitate the historic 143  
building; or 144

(b) To increase the level of investment in such 145  
rehabilitation. 146

An applicant shall demonstrate to the satisfaction of the 147  
state historic preservation officer and director of development 148  
that the rehabilitation will satisfy the standards described in 149  
division (C)(2) of this section before the applicant begins the 150  
physical rehabilitation of the historic building. 151

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

building is used. A. The director shall consider the potential 166  
economic impact and the regional distributive balance of the 167  
credits throughout the state. 168

(2) A rehabilitation tax credit certificate shall not be 169  
issued before rehabilitation of a historic building is completed 170  
or for an amount greater than the estimated amount furnished by 171  
the applicant on the application for such certificate and approved 172  
by the director. The director shall not approve more than one 173  
hundred applications in a total of sixty million dollars of 174  
rehabilitation tax credits for an application period. 175

(3) Of the sixty million dollars approved for application 177  
periods July 1, 2009, through June 30, 2010, and July 1, 2010, 178  
through June 30, 2011, thirty million dollars shall be reserved in 179  
each application period for the award of rehabilitation tax credit 180  
certificates to applicants who filed completed applications before 181  
March 21, 2008, who have not withdrawn the application, and who 182  
have not yet been approved to receive a certificate, and for whose 183  
rehabilitation the director determines meets the criteria in 184  
divisions (C)(1), (2), and (3) of this section. If the total 185  
amount of credits awarded for such applications is less than 186  
thirty million dollars in an application period, the remainder 187  
shall be made available for other qualifying applications for that 188  
application period. 189

If an applicant whose application is approved for receipt of 190  
a rehabilitation tax credit certificate fails to provide to the 191  
director of development sufficient evidence of reviewable 192  
progress, including a viable financial plan, copies of final 193  
construction drawings, and evidence that the applicant has 194  
obtained all historic approvals within twelve months after the 195  
date the applicant received notification of approval, or if the 196  
applicant fails to provide evidence to the director of development 197

that the applicant has secured and closed on financing for the 198  
rehabilitation within eighteen months after receiving notification 199  
of approval, the director shall notify the applicant that the 200  
approval has been rescinded. Credits that would have been 201  
available to an applicant whose approval was rescinded shall be 202  
available for other qualified applicants. Nothing in this division 203  
prohibits an applicant whose approval has been rescinded from 204  
submitting a new application for a rehabilitation tax credit 205  
certificate. 206

(E) Issuance of a certificate represents a finding by the 207  
director of development of the matters described in divisions 208  
(C)(1), (2), and (3) of this section only; issuance of a 209  
certificate does not represent a verification or certification by 210  
the director of the amount of qualified rehabilitation 211  
expenditures for which a tax credit may be claimed under section 212  
5725.151, 5733.47, or 5747.76 of the Revised Code. The amount of 213  
qualified rehabilitation expenditures for which a tax credit may 214  
be claimed is subject to inspection and examination by the tax 215  
commissioner or employees of the commissioner under section 216  
5703.19 of the Revised Code and any other applicable law. Upon the 217  
issuance of a certificate, the director shall certify to the tax 218  
commissioner, in the form and manner requested by the tax 219  
commissioner, the name of the applicant, the amount of qualified 220  
rehabilitation expenditures shown on the certificate, and any 221  
other information required by the rules adopted under this 222  
section. 223

(F)(1) On or before the first day of December in 2007, 2008, 224  
~~and~~ 2009, 2010, and 2011, the director of development and tax 225  
commissioner jointly shall submit to the president of the senate 226  
and the speaker of the house of representatives a report on the 227  
tax credit program established under this section and sections 228  
5725.151, 5733.47, and 5747.76 of the Revised Code. The report 229



shall present an overview of the program and shall include 230  
information on the number of rehabilitation tax credit 231  
certificates issued under this section during an application 232  
period, an update on the status of each historic building for 233  
which an application was approved under this section, the dollar 234  
amount of the tax credits granted under sections 5725.151, 235  
5733.47, and 5747.76 of the Revised Code, and any other 236  
information the director and commissioner consider relevant to the 237  
topics addressed in the report. 238

(2) On or before December 1, ~~2010~~ 2012, the director of 239  
development and tax commissioner jointly shall submit to the 240  
president of the senate and the speaker of the house of 241  
representatives a comprehensive report that includes the 242  
information required by division (F)(1) of this section and a 243  
detailed analysis of the effectiveness of issuing tax credits for 244  
rehabilitating historic buildings. The report shall be prepared 245  
with the assistance of an economic research organization jointly 246  
chosen by the director and commissioner. 247

**Sec. 151.01.** (A) As used in sections 151.01 to 151.11 and 248  
151.40 of the Revised Code and in the applicable bond proceedings 249  
unless otherwise provided: 250

(1) "Bond proceedings" means the resolutions, orders, 251  
agreements, and credit enhancement facilities, and amendments and 252  
supplements to them, or any one or more or combination of them, 253  
authorizing, awarding, or providing for the terms and conditions 254  
applicable to or providing for the security or liquidity of, the 255  
particular obligations, and the provisions contained in those 256  
obligations. 257

(2) "Bond service fund" means the respective bond service 258  
fund created by section 151.03, 151.04, 151.05, 151.06, 151.07, 259  
151.071, 151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised 260

Code, and any accounts in that fund, including all moneys and 261  
investments, and earnings from investments, credited and to be 262  
credited to that fund and accounts as and to the extent provided 263  
in the applicable bond proceedings. 264

(3) "Capital facilities" means capital facilities or projects 265  
as referred to in section 151.03, 151.04, 151.05, 151.06, 151.07, 266  
151.071, 151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised 267  
Code. 268

(4) "Costs of capital facilities" means the costs of 269  
acquiring, constructing, reconstructing, rehabilitating, 270  
remodeling, renovating, enlarging, improving, equipping, or 271  
furnishing capital facilities, and of the financing of those 272  
costs. "Costs of capital facilities" includes, without limitation, 273  
and in addition to costs referred to in section 151.03, 151.04, 274  
151.05, 151.06, 151.07, 151.071, 151.08, 151.09, 151.10, 151.11, 275  
or 151.40 of the Revised Code, the cost of clearance and 276  
preparation of the site and of any land to be used in connection 277  
with capital facilities, the cost of any indemnity and surety 278  
bonds and premiums on insurance, all related direct administrative 279  
expenses and allocable portions of direct costs of the issuing 280  
authority, costs of engineering and architectural services, 281  
designs, plans, specifications, surveys, and estimates of cost, 282  
financing costs, interest on obligations from their date to the 283  
time when interest is to be paid from sources other than proceeds 284  
of obligations, amounts necessary to establish any reserves as 285  
required by the bond proceedings, the reimbursement of all moneys 286  
advanced or applied by or borrowed from any person or governmental 287  
agency or entity for the payment of any item of costs of capital 288  
facilities, and all other expenses necessary or incident to 289  
planning or determining feasibility or practicability with respect 290  
to capital facilities, and such other expenses as may be necessary 291  
or incident to the acquisition, construction, reconstruction, 292

rehabilitation, remodeling, renovation, enlargement, improvement, 293  
equipment, and furnishing of capital facilities, the financing of 294  
those costs, and the placing of the capital facilities in use and 295  
operation, including any one, part of, or combination of those 296  
classes of costs and expenses. For purposes of sections 122.085 to 297  
122.0820 of the Revised Code, "costs of capital facilities" 298  
includes "allowable costs" as defined in section 122.085 of the 299  
Revised Code. 300

(5) "Credit enhancement facilities," "financing costs," and 301  
"interest" or "interest equivalent" have the same meanings as in 302  
section 133.01 of the Revised Code. 303

(6) "Debt service" means principal, including any mandatory 304  
sinking fund or redemption requirements for retirement of 305  
obligations, interest and other accreted amounts, interest 306  
equivalent, and any redemption premium, payable on obligations. If 307  
not prohibited by the applicable bond proceedings, debt service 308  
may include costs relating to credit enhancement facilities that 309  
are related to and represent, or are intended to provide a source 310  
of payment of or limitation on, other debt service. 311

(7) "Issuing authority" means the Ohio public facilities 312  
commission created in section 151.02 of the Revised Code for 313  
obligations issued under section 151.03, 151.04, 151.05, 151.07, 314  
151.071, 151.08, 151.09, 151.10, or 151.11 of the Revised Code, or 315  
the treasurer of state, or the officer who by law performs the 316  
functions of that office, for obligations issued under section 317  
151.06 or 151.40 of the Revised Code. 318

(8) "Net proceeds" means amounts received from the sale of 319  
obligations, excluding amounts used to refund or retire 320  
outstanding obligations, amounts required to be deposited into 321  
special funds pursuant to the applicable bond proceedings, and 322  
amounts to be used to pay financing costs. 323

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

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

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

the Revised Code, the clean Ohio conservation fund created by 356  
section 164.27 of the Revised Code, the clean Ohio revitalization 357  
fund created by section 122.658 of the Revised Code, the job ready 358  
site development fund created by section 122.0820 of the Revised 359  
Code, the third frontier research and development fund created by 360  
section 184.19 of the Revised Code, the third frontier research 361  
and development taxable bond fund created by section 184.191 of 362  
the Revised Code, or other funds created by the bond proceedings 363  
that are not stated by those proceedings to be special funds. 364

(B) Subject to Section 2l, 2m, 2n, 2o, 2p, or 15, and Section 365  
17, of Article VIII, Ohio Constitution, the state, by the issuing 366  
authority, is authorized to issue and sell, as provided in 367  
sections 151.03 to 151.11 or 151.40 of the Revised Code, and in 368  
respective aggregate principal amounts as from time to time 369  
provided or authorized by the general assembly, general 370  
obligations of this state for the purpose of paying costs of 371  
capital facilities or projects identified by or pursuant to 372  
general assembly action. 373

(C) Each issue of obligations shall be authorized by 374  
resolution or order of the issuing authority. The bond proceedings 375  
shall provide for or authorize the manner for determining the 376  
principal amount or maximum principal amount of obligations of an 377  
issue, the principal maturity or maturities, the interest rate or 378  
rates, the date of and the dates of payment of interest on the 379  
obligations, their denominations, and the place or places of 380  
payment of debt service which may be within or outside the state. 381  
Unless otherwise provided by law, the latest principal maturity 382  
may not be later than the earlier of the thirty-first day of 383  
December of the twenty-fifth calendar year after the year of 384  
issuance of the particular obligations or of the twenty-fifth 385  
calendar year after the year in which the original obligation to 386  
pay was issued or entered into. Sections 9.96, 9.98, 9.981, 9.982, 387

and 9.983 of the Revised Code apply to obligations. The purpose of 388  
the obligations may be stated in the bond proceedings in general 389  
terms, such as, as applicable, "financing or assisting in the 390  
financing of projects as provided in Section 2l of Article VIII, 391  
Ohio Constitution," "financing or assisting in the financing of 392  
highway capital improvement projects as provided in Section 2m of 393  
Article VIII, Ohio Constitution," "paying costs of capital 394  
facilities for a system of common schools throughout the state as 395  
authorized by Section 2n of Article VIII, Ohio Constitution," 396  
"paying costs of capital facilities for state-supported and 397  
state-assisted institutions of higher education as authorized by 398  
Section 2n of Article VIII, Ohio Constitution," "paying costs of 399  
coal research and development as authorized by Section 15 of 400  
Article VIII, Ohio Constitution," "financing or assisting in the 401  
financing of local subdivision capital improvement projects as 402  
authorized by Section 2m of Article VIII, Ohio Constitution," 403  
"paying costs of conservation projects as authorized by Section 2o 404  
of Article VIII, Ohio Constitution," "paying costs of 405  
revitalization projects as authorized by Section 2o of Article 406  
VIII, Ohio Constitution," "paying costs of preparing sites for 407  
industry, commerce, distribution, or research and development as 408  
authorized by Section 2p of Article VIII, Ohio Constitution," or 409  
"paying costs of research and development as authorized by Section 410  
2p of Article VIII, Ohio Constitution." 411

(D) The issuing authority may appoint or provide for the 412  
appointment of paying agents, bond registrars, securities 413  
depositories, clearing corporations, and transfer agents, and may 414  
without need for any other approval retain or contract for the 415  
services of underwriters, investment bankers, financial advisers, 416  
accounting experts, marketing, remarketing, indexing, and 417  
administrative agents, other consultants, and independent 418  
contractors, including printing services, as are necessary in the 419  
judgment of the issuing authority to carry out the issuing 420

authority's functions under this chapter. When the issuing 421  
authority is the Ohio public facilities commission, the issuing 422  
authority also may without need for any other approval retain or 423  
contract for the services of attorneys and other professionals for 424  
that purpose. Financing costs are payable, as may be provided in 425  
the bond proceedings, from the proceeds of the obligations, from 426  
special funds, or from other moneys available for the purpose. 427

(E) The bond proceedings may contain additional provisions 428  
customary or appropriate to the financing or to the obligations or 429  
to particular obligations including, but not limited to, 430  
provisions for: 431

(1) The redemption of obligations prior to maturity at the 432  
option of the state or of the holder or upon the occurrence of 433  
certain conditions, and at particular price or prices and under 434  
particular terms and conditions; 435

(2) The form of and other terms of the obligations; 436

(3) The establishment, deposit, investment, and application 437  
of special funds, and the safeguarding of moneys on hand or on 438  
deposit, in lieu of the applicability of provisions of Chapter 439  
131. or 135. of the Revised Code, but subject to any special 440  
provisions of sections 151.01 to 151.11 or 151.40 of the Revised 441  
Code with respect to the application of particular funds or 442  
moneys. Any financial institution that acts as a depository of any 443  
moneys in special funds or other funds under the bond proceedings 444  
may furnish indemnifying bonds or pledge securities as required by 445  
the issuing authority. 446

(4) Any or every provision of the bond proceedings being 447  
binding upon the issuing authority and upon such governmental 448  
agency or entity, officer, board, commission, authority, agency, 449  
department, institution, district, or other person or body as may 450  
from time to time be authorized to take actions as may be 451

necessary to perform all or any part of the duty required by the 452  
provision; 453

(5) The maintenance of each pledge or instrument comprising 454  
part of the bond proceedings until the state has fully paid or 455  
provided for the payment of the debt service on the obligations or 456  
met other stated conditions; 457

(6) In the event of default in any payments required to be 458  
made by the bond proceedings, or by any other agreement of the 459  
issuing authority made as part of a contract under which the 460  
obligations were issued or secured, including a credit enhancement 461  
facility, the enforcement of those payments by mandamus, a suit in 462  
equity, an action at law, or any combination of those remedial 463  
actions; 464

(7) The rights and remedies of the holders or owners of 465  
obligations or of book-entry interests in them, and of third 466  
parties under any credit enhancement facility, and provisions for 467  
protecting and enforcing those rights and remedies, including 468  
limitations on rights of individual holders or owners; 469

(8) The replacement of mutilated, destroyed, lost, or stolen 470  
obligations; 471

(9) The funding, refunding, or advance refunding, or other 472  
provision for payment, of obligations that will then no longer be 473  
outstanding for purposes of this section or of the applicable bond 474  
proceedings; 475

(10) Amendment of the bond proceedings; 476

(11) Any other or additional agreements with the owners of 477  
obligations, and such other provisions as the issuing authority 478  
determines, including limitations, conditions, or qualifications, 479  
relating to any of the foregoing. 480

(F) The great seal of the state or a facsimile of it may be 481



affixed to or printed on the obligations. The obligations 482  
requiring execution by or for the issuing authority shall be 483  
signed as provided in the bond proceedings. Any obligations may be 484  
signed by the individual who on the date of execution is the 485  
authorized signer although on the date of these obligations that 486  
individual is not an authorized signer. In case the individual 487  
whose signature or facsimile signature appears on any obligation 488  
ceases to be an authorized signer before delivery of the 489  
obligation, that signature or facsimile is nevertheless valid and 490  
sufficient for all purposes as if that individual had remained the 491  
authorized signer until delivery. 492

(G) Obligations are investment securities under Chapter 1308. 493  
of the Revised Code. Obligations may be issued in bearer or in 494  
registered form, registrable as to principal alone or as to both 495  
principal and interest, or both, or in certificated or 496  
uncertificated form, as the issuing authority determines. 497  
Provision may be made for the exchange, conversion, or transfer of 498  
obligations and for reasonable charges for registration, exchange, 499  
conversion, and transfer. Pending preparation of final 500  
obligations, the issuing authority may provide for the issuance of 501  
interim instruments to be exchanged for the final obligations. 502

(H) Obligations may be sold at public sale or at private 503  
sale, in such manner, and at such price at, above or below par, 504  
all as determined by and provided by the issuing authority in the 505  
bond proceedings. 506

(I) Except to the extent that rights are restricted by the 507  
bond proceedings, any owner of obligations or provider of a credit 508  
enhancement facility may by any suitable form of legal proceedings 509  
protect and enforce any rights relating to obligations or that 510  
facility under the laws of this state or granted by the bond 511  
proceedings. Those rights include the right to compel the 512  
performance of all applicable duties of the issuing authority and 513

the state. Each duty of the issuing authority and that authority's 514  
officers, staff, and employees, and of each state entity or 515  
agency, or using district or using institution, and its officers, 516  
members, staff, or employees, undertaken pursuant to the bond 517  
proceedings, is hereby established as a duty of the entity or 518  
individual having authority to perform that duty, specifically 519  
enjoined by law and resulting from an office, trust, or station 520  
within the meaning of section 2731.01 of the Revised Code. The 521  
individuals who are from time to time the issuing authority, 522  
members or officers of the issuing authority, or those members' 523  
designees acting pursuant to section 151.02 of the Revised Code, 524  
or the issuing authority's officers, staff, or employees, are not 525  
liable in their personal capacities on any obligations or 526  
otherwise under the bond proceedings. 527

(J)(1) Subject to Section 2k, 2l, 2m, 2n, 2o, 2p, or 15, and 528  
Section 17, of Article VIII, Ohio Constitution and sections 151.01 529  
to 151.11 or 151.40 of the Revised Code, the issuing authority 530  
may, in addition to the authority referred to in division (B) of 531  
this section, authorize and provide for the issuance of: 532

(a) Obligations in the form of bond anticipation notes, and 533  
may provide for the renewal of those notes from time to time by 534  
the issuance of new notes. The holders of notes or appertaining 535  
interest coupons have the right to have debt service on those 536  
notes paid solely from the moneys and special funds that are or 537  
may be pledged to that payment, including the proceeds of bonds or 538  
renewal notes or both, as the issuing authority provides in the 539  
bond proceedings authorizing the notes. Notes may be additionally 540  
secured by covenants of the issuing authority to the effect that 541  
the issuing authority and the state will do all things necessary 542  
for the issuance of bonds or renewal notes in such principal 543  
amount and upon such terms as may be necessary to provide moneys 544  
to pay when due the debt service on the notes, and apply their 545

proceeds to the extent necessary, to make full and timely payment 546  
of debt service on the notes as provided in the applicable bond 547  
proceedings. In the bond proceedings authorizing the issuance of 548  
bond anticipation notes the issuing authority shall set forth for 549  
the bonds anticipated an estimated schedule of annual principal 550  
payments the latest of which shall be no later than provided in 551  
division (C) of this section. While the notes are outstanding 552  
there shall be deposited, as shall be provided in the bond 553  
proceedings for those notes, from the sources authorized for 554  
payment of debt service on the bonds, amounts sufficient to pay 555  
the principal of the bonds anticipated as set forth in that 556  
estimated schedule during the time the notes are outstanding, 557  
which amounts shall be used solely to pay the principal of those 558  
notes or of the bonds anticipated. 559

(b) Obligations for the refunding, including funding and 560  
retirement, and advance refunding with or without payment or 561  
redemption prior to maturity, of any obligations previously 562  
issued. Refunding obligations may be issued in amounts sufficient 563  
to pay or to provide for repayment of the principal amount, 564  
including principal amounts maturing prior to the redemption of 565  
the remaining prior obligations, any redemption premium, and 566  
interest accrued or to accrue to the maturity or redemption date 567  
or dates, payable on the prior obligations, and related financing 568  
costs and any expenses incurred or to be incurred in connection 569  
with that issuance and refunding. Subject to the applicable bond 570  
proceedings, the portion of the proceeds of the sale of refunding 571  
obligations issued under division (J)(1)(b) of this section to be 572  
applied to debt service on the prior obligations shall be credited 573  
to an appropriate separate account in the bond service fund and 574  
held in trust for the purpose by the issuing authority or by a 575  
corporate trustee. Obligations authorized under this division 576  
shall be considered to be issued for those purposes for which the 577  
prior obligations were issued. 578

(2) Except as otherwise provided in sections 151.01 to 151.11 579  
or 151.40 of the Revised Code, bonds or notes authorized pursuant 580  
to division (J) of this section are subject to the provisions of 581  
those sections pertaining to obligations generally. 582

(3) The principal amount of refunding or renewal obligations 583  
issued pursuant to division (J) of this section shall be in 584  
addition to the amount authorized by the general assembly as 585  
referred to in division (B) of the following sections: section 586  
151.03, 151.04, 151.05, 151.06, 151.07, 151.071, 151.08, 151.09, 587  
151.10, 151.11, or 151.40 of the Revised Code. 588

(K) Obligations are lawful investments for banks, savings and 589  
loan associations, credit union share guaranty corporations, trust 590  
companies, trustees, fiduciaries, insurance companies, including 591  
domestic for life and domestic not for life, trustees or other 592  
officers having charge of sinking and bond retirement or other 593  
special funds of the state and political subdivisions and taxing 594  
districts of this state, the sinking fund, the administrator of 595  
workers' compensation subject to the approval of the workers' 596  
compensation board, the state teachers retirement system, the 597  
public employees retirement system, the school employees 598  
retirement system, and the Ohio police and fire pension fund, 599  
notwithstanding any other provisions of the Revised Code or rules 600  
adopted pursuant to those provisions by any state agency with 601  
respect to investments by them, and are also acceptable as 602  
security for the repayment of the deposit of public moneys. The 603  
exemptions from taxation in Ohio as provided for in particular 604  
sections of the Ohio Constitution and section 5709.76 of the 605  
Revised Code apply to the obligations. 606

(L)(1) Unless otherwise provided or provided for in any 607  
applicable bond proceedings, moneys to the credit of or in a 608  
special fund shall be disbursed on the order of the issuing 609  
authority. No such order is required for the payment, from the 610

bond service fund or other special fund, when due of debt service 611  
or required payments under credit enhancement facilities. 612

(2) Payments received by the state under interest rate hedges 613  
entered into as credit enhancement facilities under this chapter 614  
shall be deposited to the credit of the bond service fund for the 615  
obligations to which those credit enhancement facilities relate. 616

(M) The full faith and credit, revenue, and taxing power of 617  
the state are and shall be pledged to the timely payment of debt 618  
service on outstanding obligations as it comes due, all in 619  
accordance with Section 2k, 2l, 2m, 2n, 2o, 2p, or 15 of Article 620  
VIII, Ohio Constitution, and section 151.03, 151.04, 151.05, 621  
151.06, 151.07, 151.071, 151.08, 151.09, 151.10, or 151.11 of the 622  
Revised Code. Moneys referred to in Section 5a of Article XII, 623  
Ohio Constitution, may not be pledged or used for the payment of 624  
debt service except on obligations referred to in section 151.06 625  
of the Revised Code. Net state lottery proceeds, as provided for 626  
and referred to in section 3770.06 of the Revised Code, may not be 627  
pledged or used for the payment of debt service except on 628  
obligations referred to in section 151.03 of the Revised Code. The 629  
state covenants, and that covenant shall be controlling 630  
notwithstanding any other provision of law, that the state and the 631  
applicable officers and agencies of the state, including the 632  
general assembly, shall, so long as any obligations are 633  
outstanding in accordance with their terms, maintain statutory 634  
authority for and cause to be levied, collected and applied 635  
sufficient pledged excises, taxes, and revenues of the state so 636  
that the revenues shall be sufficient in amounts to pay debt 637  
service when due, to establish and maintain any reserves and other 638  
requirements, and to pay financing costs, including costs of or 639  
relating to credit enhancement facilities, all as provided for in 640  
the bond proceedings. Those excises, taxes, and revenues are and 641  
shall be deemed to be levied and collected, in addition to the 642

purposes otherwise provided for by law, to provide for the payment 643  
of debt service and financing costs in accordance with sections 644  
151.01 to 151.11 of the Revised Code and the bond proceedings. 645

(N) The general assembly may from time to time repeal or 646  
reduce any excise, tax, or other source of revenue pledged to the 647  
payment of the debt service pursuant to Section 2k, 2l, 2m, 2n, 648  
2o, 2p, or 15 of Article VIII, Ohio Constitution, and sections 649  
151.01 to 151.11 or 151.40 of the Revised Code, and may levy, 650  
collect and apply any new or increased excise, tax, or revenue to 651  
meet the pledge, to the payment of debt service on outstanding 652  
obligations, of the state's full faith and credit, revenue and 653  
taxing power, or of designated revenues and receipts, except fees, 654  
excises or taxes referred to in Section 5a of Article XII, Ohio 655  
Constitution, for other than obligations referred to in section 656  
151.06 of the Revised Code and except net state lottery proceeds 657  
for other than obligations referred to in section 151.03 of the 658  
Revised Code. Nothing in division (N) of this section authorizes 659  
any impairment of the obligation of this state to levy and collect 660  
sufficient excises, taxes, and revenues to pay debt service on 661  
obligations outstanding in accordance with their terms. 662

(O) Each bond service fund is a trust fund and is hereby 663  
pledged to the payment of debt service on the applicable 664  
obligations. Payment of that debt service shall be made or 665  
provided for by the issuing authority in accordance with the bond 666  
proceedings without necessity for any act of appropriation. The 667  
bond proceedings may provide for the establishment of separate 668  
accounts in the bond service fund and for the application of those 669  
accounts only to debt service on specific obligations, and for 670  
other accounts in the bond service fund within the general 671  
purposes of that fund. 672

(P) Subject to the bond proceedings pertaining to any 673  
obligations then outstanding in accordance with their terms, the 674

issuing authority may in the bond proceedings pledge all, or such 675  
portion as the issuing authority determines, of the moneys in the 676  
bond service fund to the payment of debt service on particular 677  
obligations, and for the establishment and maintenance of any 678  
reserves for payment of particular debt service. 679

(Q) The issuing authority shall by the fifteenth day of July 680  
of each fiscal year, certify or cause to be certified to the 681  
office of budget and management the total amount of moneys 682  
required during the current fiscal year to meet in full all debt 683  
service on the respective obligations and any related financing 684  
costs payable from the applicable bond service fund and not from 685  
the proceeds of refunding or renewal obligations. The issuing 686  
authority shall make or cause to be made supplemental 687  
certifications to the office of budget and management for each 688  
debt service payment date and at such other times during each 689  
fiscal year as may be provided in the bond proceedings or 690  
requested by that office. Debt service, costs of credit 691  
enhancement facilities, and other financing costs shall be set 692  
forth separately in each certification. If and so long as the 693  
moneys to the credit of the bond service fund, together with any 694  
other moneys available for the purpose, are insufficient to meet 695  
in full all payments when due of the amount required as stated in 696  
the certificate or otherwise, the office of budget and management 697  
shall at the times as provided in the bond proceedings, and 698  
consistent with any particular provisions in sections 151.03 to 699  
151.11 and 151.40 of the Revised Code, transfer a sufficient 700  
amount to the bond service fund from the pledged revenues in the 701  
case of obligations issued pursuant to section 151.40 of the 702  
Revised Code, and in the case of other obligations from the 703  
revenues derived from excises, taxes, and other revenues, 704  
including net state lottery proceeds in the case of obligations 705  
referred to in section 151.03 of the Revised Code. 706

(R) Unless otherwise provided in any applicable bond 707  
proceedings, moneys to the credit of special funds may be invested 708  
by or on behalf of the state only in one or more of the following: 709

(1) Notes, bonds, or other direct obligations of the United 710  
States or of any agency or instrumentality of the United States, 711  
or in no-front-end-load money market mutual funds consisting 712  
exclusively of those obligations, or in repurchase agreements, 713  
including those issued by any fiduciary, secured by those 714  
obligations, or in collective investment funds consisting 715  
exclusively of those obligations; 716

(2) Obligations of this state or any political subdivision of 717  
this state; 718

(3) Certificates of deposit of any national bank located in 719  
this state and any bank, as defined in section 1101.01 of the 720  
Revised Code, subject to inspection by the superintendent of 721  
financial institutions; 722

(4) The treasurer of state's pooled investment program under 723  
section 135.45 of the Revised Code. 724

The income from investments referred to in division (R) of 725  
this section shall, unless otherwise provided in sections 151.01 726  
to 151.11 or 151.40 of the Revised Code, be credited to special 727  
funds or otherwise as the issuing authority determines in the bond 728  
proceedings. Those investments may be sold or exchanged at times 729  
as the issuing authority determines, provides for, or authorizes. 730

(S) The treasurer of state shall have responsibility for 731  
keeping records, making reports, and making payments, relating to 732  
any arbitrage rebate requirements under the applicable bond 733  
proceedings. 734

**Sec. 151.071.** (A) As used in this section: 735

(1) "Coal research and development" means inquiry, 736



experimentation, or demonstration to advance basic scientific or 737  
technical knowledge, or the application, adaptation, or use of 738  
existing or newly discovered scientific or technical knowledge, 739  
regarding the beneficiation of Ohio coal before combustion, 740  
conversion of Ohio coal to other fuels, the control of emissions 741  
of sulfur compounds resulting from the use of Ohio coal through 742  
the removal of sulfur compounds and other pollutants before, 743  
during, or after combustion, or other inquiry, experimentation, or 744  
commercial-scale demonstration, directed toward the utilization of 745  
Ohio coal in an environmentally acceptable manner as a fuel or 746  
chemical feedstock. 747

(2) "Coal research and development facilities" means 748  
buildings, structures, and other improvements, and equipment and 749  
other property, real and personal, or the modification or 750  
replacement of property, for coal research and development, 751  
including, without limitation, research, pilot, and 752  
commercial-scale demonstration facilities and, when necessary or 753  
appropriate to demonstrate the commercial acceptability of a 754  
specific technology, up to three installations within this state 755  
utilizing the specific technology that enhances the market for, or 756  
marketability of, Ohio coal, and further including any property or 757  
system to be used wholly or partially for that purpose, whether or 758  
not another purpose is also served, and any property or system 759  
incidental to or which pertains to the purpose of coal research 760  
and development. Coal research and development facilities as 761  
defined in this division are hereby determined to be those which 762  
qualify for grants, loans, and loan guarantees under Section 15 of 763  
Article VIII, Ohio Constitution. 764

(3) "Costs of capital facilities" or "costs of projects" 765  
includes related direct administrative expenses and allocable 766  
portions of direct costs of the third frontier commission, the 767  
cost of demolishing or removing any buildings or structures on 768

land acquired, including the cost of acquiring any lands to which 769  
such buildings or structures may be moved, the cost of all 770  
machinery, furnishings, and equipment, surveys, estimates of cost 771  
and revenues, working capital, other expenses necessary to 772  
determining the feasibility or practicability of acquiring or 773  
constructing such project, and such other expense as may be 774  
necessary to the acquisition or construction of the project, the 775  
financing of such acquisition or construction, and the financing 776  
of the placing of such project in operation. Any obligation, cost, 777  
or expense incurred by any person or educational or scientific 778  
institution for surveys, borings, preparation of plans and 779  
specifications, and other engineering services, or any other cost 780  
described above, in connection with the acquisition or 781  
construction of a project may be regarded as a part of the cost of 782  
that project. 783

(4) "Obligations" means obligations as defined in section 784  
151.01 of the Revised Code issued to pay costs of projects. 785

(5) "Project" means any coal research and development, or any 786  
coal research and development facility, both as defined in this 787  
section, including undivided or other interests, acquired or to be 788  
acquired, constructed or to be constructed, or operating or to be 789  
operated by a person doing business in this state or by an 790  
educational or scientific institution located in this state with 791  
all or a part of the cost of the project being paid from a loan or 792  
grant from the third frontier commission or a loan guaranteed by 793  
the commission under section 184.35 of the Revised Code, including 794  
all buildings and facilities that the commission determines 795  
necessary for the operation of the project, together with all 796  
property, rights, easements, and interests that may be required 797  
for the operation of the project. 798

(B) The issuing authority shall issue obligations to pay 799  
costs of projects pursuant to Section 15 of Article VIII, Ohio 800

Constitution, section 151.01 of the Revised Code, and this section 801  
upon certification by the director of development, after 802  
consultation with the third frontier commission of the amount of 803  
moneys or additional moneys needed in the third frontier coal 804  
research and development fund for the purpose of making grants or 805  
loans for allowable costs of projects, or needed for capitalized 806  
interest, for funding reserves, or providing moneys for loan 807  
guarantees under section 184.35 of the Revised Code. 808

(C) Net proceeds of obligations shall be deposited into the 809  
third frontier coal research and development fund created by 810  
section 184.36 of the Revised Code. 811

(D) There is hereby created in the state treasury the third 812  
frontier coal research and development bond service fund. All 813  
moneys received by the state and required by the bond proceedings, 814  
consistent with sections 151.01 and 151.071 of the Revised Code, 815  
to be deposited, transferred, or credited to the bond service 816  
fund, and all other moneys transferred or allocated to or received 817  
for the purposes of that fund, shall be deposited and credited to 818  
the bond service fund, subject to any applicable provisions of the 819  
bond proceedings but without necessity for any act of 820  
appropriation. During the period beginning with the date of the 821  
first issuance of obligations and continuing during the time that 822  
any obligations are outstanding in accordance with their terms, so 823  
long as moneys in the bond service fund are insufficient to pay 824  
debt service when due on those obligations payable from that fund 825  
(except the principal amounts of bond anticipation notes payable 826  
from the proceeds of renewal notes or bonds anticipated) and due 827  
in the particular fiscal year, a sufficient amount of revenues of 828  
the state is committed and, without necessity for further act of 829  
appropriation, shall be paid to the bond service fund for the 830  
purpose of paying that debt service when due. 831

Sec. 164.28. The local infrastructure development fund is 832  
hereby created in the state treasury. The fund shall consist of 833  
cash transferred from the jobs fund created in the state treasury 834  
by Section 4 of Sub. H.B. 544 of the 127th general assembly. Money 835  
in the fund shall be used to provide grants for local 836  
infrastructure development and for capital improvement projects. 837  
All investment earnings of the fund shall be credited to the fund. 838

**Sec. 166.01.** As used in this chapter: 839

(A) "Allowable costs" means all or part of the costs of 840  
project facilities, eligible projects, eligible innovation 841  
projects, ~~or~~ eligible research and development projects, eligible 842  
advanced energy projects, or eligible logistics and distribution 843  
projects, including costs of acquiring, constructing, 844  
reconstructing, rehabilitating, renovating, enlarging, improving, 845  
equipping, or furnishing project facilities, eligible projects, 846  
eligible innovation projects, ~~or~~ eligible research and development 847  
projects, eligible advanced energy projects, or eligible logistics 848  
and distribution projects, site clearance and preparation, 849  
supplementing and relocating public capital improvements or 850  
utility facilities, designs, plans, specifications, surveys, 851  
studies, and estimates of costs, expenses necessary or incident to 852  
determining the feasibility or practicability of assisting an 853  
eligible project, an eligible innovation project, ~~or~~ an eligible 854  
research and development project, an eligible advanced energy 855  
project, or an eligible logistics and distribution project, or 856  
providing project facilities or facilities related to an eligible 857  
project, an eligible innovation project ~~or,~~ an eligible research 858  
and development project, an eligible advanced energy project, or 859  
an eligible logistics and distribution project, architectural, 860  
engineering, and legal services fees and expenses, the costs of 861  
conducting any other activities as part of a voluntary action, and 862

such other expenses as may be necessary or incidental to the 863  
establishment or development of an eligible project, an eligible 864  
innovation project, ~~or~~ an eligible research and development 865  
project, an eligible advanced energy project, or an eligible 866  
logistics and distribution project, and reimbursement of moneys 867  
advanced or applied by any governmental agency or other person for 868  
allowable costs. 869

(B) "Allowable innovation costs" includes allowable costs of 870  
eligible innovation projects and, in addition, includes the costs 871  
of research and development of eligible innovation projects; 872  
obtaining or creating any requisite software or computer hardware 873  
related to an eligible innovation project or the products or 874  
services associated therewith; testing (including, without 875  
limitation, quality control activities necessary for initial 876  
production), perfecting, and marketing of such products and 877  
services; creating and protecting intellectual property related to 878  
an eligible innovation project or any products or services related 879  
thereto, including costs of securing appropriate patent, 880  
trademark, trade secret, trade dress, copyright, or other form of 881  
intellectual property protection for an eligible innovation 882  
project or related products and services; all to the extent that 883  
such expenditures could be capitalized under then-applicable 884  
generally accepted accounting principles; and the reimbursement of 885  
moneys advanced or applied by any governmental agency or other 886  
person for allowable innovation costs. 887

(C) "Eligible innovation project" includes an eligible 888  
project, including any project facilities associated with an 889  
eligible innovation project and, in addition, includes all 890  
tangible and intangible property related to a new product or 891  
process based on new technology or the creative application of 892  
existing technology, including research and development, product 893  
or process testing, quality control, market research, and related 894

activities, that is to be acquired, established, expanded, 895  
remodeled, rehabilitated, or modernized for industry, commerce, 896  
distribution, or research, or any combination thereof, the 897  
operation of which, alone or in conjunction with other eligible 898  
projects, eligible innovation projects, or innovation property, 899  
will create new jobs or preserve existing jobs and employment 900  
opportunities and improve the economic welfare of the people of 901  
the state. 902

(D) "Eligible project" means project facilities to be 903  
acquired, established, expanded, remodeled, rehabilitated, or 904  
modernized for industry, commerce, distribution, or research, or 905  
any combination thereof, the operation of which, alone or in 906  
conjunction with other facilities, will create new jobs or 907  
preserve existing jobs and employment opportunities and improve 908  
the economic welfare of the people of the state. "Eligible 909  
project" includes, without limitation, a voluntary action. For 910  
purposes of this division, "new jobs" does not include existing 911  
jobs transferred from another facility within the state, and 912  
"existing jobs" includes only those existing jobs with work places 913  
within the municipal corporation or unincorporated area of the 914  
county in which the eligible project is located. 915

"Eligible project" does not include project facilities to be 916  
acquired, established, expanded, remodeled, rehabilitated, or 917  
modernized for industry, commerce, distribution, or research, or 918  
any combination of industry, commerce, distribution, or research, 919  
if the project facilities consist solely of 920  
point-of-final-purchase retail facilities. If the project 921  
facilities consist of both point-of-final-purchase retail 922  
facilities and nonretail facilities, only the portion of the 923  
project facilities consisting of nonretail facilities is an 924  
eligible project. If a warehouse facility is part of a 925  
point-of-final-purchase retail facility and supplies only that 926

facility, the warehouse facility is not an eligible project. 927  
Catalog distribution facilities are not considered 928  
point-of-final-purchase retail facilities for purposes of this 929  
paragraph, and are eligible projects. 930

(E) "Eligible research and development project" means an 931  
eligible project, including project facilities, comprising, 932  
within, or related to, a facility or portion of a facility at 933  
which research is undertaken for the purpose of discovering 934  
information that is technological in nature and the application of 935  
which is intended to be useful in the development of a new or 936  
improved product, process, technique, formula, or invention, a new 937  
product or process based on new technology, or the creative 938  
application of existing technology. 939

(F) "Financial assistance" means inducements under division 940  
(B) of section 166.02 of the Revised Code, loan guarantees under 941  
section 166.06 of the Revised Code, and direct loans under section 942  
166.07 of the Revised Code. 943

(G) "Governmental action" means any action by a governmental 944  
agency relating to the establishment, development, or operation of 945  
an eligible project, eligible innovation project, ~~or~~ eligible 946  
research and development project, eligible advanced energy 947  
project, or eligible logistics and distribution project, and 948  
project facilities that the governmental agency acting has 949  
authority to take or provide for the purpose under law, including, 950  
but not limited to, actions relating to contracts and agreements, 951  
zoning, building, permits, acquisition and disposition of 952  
property, public capital improvements, utility and transportation 953  
service, taxation, employee recruitment and training, and liaison 954  
and coordination with and among governmental agencies. 955

(H) "Governmental agency" means the state and any state 957  
department, division, commission, institution or authority; a 958

municipal corporation, county, or township, and any agency 959  
thereof, and any other political subdivision or public corporation 960  
or the United States or any agency thereof; any agency, 961  
commission, or authority established pursuant to an interstate 962  
compact or agreement; and any combination of the above. 963

(I) "Innovation financial assistance" means inducements under 964  
division (B) of section 166.12 of the Revised Code, innovation 965  
Ohio loan guarantees under section 166.15 of the Revised Code, and 966  
innovation Ohio loans under section 166.16 of the Revised Code. 967

(J) "Innovation Ohio loan guarantee reserve requirement" 968  
means, at any time, with respect to innovation loan guarantees 969  
made under section 166.15 of the Revised Code, a balance in the 970  
innovation Ohio loan guarantee fund equal to the greater of twenty 971  
per cent of the then-outstanding principal amount of all 972  
outstanding innovation loan guarantees made pursuant to section 973  
166.15 of the Revised Code or fifty per cent of the principal 974  
amount of the largest outstanding guarantee made pursuant to 975  
section 166.15 of the Revised Code. 976

(K) "Innovation property" includes property and also includes 977  
software, inventory, licenses, contract rights, goodwill, 978  
intellectual property, including without limitation, patents, 979  
patent applications, trademarks and service marks, and trade 980  
secrets, and other tangible and intangible property, and any 981  
rights and interests in or connected to the foregoing. 982

(L) "Loan guarantee reserve requirement" means, at any time, 983  
with respect to loan guarantees made under section 166.06 of the 984  
Revised Code, a balance in the loan guarantee fund equal to the 985  
greater of twenty per cent of the then-outstanding principal 986  
amount of all outstanding guarantees made pursuant to section 987  
166.06 of the Revised Code or fifty per cent of the principal 988  
amount of the largest outstanding guarantee made pursuant to 989  
section 166.06 of the Revised Code. 990



(M) "Person" means any individual, firm, partnership, 991  
association, corporation, or governmental agency, and any 992  
combination thereof. 993

(N) "Project facilities" means buildings, structures, and 994  
other improvements, and equipment and other property, excluding 995  
small tools, supplies, and inventory, and any one, part of, or 996  
combination of the above, comprising all or part of, or serving or 997  
being incidental to, an eligible project, an eligible innovation 998  
project, ~~or~~ an eligible research and development project, an 999  
eligible advanced energy project, or an eligible logistics and 1000  
distribution project, including, but not limited to, public 1001  
capital improvements. 1002

(O) "Property" means real and personal property and interests 1003  
therein. 1004

(P) "Public capital improvements" means capital improvements 1005  
or facilities that any governmental agency has authority to 1006  
acquire, pay the costs of, own, maintain, or operate, or to 1007  
contract with other persons to have the same done, including, but 1008  
not limited to, highways, roads, streets, water and sewer 1009  
facilities, railroad and other transportation facilities, and air 1010  
and water pollution control and solid waste disposal facilities. 1011  
For purposes of this division, "air pollution control facilities" 1012  
includes, without limitation, solar, geothermal, biofuel, biomass, 1013  
wind, hydro, wave, and other advanced energy projects as defined 1014  
in section 184.30 of the Revised Code. 1015

(Q) "Research and development financial assistance" means 1016  
inducements under section 166.17 of the Revised Code, research and 1017  
development loans under section 166.21 of the Revised Code, and 1018  
research and development tax credits under sections 5733.352 and 1019  
5747.331 of the Revised Code. 1020

(R) "Targeted innovation industry sectors" means industry 1021

sectors involving the production or use of advanced materials, 1022  
instruments, controls and electronics, power and propulsion, 1023  
biosciences, and information technology, or such other sectors as 1024  
may be designated by the director of development. 1025

(S) "Voluntary action" means a voluntary action, as defined 1026  
in section 3746.01 of the Revised Code, that is conducted under 1027  
the voluntary action program established in Chapter 3746. of the 1028  
Revised Code. 1029

(T) "Project financing obligations" means obligations issued 1030  
pursuant to section 166.08 of the Revised Code other than 1031  
obligations for which the bond proceedings provide that bond 1032  
service charges shall be paid from receipts of the state 1033  
representing gross profit on the sale of spirituous liquor as 1034  
referred to in division (B)(4) of section 4310.10 of the Revised 1035  
Code. 1036

(U) "Regional economic development entity" means an entity 1037  
that is under contract with the director of development to 1038  
administer a loan program under this chapter in a particular area 1039  
of this state. 1040

(V) "Advanced energy research and development fund" means the 1041  
advanced energy research and development fund created in section 1042  
184.32 of the Revised Code. 1043

(W) "Advanced energy research and development taxable fund" 1044  
means the advanced energy research and development taxable fund 1045  
created in section 184.32 of the Revised Code. 1046

(X) "Eligible advanced energy project" means an eligible 1047  
project that is an "advanced energy project" as defined in section 1048  
184.30 of the Revised Code. 1049

(Y) "Eligible logistics and distribution project" means an 1050  
eligible project, including project facilities, to be acquired, 1051  
established, expanded, remodeled, rehabilitated, or modernized for 1052

transportation logistics and distribution infrastructure purposes. 1053  
As used in this division, "transportation logistics and 1054  
distribution infrastructure purposes" means promoting, providing 1055  
for, and enabling improvements to the ground, air, and water 1056  
transportation infrastructure comprising the transportation system 1057  
in this state, including, without limitation, highways, streets, 1058  
roads, bridges, railroads carrying freight, and air and water 1059  
ports and port facilities, and all related supporting facilities. 1060

**Sec. 166.02.** (A) The general assembly finds that many local 1061  
areas throughout the state are experiencing economic stagnation or 1062  
decline, and that the economic development ~~program~~ programs 1063  
provided for in ~~sections 166.01 to 166.11 of the Revised Code~~ this 1064  
chapter will constitute a deserved, necessary reinvestment by the 1065  
state in those areas, materially contribute to their economic 1066  
revitalization, and result in improving the economic welfare of 1067  
all the people of the state. Accordingly, it is declared to be the 1068  
public policy of the state, through the operations ~~under sections~~ 1069  
~~166.01 to 166.11 of the Revised Code~~ this chapter and other 1070  
applicable laws adopted pursuant to Section 2p or 13 of Article 1071  
VIII, Ohio Constitution, and other authority vested in the general 1072  
assembly, to assist in and facilitate the establishment or 1073  
development of eligible projects or assist and cooperate with any 1074  
governmental agency in achieving such purpose. 1075

(B) In furtherance of such public policy and to implement 1076  
such purpose, the director of development may: 1077

(1) After consultation with appropriate governmental 1078  
agencies, enter into agreements with persons engaged in industry, 1079  
commerce, distribution, or research and with governmental agencies 1080  
to induce such persons to acquire, construct, reconstruct, 1081  
rehabilitate, renovate, enlarge, improve, equip, or furnish, or 1082  
otherwise develop, eligible projects and make provision therein 1083

for project facilities and governmental actions, as authorized by 1084  
this chapter and other applicable laws, subject to any required 1085  
actions by the general assembly or the controlling board and 1086  
subject to applicable local government laws and regulations; 1087

(2) Provide for the guarantees and loans as provided for in 1088  
sections 166.06 and 166.07 of the Revised Code; 1089

(3) Subject to release of such moneys by the controlling 1090  
board, contract for labor and materials needed for, or contract 1091  
with others, including governmental agencies, to provide, project 1092  
facilities the allowable costs of which are to be paid for or 1093  
reimbursed from moneys in the facilities establishment fund, and 1094  
contract for the operation of such project facilities; 1095

(4) Subject to release thereof by the controlling board, from 1096  
moneys in the facilities establishment fund acquire or contract to 1097  
acquire by gift, exchange, or purchase, including the obtaining 1098  
and exercise of purchase options, property, and convey or 1099  
otherwise dispose of, or provide for the conveyance or disposition 1100  
of, property so acquired or contracted to be acquired by sale, 1101  
exchange, lease, lease purchase, conditional or installment sale, 1102  
transfer, or other disposition, including the grant of an option 1103  
to purchase, to any governmental agency or to any other person 1104  
without necessity for competitive bidding and upon such terms and 1105  
conditions and manner of consideration pursuant to and as the 1106  
director determines to be appropriate to satisfy the objectives of 1107  
sections 166.01 to 166.11 of the Revised Code; 1108

(5) Retain the services of or employ financial consultants, 1109  
appraisers, consulting engineers, superintendents, managers, 1110  
construction and accounting experts, attorneys, and employees, 1111  
agents, and independent contractors as are necessary in the 1112  
director's judgment and fix the compensation for their services; 1113

(6) Receive and accept from any person grants, gifts, and 1114

contributions of money, property, labor, and other things of 1115  
value, to be held, used and applied only for the purpose for which 1116  
such grants, gifts, and contributions are made; 1117

(7) Enter into appropriate arrangements and agreements with 1118  
any governmental agency for the taking or provision by that 1119  
governmental agency of any governmental action; 1120

(8) Do all other acts and enter into contracts and execute 1121  
all instruments necessary or appropriate to carry out the 1122  
provisions of ~~Chapter 166. of the Revised Code~~ this chapter; 1123

(9) Adopt rules to implement any of the provisions of ~~Chapter~~ 1124  
~~166. of the Revised Code~~ this chapter applicable to the director. 1125

(C) The determinations by the director that facilities 1126  
constitute eligible projects, that facilities are project 1127  
facilities, that costs of such facilities are allowable costs, and 1128  
all other determinations relevant thereto or to an action taken or 1129  
agreement entered into shall be conclusive for purposes of the 1130  
validity and enforceability of rights of parties arising from 1131  
actions taken and agreements entered into under this chapter. 1132

(D) Except as otherwise prescribed in ~~Chapter 166. of the~~ 1133  
~~Revised Code~~ this chapter, all expenses and obligations incurred 1134  
by the director in carrying out the director's powers and in 1135  
exercising the director's duties under ~~Chapter 166. of the Revised~~ 1136  
~~Code~~ this chapter, shall be payable solely from, as appropriate, 1137  
moneys in the facilities establishment fund, the loan guarantee 1138  
fund, the innovation Ohio loan guarantee fund, the innovation Ohio 1139  
loan fund, the research and development loan fund, the logistics 1140  
and distribution infrastructure fund, or moneys appropriated for 1141  
such purpose by the general assembly. ~~Chapter 166. of the Revised~~ 1142  
~~Code~~ This chapter does not authorize the director or the issuing 1143  
authority under section 166.08 of the Revised Code to incur bonded 1144  
indebtedness of the state or any political subdivision thereof, or 1145

to obligate or pledge moneys raised by taxation for the payment of 1146  
any bonds or notes issued or guarantees made pursuant to ~~Chapter~~ 1147  
~~166. of the Revised Code~~ this chapter. 1148

(E) No financial assistance for project facilities shall be 1149  
provided under this chapter unless the provisions of the agreement 1150  
providing for such assistance specify that all wages paid to 1151  
laborers and mechanics employed on such project facilities for 1152  
which the assistance is granted shall be paid at the prevailing 1153  
rates of wages of laborers and mechanics for the class of work 1154  
called for by such project facilities, which wages shall be 1155  
determined in accordance with the requirements of Chapter 4115. of 1156  
the Revised Code for determination of prevailing wage rates, 1157  
provided that the requirements of this division do not apply where 1158  
the federal government or any of its agencies provides financing 1159  
assistance as to all or any part of the funds used in connection 1160  
with such project facilities and prescribes predetermined minimum 1161  
wages to be paid to such laborers and mechanics; and provided 1162  
further that should a nonpublic user beneficiary of the eligible 1163  
project undertake, as part of the eligible project, construction 1164  
to be performed by its regular bargaining unit employees who are 1165  
covered under a collective bargaining agreement which was in 1166  
existence prior to the date of the document authorizing such 1167  
assistance then, in that event, the rate of pay provided under the 1168  
collective bargaining agreement may be paid to such employees. 1169

(F) Any governmental agency may enter into an agreement with 1170  
the director, any other governmental agency, or a person to be 1171  
assisted under this chapter, to take or provide for the purposes 1172  
of this chapter any governmental action it is authorized to take 1173  
or provide, and to undertake on behalf and at the request of the 1174  
director any action which the director is authorized to undertake 1175  
pursuant to divisions (B)(3), (4), and (5) of this section or 1176  
divisions (B)(3), (4), and (5) of section 166.12 of the Revised 1177

Code. Governmental agencies of the state shall cooperate with and 1178  
provide assistance to the director of development and the 1179  
controlling board in the exercise of their respective functions 1180  
under this chapter. 1181

**Sec. 166.08.** (A) As used in this chapter: 1182

(1) "Bond proceedings" means the resolution, order, trust 1183  
agreement, indenture, lease, and other agreements, amendments and 1184  
supplements to the foregoing, or any one or more or combination 1185  
thereof, authorizing or providing for the terms and conditions 1186  
applicable to, or providing for the security or liquidity of, 1187  
obligations issued pursuant to this section, and the provisions 1188  
contained in such obligations. 1189

(2) "Bond service charges" means principal, including 1190  
mandatory sinking fund requirements for retirement of obligations, 1191  
and interest, and redemption premium, if any, required to be paid 1192  
by the state on obligations. 1193

(3) "Bond service fund" means the applicable fund and 1194  
accounts therein created for and pledged to the payment of bond 1195  
service charges, which may be, or may be part of, the economic 1196  
development bond service fund created by division (S) of this 1197  
section including all moneys and investments, and earnings from 1198  
investments, credited and to be credited thereto. 1199

(4) "Issuing authority" means the treasurer of state, or the 1200  
officer who by law performs the functions of such officer. 1201

(5) "Obligations" means bonds, notes, or other evidence of 1202  
obligation including interest coupons pertaining thereto, issued 1203  
pursuant to this section. 1204

(6) "Pledged receipts" means all receipts of the state 1205  
representing the gross profit on the sale of spirituous liquor, as 1206  
referred to in division (B)(4) of section 4301.10 of the Revised 1207

Code, after paying all costs and expenses of the division of 1208  
liquor control and providing an adequate working capital reserve 1209  
for the division of liquor control as provided in that division, 1210  
but excluding the sum required by the second paragraph of section 1211  
4301.12 of the Revised Code, as in effect on May 2, 1980, to be 1212  
paid into the state treasury; moneys accruing to the state from 1213  
the lease, sale, or other disposition, or use, of project 1214  
facilities, and from the repayment, including interest, of loans 1215  
made from proceeds received from the sale of obligations; accrued 1216  
interest received from the sale of obligations; income from the 1217  
investment of the special funds; and any gifts, grants, donations, 1218  
and pledges, and receipts therefrom, available for the payment of 1219  
bond service charges. 1220

(7) "Special funds" or "funds" means, except where the 1221  
context does not permit, the bond service fund, and any other 1222  
funds, including reserve funds, created under the bond 1223  
proceedings, and the economic development bond service fund 1224  
created by division (S) of this section to the extent provided in 1225  
the bond proceedings, including all moneys and investments, and 1226  
earnings from investment, credited and to be credited thereto. 1227

(B) Subject to the limitations provided in section 166.11 of 1228  
the Revised Code, the issuing authority, upon the certification by 1229  
the director of development or, with respect to eligible advanced 1230  
energy projects, the third frontier commission to the issuing 1231  
authority of the amount of moneys or additional moneys needed in 1232  
the facilities establishment fund, the loan guarantee fund, the 1233  
innovation Ohio loan fund, the innovation Ohio loan guarantee 1234  
fund, ~~or~~ the research and development loan fund, the logistics and 1235  
distribution infrastructure fund, the advanced energy research and 1236  
development fund, or the advanced energy research and development 1237  
taxable fund, as applicable, for the purpose of paying, or making 1238  
loans for, allowable costs from the facilities establishment fund, 1239



allowable innovation costs from the innovation Ohio loan fund, ~~or~~ 1240  
allowable costs from the research and development loan fund, 1241  
allowable costs from the logistics and distribution infrastructure 1242  
fund, allowable costs from the advanced energy research and 1243  
development fund, or allowable costs from the advanced energy 1244  
research and development taxable fund, as applicable, or needed 1245  
for capitalized interest, for funding reserves, and for paying 1246  
costs and expenses incurred in connection with the issuance, 1247  
carrying, securing, paying, redeeming, or retirement of the 1248  
obligations or any obligations refunded thereby, including payment 1249  
of costs and expenses relating to letters of credit, lines of 1250  
credit, insurance, put agreements, standby purchase agreements, 1251  
indexing, marketing, remarketing and administrative arrangements, 1252  
interest swap or hedging agreements, and any other credit 1253  
enhancement, liquidity, remarketing, renewal, or refunding 1254  
arrangements, all of which are authorized by this section, or 1255  
providing moneys for the loan guarantee fund or the innovation 1256  
Ohio loan guarantee fund, as provided in this chapter or needed 1257  
for the purposes of funds established in accordance with or 1258  
pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56, 1259  
122.561, 122.57, and 122.80 of the Revised Code which are within 1260  
the authorization of Section 13 of Article VIII, Ohio 1261  
Constitution, or, with respect to certain eligible advanced energy 1262  
projects, Section 2p of Article VIII, Ohio Constitution, shall 1263  
issue obligations of the state under this section in the required 1264  
amount; provided that such obligations may be issued to satisfy 1265  
the covenants in contracts of guarantee made under section 166.06 1266  
or 166.15 of the Revised Code, notwithstanding limitations 1267  
otherwise applicable to the issuance of obligations under this 1268  
section. The proceeds of such obligations, except for the portion 1269  
to be deposited in special funds, including reserve funds, as may 1270  
be provided in the bond proceedings, shall as provided in the bond 1271  
proceedings be deposited by the director of development to the 1272

facilities establishment fund, the loan guarantee fund, the 1273  
innovation Ohio loan guarantee fund, the innovation Ohio loan 1274  
fund, ~~or~~ the research and development loan fund, or the logistics 1275  
and distribution infrastructure fund, or be deposited by the third 1276  
frontier commission to the advanced energy research and 1277  
development fund or the advanced energy research and development 1278  
taxable fund. Bond proceedings for project financing obligations 1279  
may provide that the proceeds derived from the issuance of such 1280  
obligations shall be deposited into such fund or funds provided 1281  
for in the bond proceedings and, to the extent provided for in the 1282  
bond proceedings, such proceeds shall be deemed to have been 1283  
deposited into the facilities establishment fund and transferred 1284  
to such fund or funds. The issuing authority may appoint trustees, 1285  
paying agents, and transfer agents and may retain the services of 1286  
financial advisors, accounting experts, and attorneys, and retain 1287  
or contract for the services of marketing, remarketing, indexing, 1288  
and administrative agents, other consultants, and independent 1289  
contractors, including printing services, as are necessary in the 1290  
issuing authority's judgment to carry out this section. The costs 1291  
of such services are allowable costs payable from the facilities 1292  
establishment fund or the research and development loan fund ~~or~~, 1293  
allowable innovation costs payable from the innovation Ohio loan 1294  
fund, or allowable costs payable from the logistics and 1295  
distribution infrastructure fund, the advanced energy research and 1296  
development fund, or the advanced energy research and development 1297  
taxable fund, as applicable. 1298

(C) The holders or owners of such obligations shall have no 1299  
right to have moneys raised by taxation obligated or pledged, and 1300  
moneys raised by taxation shall not be obligated or pledged, for 1301  
the payment of bond service charges. Such holders or owners shall 1302  
have no rights to payment of bond service charges from any moneys 1303  
accruing to the state from the lease, sale, or other disposition, 1304  
or use, of project facilities, or from payment of the principal of 1305

or interest on loans made, or fees charged for guarantees made, or 1306  
from any money or property received by the director, treasurer of 1307  
state, or the state under Chapter 122. of the Revised Code, or 1308  
from any other use of the proceeds of the sale of the obligations, 1309  
and no such moneys may be used for the payment of bond service 1310  
charges, except for accrued interest, capitalized interest, and 1311  
reserves funded from proceeds received upon the sale of the 1312  
obligations and except as otherwise expressly provided in the 1313  
applicable bond proceedings pursuant to written directions by the 1314  
director. The right of such holders and owners to payment of bond 1315  
service charges is limited to all or that portion of the pledged 1316  
receipts and those special funds pledged theretopursuant to the 1317  
bond proceedings in accordance with this section, and each such 1318  
obligation shall bear on its face a statement to that effect. 1319

(D) Obligations shall be authorized by resolution or order of 1320  
the issuing authority and the bond proceedings shall provide for 1321  
the purpose thereof and the principal amount or amounts, and shall 1322  
provide for or authorize the manner or agency for determining the 1323  
principal maturity or maturities, not exceeding twenty-five years 1324  
from the date of issuance, the interest rate or rates or the 1325  
maximum interest rate, the date of the obligations and the dates 1326  
of payment of interest thereon, their denomination, and the 1327  
establishment within or without the state of a place or places of 1328  
payment of bond service charges. Sections 9.98 to 9.983 of the 1329  
Revised Code are applicable to obligations issued under this 1330  
section, subject to any applicable limitation under section 166.11 1331  
of the Revised Code. The purpose of such obligations may be stated 1332  
in the bond proceedings in terms describing the general purpose or 1333  
purposes to be served. The bond proceedings also shall provide, 1334  
subject to the provisions of any other applicable bond 1335  
proceedings, for the pledge of all, or such part as the issuing 1336  
authority may determine, of the pledged receipts and the 1337  
applicable special fund or funds to the payment of bond service 1338

charges, which pledges may be made either prior or subordinate to 1339  
other expenses, claims, or payments, and may be made to secure the 1340  
obligations on a parity with obligations theretofore or thereafter 1341  
issued, if and to the extent provided in the bond proceedings. The 1342  
pledged receipts and special funds so pledged and thereafter 1343  
received by the state are immediately subject to the lien of such 1344  
pledge without any physical delivery thereof or further act, and 1345  
the lien of any such pledges is valid and binding against all 1346  
parties having claims of any kind against the state or any 1347  
governmental agency of the state, irrespective of whether such 1348  
parties have notice thereof, and shall create a perfected security 1349  
interest for all purposes of Chapter 1309. of the Revised Code, 1350  
without the necessity for separation or delivery of funds or for 1351  
the filing or recording of the bond proceedings by which such 1352  
pledge is created or any certificate, statement or other document 1353  
with respect thereto; and the pledge of such pledged receipts and 1354  
special funds is effective and the money therefrom and thereof may 1355  
be applied to the purposes for which pledged without necessity for 1356  
any act of appropriation. Every pledge, and every covenant and 1357  
agreement made with respect thereto, made in the bond proceedings 1358  
may therein be extended to the benefit of the owners and holders 1359  
of obligations authorized by this section, and to any trustee 1360  
therefor, for the further security of the payment of the bond 1361  
service charges. 1362

(E) The bond proceedings may contain additional provisions as 1363  
to: 1364

(1) The redemption of obligations prior to maturity at the 1365  
option of the issuing authority at such price or prices and under 1366  
such terms and conditions as are provided in the bond proceedings; 1367

(2) Other terms of the obligations; 1368

(3) Limitations on the issuance of additional obligations; 1369

(4) The terms of any trust agreement or indenture securing	1370
the obligations or under which the same may be issued;	1371
(5) The deposit, investment and application of special funds,	1372
and the safeguarding of moneys on hand or on deposit, without	1373
regard to Chapter 131. or 135. of the Revised Code, but subject to	1374
any special provisions of this chapter, with respect to particular	1375
funds or moneys, provided that any bank or trust company which	1376
acts as depository of any moneys in the special funds may furnish	1377
such indemnifying bonds or may pledge such securities as required	1378
by the issuing authority;	1379
(6) Any or every provision of the bond proceedings being	1380
binding upon such officer, board, commission, authority, agency,	1381
department, or other person or body as may from time to time have	1382
the authority under law to take such actions as may be necessary	1383
to perform all or any part of the duty required by such provision;	1384
(7) Any provision that may be made in a trust agreement or	1385
indenture;	1386
(8) Any other or additional agreements with the holders of	1387
the obligations, or the trustee therefor, relating to the	1388
obligations or the security therefor, including the assignment of	1389
mortgages or other security obtained or to be obtained for loans	1390
under section 122.43, 166.07, or 166.16 of the Revised Code.	1391
(F) The obligations may have the great seal of the state or a	1392
facsimile thereof affixed thereto or printed thereon. The	1393
obligations and any coupons pertaining to obligations shall be	1394
signed or bear the facsimile signature of the issuing authority.	1395
Any obligations or coupons may be executed by the person who, on	1396
the date of execution, is the proper issuing authority although on	1397
the date of such bonds or coupons such person was not the issuing	1398
authority. If the issuing authority whose signature or a facsimile	1399
of whose signature appears on any such obligation or coupon ceases	1400

to be the issuing authority before delivery thereof, such 1401  
signature or facsimile is nevertheless valid and sufficient for 1402  
all purposes as if the former issuing authority had remained the 1403  
issuing authority until such delivery; and if the seal to be 1404  
affixed to obligations has been changed after a facsimile of the 1405  
seal has been imprinted on such obligations, such facsimile seal 1406  
shall continue to be sufficient as to such obligations and 1407  
obligations issued in substitution or exchange therefor. 1408

(G) All obligations are negotiable instruments and securities 1409  
under Chapter 1308. of the Revised Code, subject to the provisions 1410  
of the bond proceedings as to registration. The obligations may be 1411  
issued in coupon or in registered form, or both, as the issuing 1412  
authority determines. Provision may be made for the registration 1413  
of any obligations with coupons attached thereto as to principal 1414  
alone or as to both principal and interest, their exchange for 1415  
obligations so registered, and for the conversion or reconversion 1416  
into obligations with coupons attached thereto of any obligations 1417  
registered as to both principal and interest, and for reasonable 1418  
charges for such registration, exchange, conversion, and 1419  
reconversion. 1420

(H) Obligations may be sold at public sale or at private 1421  
sale, as determined in the bond proceedings. 1422

Obligations issued to provide moneys for the loan guarantee 1423  
fund or the innovation Ohio loan guarantee fund may, as determined 1424  
by the issuing authority, be sold at private sale, and without 1425  
publication of a notice of sale. 1426

(I) Pending preparation of definitive obligations, the 1427  
issuing authority may issue interim receipts or certificates which 1428  
shall be exchanged for such definitive obligations. 1429

(J) In the discretion of the issuing authority, obligations 1430  
may be secured additionally by a trust agreement or indenture 1431

between the issuing authority and a corporate trustee which may be 1432  
any trust company or bank having a place of business within the 1433  
state. Any such agreement or indenture may contain the resolution 1434  
or order authorizing the issuance of the obligations, any 1435  
provisions that may be contained in any bond proceedings, and 1436  
other provisions which are customary or appropriate in an 1437  
agreement or indenture of such type, including, but not limited 1438  
to: 1439

(1) Maintenance of each pledge, trust agreement, indenture, 1440  
or other instrument comprising part of the bond proceedings until 1441  
the state has fully paid the bond service charges on the 1442  
obligations secured thereby, or provision therefor has been made; 1443

(2) In the event of default in any payments required to be 1444  
made by the bond proceedings, or any other agreement of the 1445  
issuing authority made as a part of the contract under which the 1446  
obligations were issued, enforcement of such payments or agreement 1447  
by mandamus, the appointment of a receiver, suit in equity, action 1448  
at law, or any combination of the foregoing; 1449

(3) The rights and remedies of the holders of obligations and 1450  
of the trustee, and provisions for protecting and enforcing them, 1451  
including limitations on rights of individual holders of 1452  
obligations; 1453

(4) The replacement of any obligations that become mutilated 1454  
or are destroyed, lost, or stolen; 1455

(5) Such other provisions as the trustee and the issuing 1456  
authority agree upon, including limitations, conditions, or 1457  
qualifications relating to any of the foregoing. 1458

(K) Any holders of obligations or trustees under the bond 1459  
proceedings, except to the extent that their rights are restricted 1460  
by the bond proceedings, may by any suitable form of legal 1461  
proceedings, protect and enforce any rights under the laws of this 1462

state or granted by such bond proceedings. Such rights include the 1463  
right to compel the performance of all duties of the issuing 1464  
authority, the director of development, the third frontier 1465  
commission, or the division of liquor control required by this 1466  
chapter or the bond proceedings; to enjoin unlawful activities; 1467  
and in the event of default with respect to the payment of any 1468  
bond service charges on any obligations or in the performance of 1469  
any covenant or agreement on the part of the issuing authority, 1470  
the director of development, the third frontier commission, or the 1471  
division of liquor control in the bond proceedings, to apply to a 1472  
court having jurisdiction of the cause to appoint a receiver to 1473  
receive and administer the pledged receipts and special funds, 1474  
other than those in the custody of the treasurer of state, which 1475  
are pledged to the payment of the bond service charges on such 1476  
obligations or which are the subject of the covenant or agreement, 1477  
with full power to pay, and to provide for payment of bond service 1478  
charges on, such obligations, and with such powers, subject to the 1479  
direction of the court, as are accorded receivers in general 1480  
equity cases, excluding any power to pledge additional revenues or 1481  
receipts or other income or moneys of the issuing authority or the 1482  
state or governmental agencies of the state to the payment of such 1483  
principal and interest and excluding the power to take possession 1484  
of, mortgage, or cause the sale or otherwise dispose of any 1485  
project facilities. 1486

Each duty of the issuing authority and the issuing 1487  
authority's officers and employees, and of each governmental 1488  
agency and its officers, members, or employees, undertaken 1489  
pursuant to the bond proceedings or any agreement or lease, 1490  
lease-purchase agreement, or loan made under authority of this 1491  
chapter, and in every agreement by or with the issuing authority, 1492  
is hereby established as a duty of the issuing authority, and of 1493  
each such officer, member, or employee having authority to perform 1494  
such duty, specifically enjoined by the law resulting from an 1495



office, trust, or station within the meaning of section 2731.01 of 1496  
the Revised Code. 1497

The person who is at the time the issuing authority, or the 1498  
issuing authority's officers or employees, are not liable in their 1499  
personal capacities on any obligations issued by the issuing 1500  
authority or any agreements of or with the issuing authority. 1501

(L) The issuing authority may authorize and issue obligations 1502  
for the refunding, including funding and retirement, and advance 1503  
refunding with or without payment or redemption prior to maturity, 1504  
of any obligations previously issued by the issuing authority. 1505  
Such obligations may be issued in amounts sufficient for payment 1506  
of the principal amount of the prior obligations, any redemption 1507  
premiums thereon, principal maturities of any such obligations 1508  
maturing prior to the redemption of the remaining obligations on a 1509  
parity therewith, interest accrued or to accrue to the maturity 1510  
dates or dates of redemption of such obligations, and any 1511  
allowable costs including expenses incurred or to be incurred in 1512  
connection with such issuance and such refunding, funding, and 1513  
retirement. Subject to the bond proceedings therefor, the portion 1514  
of proceeds of the sale of obligations issued under this division 1515  
to be applied to bond service charges on the prior obligations 1516  
shall be credited to an appropriate account held by the trustee 1517  
for such prior or new obligations or to the appropriate account in 1518  
the bond service fund for such obligations. Obligations authorized 1519  
under this division shall be deemed to be issued for those 1520  
purposes for which such prior obligations were issued and are 1521  
subject to the provisions of this section pertaining to other 1522  
obligations, except as otherwise provided in this section; 1523  
provided that, unless otherwise authorized by the general 1524  
assembly, any limitations imposed by the general assembly pursuant 1525  
to this section with respect to bond service charges applicable to 1526  
the prior obligations shall be applicable to the obligations 1527

issued under this division to refund, fund, advance refund or 1528  
retire such prior obligations. 1529

(M) The authority to issue obligations under this section 1530  
includes authority to issue obligations in the form of bond 1531  
anticipation notes and to renew the same from time to time by the 1532  
issuance of new notes. The holders of such notes or interest 1533  
coupons pertaining thereto shall have a right to be paid solely 1534  
from the pledged receipts and special funds that may be pledged to 1535  
the payment of the bonds anticipated, or from the proceeds of such 1536  
bonds or renewal notes, or both, as the issuing authority provides 1537  
in the resolution or order authorizing such notes. Such notes may 1538  
be additionally secured by covenants of the issuing authority to 1539  
the effect that the issuing authority and the state will do such 1540  
or all things necessary for the issuance of such bonds or renewal 1541  
notes in appropriate amount, and apply the proceeds thereof to the 1542  
extent necessary, to make full payment of the principal of and 1543  
interest on such notes at the time or times contemplated, as 1544  
provided in such resolution or order. For such purpose, the 1545  
issuing authority may issue bonds or renewal notes in such 1546  
principal amount and upon such terms as may be necessary to 1547  
provide funds to pay when required the principal of and interest 1548  
on such notes, notwithstanding any limitations prescribed by or 1549  
for purposes of this section. Subject to this division, all 1550  
provisions for and references to obligations in this section are 1551  
applicable to notes authorized under this division. 1552

The issuing authority in the bond proceedings authorizing the 1553  
issuance of bond anticipation notes shall set forth for such bonds 1554  
an estimated interest rate and a schedule of principal payments 1555  
for such bonds and the annual maturity dates thereof, and for 1556  
purposes of any limitation on bond service charges prescribed 1557  
under division (A) of section 166.11 of the Revised Code, the 1558  
amount of bond service charges on such bond anticipation notes is 1559

deemed to be the bond service charges for the bonds anticipated 1560  
thereby as set forth in the bond proceedings applicable to such 1561  
notes, but this provision does not modify any authority in this 1562  
section to pledge receipts and special funds to, and covenant to 1563  
issue bonds to fund, the payment of principal of and interest and 1564  
any premium on such notes. 1565

(N) Obligations issued under this section are lawful 1566  
investments for banks, societies for savings, savings and loan 1567  
associations, deposit guarantee associations, trust companies, 1568  
trustees, fiduciaries, insurance companies, including domestic for 1569  
life and domestic not for life, trustees or other officers having 1570  
charge of sinking and bond retirement or other special funds of 1571  
political subdivisions and taxing districts of this state, the 1572  
commissioners of the sinking fund of the state, the administrator 1573  
of workers' compensation, the state teachers retirement system, 1574  
the public employees retirement system, the school employees 1575  
retirement system, and the Ohio police and fire pension fund, 1576  
notwithstanding any other provisions of the Revised Code or rules 1577  
adopted pursuant thereto by any governmental agency of the state 1578  
with respect to investments by them, and are also acceptable as 1579  
security for the deposit of public moneys. 1580

(O) Unless otherwise provided in any applicable bond 1581  
proceedings, moneys to the credit of or in the special funds 1582  
established by or pursuant to this section may be invested by or 1583  
on behalf of the issuing authority only in notes, bonds, or other 1584  
obligations of the United States, or of any agency or 1585  
instrumentality of the United States, obligations guaranteed as to 1586  
principal and interest by the United States, obligations of this 1587  
state or any political subdivision of this state, and certificates 1588  
of deposit of any national bank located in this state and any 1589  
bank, as defined in section 1101.01 of the Revised Code, subject 1590  
to inspection by the superintendent of banks. If the law or the 1591

instrument creating a trust pursuant to division (J) of this 1592  
section expressly permits investment in direct obligations of the 1593  
United States or an agency of the United States, unless expressly 1594  
prohibited by the instrument, such moneys also may be invested in 1595  
no-front-end-load money market mutual funds consisting exclusively 1596  
of obligations of the United States or an agency of the United 1597  
States and in repurchase agreements, including those issued by the 1598  
fiduciary itself, secured by obligations of the United States or 1599  
an agency of the United States; and in common trust funds 1600  
established in accordance with section 1111.20 of the Revised Code 1601  
and consisting exclusively of any such securities, notwithstanding 1602  
division (A)(4) of that section. The income from such investments 1603  
shall be credited to such funds as the issuing authority 1604  
determines, and such investments may be sold at such times as the 1605  
issuing authority determines or authorizes. 1606

(P) Provision may be made in the applicable bond proceedings 1607  
for the establishment of separate accounts in the bond service 1608  
fund and for the application of such accounts only to the 1609  
specified bond service charges on obligations pertinent to such 1610  
accounts and bond service fund and for other accounts therein 1611  
within the general purposes of such fund. Unless otherwise 1612  
provided in any applicable bond proceedings, moneys to the credit 1613  
of or in the several special funds established pursuant to this 1614  
section shall be disbursed on the order of the treasurer of state, 1615  
provided that no such order is required for the payment from the 1616  
bond service fund when due of bond service charges on obligations. 1617

(Q) The issuing authority may pledge all, or such portion as 1618  
the issuing authority determines, of the pledged receipts to the 1619  
payment of bond service charges on obligations issued under this 1620  
section, and for the establishment and maintenance of any 1621  
reserves, as provided in the bond proceedings, and make other 1622  
provisions therein with respect to pledged receipts as authorized 1623

by this chapter, which provisions are controlling notwithstanding 1624  
any other provisions of law pertaining thereto. 1625

(R) The issuing authority may covenant in the bond 1626  
proceedings, and any such covenants are controlling 1627  
notwithstanding any other provision of law, that the state and 1628  
applicable officers and governmental agencies of the state, 1629  
including the general assembly, so long as any obligations are 1630  
outstanding, shall: 1631

(1) Maintain statutory authority for and cause to be charged 1632  
and collected wholesale and retail prices for spirituous liquor 1633  
sold by the state or its agents so that the pledged receipts are 1634  
sufficient in amount to meet bond service charges, and the 1635  
establishment and maintenance of any reserves and other 1636  
requirements provided for in the bond proceedings, and, as 1637  
necessary, to meet covenants contained in contracts of guarantee 1638  
made under section 166.06 of the Revised Code; 1639

(2) Take or permit no action, by statute or otherwise, that 1640  
would impair the exemption from federal income taxation of the 1641  
interest on the obligations. 1642

(S) There is hereby created the economic development bond 1643  
service fund, which shall be in the custody of the treasurer of 1644  
state but shall be separate and apart from and not a part of the 1645  
state treasury. All moneys received by or on account of the 1646  
issuing authority or state agencies and required by the applicable 1647  
bond proceedings, consistent with this section, to be deposited, 1648  
transferred, or credited to a bond service fund or the economic 1649  
development bond service fund, and all other moneys transferred or 1650  
allocated to or received for the purposes of the fund, shall be 1651  
deposited and credited to such fund and to any separate accounts 1652  
therein, subject to applicable provisions of the bond proceedings, 1653  
but without necessity for any act of appropriation. During the 1654  
period beginning with the date of the first issuance of 1655

obligations and continuing during such time as any such 1656  
obligations are outstanding, and so long as moneys in the 1657  
pertinent bond service funds are insufficient to pay all bond 1658  
services charges on such obligations becoming due in each year, a 1659  
sufficient amount of the gross profit on the sale of spirituous 1660  
liquor included in pledged receipts are committed and shall be 1661  
paid to the bond service fund or economic development bond service 1662  
fund in each year for the purpose of paying the bond service 1663  
charges becoming due in that year without necessity for further 1664  
act of appropriation for such purpose and notwithstanding anything 1665  
to the contrary in Chapter 4301. of the Revised Code. The economic 1666  
development bond service fund is a trust fund and is hereby 1667  
pledged to the payment of bond service charges to the extent 1668  
provided in the applicable bond proceedings, and payment thereof 1669  
from such fund shall be made or provided for by the treasurer of 1670  
state in accordance with such bond proceedings without necessity 1671  
for any act of appropriation. 1672

(T) The obligations, the transfer thereof, and the income 1673  
therefrom, including any profit made on the sale thereof, shall at 1674  
all times be free from taxation within the state. 1675

**Sec. 166.11.** (A) The aggregate principal amount of project 1676  
financing obligations that may be issued under section 166.08 of 1677  
the Revised Code is three hundred million dollars, plus the 1678  
principal amount of such project financing obligations retired by 1679  
payments. The aggregate principal amount of obligations, exclusive 1680  
of project financing obligations, that may be issued under section 1681  
166.08 of the Revised Code is ~~five~~ six hundred thirty million 1682  
dollars, plus the principal amount of any such obligations retired 1683  
by payment, the amounts held or obligations pledged for the 1684  
payment of the principal amount of any such obligations 1685  
outstanding, amounts in special funds held as reserves to meet 1686  
bond service charges, and amounts of obligations issued to provide 1687

moneys required to meet payments from the loan guarantee fund 1688  
created in section 166.06 of the Revised Code and the innovation 1689  
Ohio loan guarantee fund created in section 166.15 of the Revised 1690  
Code. Of that six hundred thirty million dollars, not more than 1691  
eighty-four million principal amount of obligations may be issued 1692  
for eligible advanced energy projects and not more than one 1693  
hundred million principal amount of obligations may be issued for 1694  
eligible logistics and distribution projects. The terms of the 1695  
obligations issued under section 166.08 of the Revised Code, other 1696  
than obligations issued to meet guarantees that cannot be 1697  
satisfied from amounts then held in the loan guarantee fund or the 1698  
innovation Ohio loan guarantee fund, shall be such that the 1699  
aggregate amount of moneys used from profit from the sale of 1700  
spirituous liquor, and not from other sources, in any fiscal year 1701  
shall not exceed ~~forty-five~~ sixty-three million dollars. For 1702  
purposes of the preceding sentence, "other sources" include the 1703  
annual investment income on special funds to the extent it will be 1704  
available for payment of any bond service charges in lieu of use 1705  
of profit from the sale of spirituous liquor, and shall be 1706  
estimated on the basis of the expected funding of those special 1707  
funds and assumed investment earnings thereon at a rate equal to 1708  
the weighted average yield on investments of those special funds 1709  
determined as of any date within sixty days immediately preceding 1710  
the date of issuance of the bonds in respect of which the 1711  
determination is being made. The determinations required by this 1712  
division shall be made by the treasurer of state at the time of 1713  
issuance of an issue of obligations and shall be conclusive for 1714  
purposes of such issue of obligations from and after their 1715  
issuance and delivery. 1716

(B) The aggregate amount of the guaranteed portion of the 1717  
unpaid principal of loans guaranteed under sections 166.06 and 1718  
166.15 of the Revised Code and the unpaid principal of loans made 1719  
under sections 166.07 , 166.16, and 166.21 of the Revised Code may 1720

not at any time exceed eight hundred million dollars. Of that 1721  
eight hundred million dollars, the aggregate amount of the 1722  
guaranteed portion of the unpaid principal of loans guaranteed 1723  
under sections 166.06 and 166.15 of the Revised Code shall not at 1724  
any time exceed two hundred million dollars. However, the 1725  
limitations established under this division do not apply to loans 1726  
made with proceeds from the issuance and sale of project financing 1727  
obligations. 1728

Sec. 166.25. (A) The director of development, with the 1729  
approval of the controlling board and subject to the other 1730  
applicable provisions of this chapter, may lend money in the 1731  
logistics and distribution infrastructure fund to persons for the 1732  
purpose of paying allowable costs of eligible logistics and 1733  
distribution projects. 1734

(B) In determining the eligible logistics and distribution 1735  
projects to be assisted and the nature, amount, and terms of 1736  
assistance to be provided for an eligible logistics and 1737  
distribution project, the director shall consult with appropriate 1738  
governmental agencies, including the department of transportation 1739  
and the Ohio rail development commission. 1740

(C)(1) The director shall submit to the development financing 1741  
advisory council the terms of the proposed assistance to be 1742  
provided for an eligible logistics and distribution project and 1743  
such other relevant information as the council may request. 1744

(2) The council, on the basis of such information, shall make 1745  
recommendations as to the appropriateness of the assistance to be 1746  
provided. The recommendations may be revised to reflect any 1747  
changes in the proposed assistance the director may submit to the 1748  
council. 1749

(3) The director shall submit the terms of the proposed 1750  
assistance to be provided, along with the recommendations, as 1751



amended, of the council as to the appropriateness of the proposed 1752  
assistance, to the controlling board. 1753

(D) Any loan made pursuant to this section shall be evidenced 1754  
by a loan agreement, which shall contain such terms as the 1755  
director determines necessary or appropriate, including 1756  
performance measures and reporting requirements. The director may 1757  
take actions necessary or appropriate to collect or otherwise deal 1758  
with any loan made under this section, including requiring a loan 1759  
recipient to repay the amount of the loan plus interest at a rate 1760  
of three per cent above the federal short term interest rate or 1761  
any other rate determined by the director. 1762

Sec. 166.26. (A) There is hereby created in the state 1763  
treasury the logistics and distribution infrastructure fund. The 1764  
fund shall consist of grants, gifts, and contributions of money or 1765  
rights to money lawfully designated for or deposited into the 1766  
fund, all money and rights to money lawfully appropriated and 1767  
transferred to the fund, including money received from the 1768  
issuance of obligations under section 166.08 of the Revised Code 1769  
and subject to section 166.11 of the Revised Code for purposes of 1770  
allowable costs of eligible logistics and distribution projects, 1771  
and money credited to the fund pursuant to division (B) of this 1772  
section. All investment earnings on the cash balance in the fund 1773  
shall be credited to the fund. The fund shall not be comprised, in 1774  
any part, of money raised by taxation. 1775

(B) There shall be credited to the logistics and distribution 1776  
infrastructure fund the money received by the state from the 1777  
repayment of loans and recovery on loan guarantees, including 1778  
interest thereon, made from the fund. 1779

Sec. 166.30. (A) The third frontier commission, with the 1780  
approval of the controlling board and subject to sections 184.30 1781  
to 184.34 of the Revised Code, may provide grants from money in 1782

the advanced energy research and development fund and may lend 1783  
money in the advanced energy research and development taxable fund 1784  
to persons for the purposes of paying allowable costs of eligible 1785  
advanced energy projects. 1786

(B) In determining the eligible advanced energy projects to 1787  
be assisted and the nature, amount, and terms of assistance to be 1788  
provided for an eligible advanced energy project, the commission 1789  
shall consult with appropriate governmental agencies. 1790

(C)(1) The commission shall submit to the development 1791  
financing advisory council the terms of the proposed assistance to 1792  
be provided for an eligible advanced energy project and such other 1793  
relevant information as the council may request. 1794

(2) The council, on the basis of such information, shall make 1795  
recommendations as to the appropriateness of the assistance to be 1796  
provided. The recommendations may be revised to reflect any 1797  
changes in the proposed assistance the commission may submit to 1798  
the council. 1799

(3) The commission shall submit the terms of the proposed 1800  
assistance to be provided, along with the recommendations, as 1801  
amended, of the council as to the appropriateness of the proposed 1802  
assistance, to the controlling board. 1803

(D) Any grant or loan made pursuant to this section shall be 1804  
evidenced by an agreement, which shall contain such terms as the 1805  
authority determines necessary or appropriate, including 1806  
performance measures and reporting requirements. The authority may 1807  
take actions necessary or appropriate to collect or otherwise deal 1808  
with any assistance provided under this section, including 1809  
requiring a loan or grant recipient to repay the amount of the 1810  
loan or grant plus interest at a rate of three per cent above the 1811  
federal short term interest rate or any other rate determined by 1812  
the authority. 1813

Sec. 184.02. (A) In addition to the powers and duties under 1814  
sections 184.10 to 184.20, 184.25 and 184.26, and 184.30 to 184.37 1815  
of the Revised Code, the third frontier commission may perform any 1816  
act to ensure the performance of any function necessary or 1817  
appropriate to carry out the purposes of, and exercise the powers 1818  
granted under, sections 184.01 and 184.02 of the Revised Code. In 1819  
addition, the commission may do any of the following: 1820

(1) Adopt, amend, and rescind rules under section 111.15 of 1821  
the Revised Code for the administration of any aspect of its 1822  
operations; 1823

(2) Adopt bylaws governing its operations, including bylaws 1824  
that establish procedures and set policies as may be necessary to 1825  
assist with the furtherance of its purposes; 1826

(3) Appoint and set the compensation of employees needed to 1827  
carry out its duties; 1828

(4) Contract with, retain the services of, or designate, and 1829  
fix the compensation of, such financial consultants, accountants, 1830  
other consultants and advisors, and other independent contractors 1831  
as may be necessary or desirable to carry out its duties; 1832

(5) Solicit input and comments from the third frontier 1833  
advisory board, and specialized industry, professional, and other 1834  
relevant interest groups concerning its purposes; 1835

(6) Facilitate alignment of the state's science and 1836  
technology programs and activities; 1837

(7) Make grants and loans to individuals, public agencies, 1838  
private companies or organizations, or joint ventures for any of 1839  
the broad range of activities related to its purposes. 1840

(B) In addition to the powers and duties under sections 1841  
184.10 to 184.20, 184.25 and 184.26, and 184.30 to 184.37 of the 1842  
Revised Code, the commission shall do all of the following: 1843

(1) Establish a competitive process for the award of grants 1844  
and loans that is designed to fund the most meritorious proposals 1845  
and, when appropriate, provide for peer review of proposals; 1846

(2) Within ninety days after the end of each fiscal year, 1847  
submit to the governor and the general assembly a report of the 1848  
activities of the commission during the preceding fiscal year; 1849

(3) With specific application to the biomedical research and 1850  
technology transfer trust fund, periodically make strategic 1851  
assessments of the types of state investments in biomedical 1852  
research and biotechnology in the state that would likely create 1853  
jobs and business opportunities in the state and produce the most 1854  
beneficial long-term improvements to the public health of Ohioans, 1855  
including, but not limited to, biomedical research and 1856  
biotechnology initiatives that address tobacco-related illnesses 1857  
as may be outlined in any master agreement. The commission shall 1858  
award grants and loans from the fund pursuant to a process 1859  
established under division (B)(1) of this section. 1860

Sec. 184.23. (A) There is hereby created the third frontier 1861  
economic stimulus advisory board. The advisory board shall provide 1862  
general advice to the commission regarding bioproduct and 1863  
biomedical issues. 1864

(B) The board shall consist of ten members selected for their 1865  
advanced energy, bioproducts, and biomedical knowledge and 1866  
experience. The governor shall appoint three members. The speaker 1867  
of the house of representatives shall appoint three members, one 1868  
of whom may be recommended by the minority leader of the house of 1869  
representatives. The president of the senate shall appoint three 1870  
members, one of whom may be recommended by the minority leader of 1871  
the senate. The director of development shall appoint one member. 1872  
Membership on the advisory board created under section 184.03 of 1873  
the Revised Code does not prohibit membership on the advisory 1874

board created under this section. All members of the board shall 1875  
serve at the pleasure of their appointing authorities. 1876

(C) The board shall select from among its members a 1877  
chairperson. A majority of board members constitutes a quorum, and 1878  
no action shall be taken without the affirmative vote of a 1879  
majority of the members. 1880

(D) A vacancy shall be filled in the same manner as the 1881  
original appointment. The governor may remove any member of the 1882  
board for malfeasance, misfeasance, or nonfeasance after a hearing 1883  
in accordance with Chapter 119. of the Revised Code. 1884

(E) Members of the board shall not act as representatives of 1885  
any specific disciplinary, regional, or organizational interest. 1886  
Members shall represent a wide variety of experience valuable in 1887  
technology research and development, product process innovation 1888  
and commercialization, and creating and managing high-growth 1889  
technology-based companies. 1890

(F) Members of the board shall file financial disclosure 1891  
statements described in division (B) of section 102.02 of the 1892  
Revised Code. 1893

(G) Members of the board shall serve without compensation, 1894  
but shall receive their reasonable and necessary expenses incurred 1895  
in the conduct of board business. 1896

(H) The department of development shall provide office space 1897  
and facilities for the board. 1898

**Sec. 184.24. Money in the jobs fund created in the state** 1899  
**treasury by Section 4 of Sub. H.B. 544 of the 127th general** 1900  
**assembly shall be used in accordance with sections 184.25 and** 1901  
**184.26 of the Revised Code and may be used to provide cash** 1902  
**transfers to the local infrastructure development fund created in** 1903  
**section 164.28 of the Revised Code.** 1904

Sec. 184.25. There is hereby created the Ohio bioproducts 1905  
development program to be administered by the third frontier 1906  
commission. The commission shall provide loans, loan guarantees, 1907  
or grants to for-profit or not-for-profit entities to promote, 1908  
provide for and enable innovation, development and 1909  
commercialization of bioproducts, including biopolymers, 1910  
chemicals, and advanced materials that use biomaterials and 1911  
renewable agriculture resources, through efforts including, but 1912  
not limited to, agribusiness and the agricultural industry in 1913  
Ohio, state and local government entities and agencies, 1914  
educational institutions, or research organizations and 1915  
institutions. 1916

Any assistance made pursuant to this section shall be 1917  
evidenced by an agreement, which shall contain such terms as the 1918  
commission determines necessary or appropriate, including 1919  
performance measures and reporting requirements. The commission 1920  
may take actions necessary or appropriate to collect or otherwise 1921  
deal with any assistance made under this section, including 1922  
requiring a recipient of assistance to repay the amount of the 1923  
assistance plus interest at a rate of three per cent above the 1924  
federal short term interest rate or any other rate determined by 1925  
the commission. 1926

Sec. 184.26. There is hereby created the Ohio biomedical 1927  
development program to be administered by the third frontier 1928  
commission. The commission shall provide loans, loan guarantees, 1929  
or grants to for-profit or not-for-profit entities to promote, 1930  
provide for and enable innovation, development and 1931  
commercialization of biomedical and biotechnological products, 1932  
processes and applications, including medical devices, 1933  
diagnostics, informatics, therapies, and drugs, through efforts by 1934  
and collaboration among and including business and industry in 1935

Ohio, state and local governmental entities and agencies, 1936  
educational institutions, or research organizations and 1937  
institutions. 1938

Any assistance made pursuant to this section shall be 1939  
evidenced by an agreement, which shall contain such terms as the 1940  
commission determines necessary or appropriate, including 1941  
performance measures and reporting requirements. The commission 1942  
may take actions necessary or appropriate to collect or otherwise 1943  
deal with any assistance made under this section, including 1944  
requiring a recipient of assistance to repay the amount of the 1945  
assistance plus interest at a rate of three per cent above the 1946  
federal short term interest rate or any other rate determined by 1947  
the commission. 1948

Sec. 184.30. As used in sections 184.30 to 184.34 of the 1949  
Revised Code: 1950

(A) "Advanced energy project" means any technologies, 1951  
products, activities, or management practices or strategies that 1952  
facilitate the generation or use of electricity and that reduce or 1953  
support the reduction of energy consumption or support the 1954  
production of clean, renewable energy for industrial, 1955  
distribution, commercial, institutional, governmental, research, 1956  
not-for-profit, or residential energy users including, but not 1957  
limited to, advanced energy resources and renewable energy 1958  
resources. "Advanced energy project" includes any project 1959  
described in division (A), (B), or (C) of section 4928.621 of the 1960  
Revised Code. 1961

(B) "Advanced energy resource" means any of the following: 1962

(1) Any method or any modification or replacement of any 1963  
property, process, device, structure, or equipment that increases 1964  
the generation output of an electric generating facility to the 1965

<u>extent such efficiency is achieved without additional carbon</u>	1966
<u>dioxide emissions by that facility;</u>	1967
<u>(2) Any distributed generation system consisting of customer</u>	1968
<u>cogeneration of electricity and thermal output simultaneously,</u>	1969
<u>primarily to meet the energy needs of the customer's facilities;</u>	1970
<u>(3) Advanced nuclear energy technology consisting of</u>	1971
<u>generation III technology as defined by the nuclear regulatory</u>	1972
<u>commission; other, later technology; or significant improvements</u>	1973
<u>to existing facilities;</u>	1974
<u>(4) Any fuel cell used in the generation of electricity,</u>	1975
<u>including, but not limited to, a proton exchange membrane fuel</u>	1976
<u>cell, phosphoric acid fuel cell, molten carbonate fuel cell, or</u>	1977
<u>solid oxide fuel cell;</u>	1978
<u>(5) Advanced solid waste or construction and demolition</u>	1979
<u>debris conversion technology, including, but not limited to,</u>	1980
<u>advanced stoker technology, and advanced fluidized bed</u>	1981
<u>gasification technology, that results in measurable greenhouse gas</u>	1982
<u>emissions reductions as calculated pursuant to the United States</u>	1983
<u>environmental protection agency's waste reduction model (WARM).</u>	1984
	1985
<u>(C) "Renewable energy resource" means solar photovoltaic or</u>	1986
<u>solar thermal energy, wind energy, power produced by a</u>	1987
<u>hydroelectric facility, geothermal energy, fuel derived from solid</u>	1988
<u>wastes, as defined in section 3734.01 of the Revised Code, through</u>	1989
<u>fractionation, biological decomposition, or other process that</u>	1990
<u>does not principally involve combustion, biomass energy,</u>	1991
<u>biologically derived methane gas, or energy derived from</u>	1992
<u>nontreated by-products of the pulping process or wood</u>	1993
<u>manufacturing process, including bark, wood chips, sawdust, and</u>	1994
<u>lignin in spent pulping liquors. "Renewable energy resource"</u>	1995
<u>includes, but is not limited to, any fuel cell used in the</u>	1996



generation of electricity, including, but not limited to, a proton 1997  
exchange membrane fuel cell, phosphoric acid fuel cell, molten 1998  
carbonate fuel cell, or solid oxide fuel cell; wind turbine 1999  
located in the state's territorial waters of Lake Erie; storage 2000  
facility that will promote the better utilization of a renewable 2001  
energy resource that primarily generates off peak; or distributed 2002  
generation system used by a customer to generate electricity from 2003  
any such energy. As used in this division, "hydroelectric 2004  
facility" means a hydroelectric generating facility that is 2005  
located at a dam on a river, or on any water discharged to a 2006  
river, that is within or bordering this state or within or 2007  
bordering an adjoining state and meets all of the following 2008  
standards: 2009

(1) The facility provides for river flows that are not 2010  
detrimental for fish, wildlife, and water quality, including 2011  
seasonal flow fluctuations as defined by the applicable licensing 2012  
agency for the facility. 2013

(2) The facility demonstrates that it complies with the water 2014  
quality standards of this state, which compliance may consist of 2015  
certification under Section 401 of the "Clean Water Act of 1977," 2016  
91 Stat. 1598, 1599, 33 U.S.C. 1341, and demonstrates that it has 2017  
not contributed to a finding by this state that the river has 2018  
impaired water quality under Section 303(d) of the "Clean Water 2019  
Act of 1977," 114 Stat. 870, 33 U.S.C. 1313. 2020

(3) The facility complies with mandatory prescriptions 2022  
regarding fish passage as required by the federal energy 2023  
regulatory commission license issued for the project, regarding 2024  
fish protection for riverine, anadromous, and catadromus fish. 2025

(4) The facility complies with the recommendations of the 2026  
Ohio environmental protection agency and with the terms of its 2027  
federal energy regulatory commission license regarding watershed 2028

protection, mitigation, or enhancement, to the extent of each 2029  
agency's respective jurisdiction over the facility. 2030

(5) The facility complies with provisions of the "Endangered 2031  
Species Act of 1973," 87 Stat. 884, 16 U.S.C. 1531 to 1544, as 2032  
amended. 2033

(6) The facility does not harm cultural resources of the 2034  
area. This can be shown through compliance with the terms of its 2035  
federal energy regulatory commission license or, if the facility 2036  
is not regulated by that commission, through development of a plan 2037  
approved by the Ohio historic preservation office, to the extent 2038  
it has jurisdiction over the facility. 2039

(7) The facility complies with the terms of its federal 2040  
energy regulatory commission license or exemption that are related 2041  
to recreational access, accommodation, and facilities or, if the 2042  
facility is not regulated by that commission, the facility 2043  
complies with similar requirements as are recommended by resource 2044  
agencies, to the extent they have jurisdiction over the facility; 2045  
and the facility provides access to water to the public without 2046  
fee or charge. 2047

(8) The facility is not recommended for removal by any 2048  
federal agency or agency of any state, to the extent the 2049  
particular agency has jurisdiction over the facility. 2050

**Sec. 184.31. (A) The third frontier commission may request** 2051  
**the issuance of bonds under section 166.08 of the Revised Code for** 2052  
**the purpose of providing loans and grants for acquiring,** 2053  
**manufacturing, constructing, reconstructing, expanding, improving,** 2054  
**or equipping facilities or facility components by business and** 2055  
**industry in this state, entities and agencies of state and local** 2056  
**government, educational institutions, research organizations and** 2057  
**institutions, or any combination thereof, for energy production,** 2058  
**delivery, storage, conservation, and efficiency through advanced** 2059

energy projects. The commission may make such loans and provide 2060  
such grants in the manner provided for in section 166.30 of the 2061  
Revised Code. 2062

(B) The issuance of bonds for the purpose described in this 2063  
section is subject to the limitation established in division (A) 2064  
of section 166.11 of the Revised Code. 2065

**Sec. 184.32.** (A) There is hereby created in the state 2066  
treasury the advanced energy research and development fund to 2067  
provide grants for advanced energy projects. There is hereby 2068  
created in the state treasury the advanced energy research and 2069  
development taxable fund to provide loans for advanced energy 2070  
projects. 2071

(B)(1) The advanced energy research and development fund and 2072  
the advanced energy research and development taxable fund shall 2073  
consist of the proceeds of obligations issued under section 166.08 2074  
of the Revised Code. Money shall be credited to the respective 2075  
funds in the proportion that the commission determines 2076  
appropriate. 2077

(2) Any investment earnings from the money in the advanced 2078  
energy research and development fund and in the advanced energy 2079  
research and development taxable fund shall be credited to those 2080  
funds, respectively. Any repayment of loans made from money in the 2081  
advanced energy research and development taxable fund shall be 2082  
credited to the facilities establishment fund created in section 2083  
166.03 of the Revised Code. 2084

(C) The director of budget and management shall establish and 2085  
maintain records or accounts for or within these funds in such a 2086  
manner as to show the amount credited to the funds pursuant to 2087  
section 166.08 of the Revised Code and that the amounts so 2088  
credited have been expended for the purposes set forth in Section 2089

2p or 13 of Article VIII, Ohio Constitution, and sections 166.08, 2090  
166.30, and 184.31 of the Revised Code. 2091

Sec. 184.33. (A) Determinations made by the commission that a 2092  
particular project is an advanced energy project and is consistent 2093  
with Chapter 166. of the Revised Code and Section 2p or 13 of 2094  
Article VIII, Ohio Constitution, shall be conclusive as to the 2095  
validity and enforceability of the obligations issued to finance 2096  
such a project and of the authorizations, trust agreements or 2097  
indentures, loan agreements, or grant agreements, and other 2098  
agreements made in connection therewith, all in accordance with 2099  
their terms. 2100

(B) Advanced energy facilities for industry, commerce, 2101  
distribution, or research are hereby deemed to qualify as 2102  
facilities for the control of air pollution and thermal pollution 2103  
related to air under Section 2p or 13 of Article VIII, Ohio 2104  
Constitution. 2105

Sec. 184.34. The commission shall, in accordance with Chapter 2106  
119. of the Revised Code, adopt any rules necessary to implement 2107  
section 166.30 and sections 184.30 to 184.33 of the Revised Code. 2108  
2109

Sec. 184.35. (A) The third frontier commission, with the 2110  
approval of the controlling board, may lend money, guarantee 2111  
loans, or provide grants from the third frontier coal research and 2112  
development fund to persons for the purpose of paying costs of 2113  
projects or capital facilities for coal research and development, 2114  
as defined in section 151.071 of the Revised Code. 2115

(B) In determining the projects to be assisted and the 2116  
nature, amount, and terms of assistance to be provided for a 2117  
project, the commission shall consult with appropriate 2118  
governmental agencies. 2119

(C)(1) The commission shall submit to the development 2120  
financing advisory council the terms of the proposed assistance to 2121  
be provided for a project and such other relevant information as 2122  
the council may request. 2123

(2) The council, on the basis of such information, shall make 2124  
recommendations as to the appropriateness of the assistance to be 2125  
provided. The recommendations may be revised to reflect any 2126  
changes in the proposed assistance the commission may submit to 2127  
the council. 2128

(3) The commission shall submit the terms of the proposed 2129  
assistance to be provided, along with the recommendations, as 2130  
amended, of the council as to the appropriateness of the proposed 2131  
assistance, to the controlling board. 2132

**Sec. 184.36.** (A) There is hereby created in the state 2133  
treasury the third frontier coal research and development fund. 2134  
The fund shall consist of grants, gifts, and contributions of 2135  
money or rights to money lawfully designated for or deposited into 2136  
the fund, all money and rights to money lawfully appropriated and 2137  
transferred to the fund, including money received from the 2138  
issuance of obligations under section 151.071 of the Revised Code 2139  
for purposes of paying costs of projects or capital facilities for 2140  
coal research and development, as defined in that section, and 2141  
money credited to the fund pursuant to division (B) of this 2142  
section. All investment earnings on the cash balance in the fund 2143  
shall be credited to the fund. 2144

(B) There shall be credited to the third frontier coal 2145  
research and development fund the money received by the state from 2146  
the repayment of loans and recovery on loan guarantees, including 2147  
interest thereon, made from the fund. 2148

**Sec. 184.37.** The third frontier commission, in consultation 2149

with the third frontier economic stimulus advisory board, shall 2150  
establish competitive processes for the purpose of awarding all of 2151  
the following: 2152

(A) Loans, loan guarantees, and grants under the Ohio 2153  
bioproducts development program pursuant to section 184.25 of the 2154  
Revised Code; 2155

(B) Loans, loan guarantees, and grants under the Ohio 2156  
biomedical development program pursuant to section 184.26; 2157

(C) Loans and grants for advanced energy projects pursuant to 2158  
sections 166.30 and 184.30 to 184.34 of the Revised Code; 2159

(D) Loans, loan guarantees, and grants for projects or 2160  
capital facilities for coal research and development pursuant to 2161  
section 184.35 of the Revised Code. 2162

**Sec. 1555.03.** For the purposes of this chapter, the director 2163  
of the Ohio coal development office may: 2164

(A) With the advice of the technical advisory committee 2165  
created in section 1551.35 of the Revised Code and the affirmative 2166  
vote of a majority of the members of the Ohio air quality 2167  
development authority, make loans, guarantee loans, and make 2168  
grants to persons doing business in this state or to educational 2169  
or scientific institutions located in this state for coal research 2170  
and development projects by any such person or educational or 2171  
scientific institution and adopt rules under Chapter 119. of the 2172  
Revised Code for making such loans, guarantees, and grants. 2173

(B) In making loans, loan guarantees, and grants under 2174  
division (A) of this section and section 1555.04 of the Revised 2175  
Code, the director of the office shall ensure that an adequate 2176  
portion of the total amount of those loans, loan guarantees, and 2177  
grants, as determined by the director with the advice of the 2178  
technical advisory committee, is used for conducting research on 2179

fundamental scientific problems related to the utilization of Ohio 2180  
coal and shall ensure, to the maximum feasible extent, joint 2181  
financial participation by the federal government or other 2182  
investors or interested parties in conjunction with any such loan, 2183  
loan guarantee, or grant. The director, in each grant agreement or 2184  
contract under division (A) of this section, loan contract or 2185  
agreement under this division or section 1555.04 of the Revised 2186  
Code, and contract of guarantee under section 1555.05 of the 2187  
Revised Code, shall require that the facility or project be 2188  
maintained and kept in good condition and repair by the person or 2189  
educational or scientific institution to whom the grant or loan 2190  
was made or for whom the guarantee was made. 2191

(C) From time to time, with the advice of the technical 2192  
advisory committee and the affirmative vote of a majority of the 2193  
members of the Ohio air quality development authority, request the 2194  
issuance of coal research and development general obligations 2195  
under section 151.07 of the Revised Code, for any of the purposes 2196  
set forth in Section 15 of Article VIII, Ohio Constitution, and 2197  
subject to the limitations therein upon the aggregate total amount 2198  
of obligations that may be outstanding at any time. 2199

(D) Include as a condition of any loan, loan guarantee, or 2200  
grant contract or agreement with any such person or educational or 2201  
scientific institution that the director of the office receive, in 2202  
addition to payments of principal and interest on any such loan or 2203  
service charges for any such guarantee, as appropriate, as 2204  
authorized by Section 15, Article VIII, Ohio Constitution, a 2205  
reasonable royalty or portion of the income or profits arising out 2206  
of the developments, discoveries, or inventions, including patents 2207  
or copyrights, that result in whole or in part from coal research 2208  
and development projects conducted under any such contract or 2209  
agreement, in such amounts and for such period of years as may be 2210  
negotiated and provided by the contract or agreement in advance of 2211

the making of the grant, loan, or loan guarantee. Moneys ~~so~~ 2212  
received by the director of the office ~~shall~~ under this section 2213  
may be credited to the coal research and development bond service 2214  
fund or used to make additional loans, loan guarantees, grants, or 2215  
agreements under this section. 2216

(E) Employ managers, superintendents, and other employees and 2217  
retain or contract with consulting engineers, financial 2218  
consultants, accounting experts, architects, and such other 2219  
consultants and independent contractors as are necessary in the 2220  
judgment of the director of the office to carry out this chapter, 2221  
and fix the compensation thereof. 2222

(F) Receive and accept from any federal agency, subject to 2223  
the approval of the governor, grants for or in aid of the 2224  
construction or operation of any coal research and development 2225  
project or for coal research and development, and receive and 2226  
accept aid or contributions from any source of money, property, 2227  
labor, or other things of value, to be held, used, and applied 2228  
only for the purposes for which such grants and contributions are 2229  
made. 2230

(G) Purchase fire and extended coverage and liability 2231  
insurance for any coal research and development project, insurance 2232  
protecting the office and its officers and employees against 2233  
liability for damage to property or injury to or death of persons 2234  
arising from its operations, and any other insurance the director 2235  
of the office determines necessary or proper under this chapter. 2236  
Any moneys received by the director from the proceeds of any such 2237  
insurance with respect to a coal research and development project 2238  
and any moneys received by the director from the proceeds of any 2239  
settlement, judgment, foreclosure, or other insurance with respect 2240  
to a coal research and development project or facility shall be 2241  
credited to the coal research and development bond service fund. 2242

(H) In the exercise of the powers of the director of the 2243



office under this chapter, call to the director's assistance, 2244  
temporarily, from time to time, any engineers, technical experts, 2245  
financial experts, and other employees in any state department, 2246  
agency, or commission, or in the Ohio state university, or other 2247  
educational institutions financed wholly or partially by this 2248  
state for purposes of assisting the director of the office with 2249  
reviewing and evaluating applications for financial assistance 2250  
under this chapter, monitoring performance of coal research and 2251  
development projects receiving financial assistance under this 2252  
chapter, and reviewing and evaluating the progress and findings of 2253  
those projects. Such engineers, experts, and employees shall not 2254  
receive any additional compensation over that which they receive 2255  
from the department, agency, commission, or educational 2256  
institution by which they are employed, but they shall be 2257  
reimbursed for their actual and necessary expenses incurred while 2258  
working under the direction of the director. 2259

(I) Do all acts necessary or proper to carry out the powers 2260  
expressly granted in this chapter. 2261

**Sec. 3333.38.** (A) As used in this section: 2262

(1) "Institution of higher education" includes all of the 2263  
following: 2264

(a) A state institution of higher education, as defined in 2265  
section 3345.011 of the Revised Code; 2266

(b) A nonprofit institution issued a certificate of 2267  
authorization under Chapter 1713. of the Revised Code; 2268

(c) A private institution exempt from regulation under 2269  
Chapter 3332. of the Revised Code, as prescribed in section 2270  
3333.046 of the Revised Code; 2271

(d) An institution of higher education with a certificate of 2272  
registration from the state board of career colleges and schools 2273

under Chapter 3332. of the Revised Code. 2274

(2) "Student financial assistance supported by state funds" 2275  
includes assistance granted under sections 3315.33, 3333.12, 2276  
3333.122, 3333.21, 3333.26, 3333.27, 3333.28, 3333.372, 5910.03, 2277  
5910.032, and 5919.34 of the Revised Code ~~or~~, financed by an award 2278  
under the choose Ohio first scholarship program established under 2279  
section 3333.61 of the Revised Code, or financed by an award under 2280  
the choose Ohio first co-op/internship program established under 2281  
section 3333.72 of the Revised Code, and any other post-secondary 2282  
student financial assistance supported by state funds. 2283

(B) An individual who is convicted of, pleads guilty to, or 2285  
is adjudicated a delinquent child for one of the following 2286  
violations shall be ineligible to receive any student financial 2287  
assistance supported by state funds at an institution of higher 2288  
education for two calendar years from the time the individual 2289  
applies for assistance of that nature: 2290

(1) A violation of section 2917.02 or 2917.03 of the Revised 2291  
Code; 2292

(2) A violation of section 2917.04 of the Revised Code that 2293  
is a misdemeanor of the fourth degree; 2294

(3) A violation of section 2917.13 of the Revised Code that 2295  
is a misdemeanor of the fourth or first degree and occurs within 2296  
the proximate area where four or more others are acting in a 2297  
course of conduct in violation of section 2917.11 of the Revised 2298  
Code. 2299

(C) If an individual is convicted of, pleads guilty to, or is 2300  
adjudicated a delinquent child for committing a violation of 2301  
section 2917.02 or 2917.03 of the Revised Code, and if the 2302  
individual is enrolled in a state-supported institution of higher 2303  
education, the institution in which the individual is enrolled 2304

shall immediately dismiss the individual. No state-supported 2305  
institution of higher education shall admit an individual of that 2306  
nature for one academic year after the individual applies for 2307  
admission to a state-supported institution of higher education. 2308  
This division does not limit or affect the ability of a 2309  
state-supported institution of higher education to suspend or 2310  
otherwise discipline its students. 2311

Sec. 3333.71. As used in sections 3333.71 to 3333.80 of the 2312  
Revised Code: 2313

(A) "Cooperative education program" means a partnership 2314  
between students, institutions of higher education, and employers 2315  
that formally integrates students' academic study with work 2316  
experience in cooperating employer organizations and that meets 2317  
all of the following conditions: 2318

(1) Alternates or combines periods of academic study and work 2319  
experience in appropriate fields as an integral part of student 2320  
education; 2321

(2) Provides students with compensation from the cooperative 2322  
employer in the form of wages or salaries for work performed; 2323

(3) Evaluates each participating student's performance in the 2324  
cooperative position, both from the perspective of the student's 2325  
institution of higher education and the student's cooperative 2326  
employer; 2327

(4) Provides participating students with academic credit from 2328  
the institution of higher education upon successful completion of 2329  
their cooperative education; 2330

(5) Is part of an overall degree program for which a 2331  
percentage of the total program acceptable to the chancellor of 2332  
the Ohio board of regents involves cooperative education. 2333

(B) "Internship program" means a partnership between 2334

students, institutions of higher education, and employers that 2335  
formally integrates students' academic study with work or 2336  
community service experience and that does both of the following: 2337

(1) Offers internships of specified and definite duration; 2338

(2) Evaluates each participating student's performance in the 2339  
internship position, both from the perspective of the student's 2340  
institution of higher education and the student's internship 2341  
employer. 2342

An internship program may provide participating students with 2343  
academic credit upon successful completion of the internship, and 2344  
may provide students with compensation in the form of wages or 2345  
salaries, stipends, or scholarships. 2346

(C) "Nonpublic university or college" means a nonprofit 2347  
institution holding a certificate of authorization issued under 2348  
Chapter 1713. of the Revised Code. 2349

(D) "State institution of higher education" has the same 2350  
meaning as in section 3345.011 of the Revised Code. 2351

**Sec. 3333.72.** The chancellor of the Ohio board of regents 2352  
shall establish and administer the choose Ohio first 2353  
co-op/internship program to promote and encourage cooperative 2354  
education programs or internship programs at Ohio institutions of 2355  
higher education for the purpose of recruiting Ohio students to 2356  
stay in the state, and recruiting Ohio residents who left Ohio to 2357  
attend out-of-state institutions of higher education back to Ohio 2358  
institutions of higher education, to participate in high quality 2359  
academic programs that use cooperative education programs or 2360  
significant internship programs, in order to support the growth of 2361  
Ohio's businesses by providing businesses with Ohio's most 2362  
talented students and providing Ohio graduates with job 2363  
opportunities with Ohio's growing companies. 2364

The chancellor, subject to approval by the controlling board, 2365  
shall make awards to state institutions of higher education for 2366  
new or existing programs and initiatives meeting the goals of the 2367  
choose Ohio first co-op/internship program. Awards may be granted 2368  
for programs and initiatives to be implemented by a state 2369  
institution of higher education alone or in collaboration with 2370  
other state institutions of higher education or nonpublic Ohio 2371  
universities and colleges. If the chancellor makes an award to a 2372  
program or initiative that is intended to be implemented by a 2373  
state institution of higher education in collaboration with other 2374  
state institutions of higher education or nonpublic Ohio 2375  
universities or colleges, the chancellor may provide that some 2376  
portion of the award be received directly by the collaborating 2377  
universities or colleges consistent with all terms of the choose 2378  
Ohio first co-op/internship program. 2379

The choose Ohio first co-op/internship program shall support 2380  
the creation and maintenance of high quality academic programs 2381  
that utilize an intensive cooperative education or internship 2382  
program for students at state institutions of higher education, or 2383  
assign a number of scholarships to institutions to recruit Ohio 2384  
residents as students in a high quality academic program, or both. 2385  
If scholarships are included in an award to an institution of 2386  
higher education, the scholarships shall be awarded to each 2387  
participating eligible student as a grant to the state institution 2388  
of higher education the student is attending and shall be 2389  
reflected on the student's tuition bill. 2390

Notwithstanding any other provision of this section or 2391  
sections 3333.73 to 3333.80 of the Revised Code, an Ohio four-year 2392  
nonpublic university or college may submit a proposal as lead 2393  
applicant or co-lead applicant for an award under the choose Ohio 2394  
first co-op/internship program if the proposal is to be 2395  
implemented in collaboration with a state institution of higher 2396

education. If the chancellor grants a nonpublic university or college an award, the nonpublic university or college shall comply with all requirements of this section, sections 3333.73 to 3333.80 of the Revised Code, and the rules adopted under this section that apply to state institutions of higher education that receive awards under the program. 2397  
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The chancellor shall adopt rules in accordance with Chapter 119. of the Revised Code to administer the choose Ohio first co-op/internship program. 2403  
2404  
2405

**Sec. 3333.73.** The chancellor of the Ohio board of regents shall establish a competitive process for making awards under the choose Ohio first 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. 2406  
2407  
2408  
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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. 2412  
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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: 2419  
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2421  
2422  
2423

(A) The extent to which the proposal will keep Ohio students in Ohio institutions of higher education; 2424  
2425

(B) The extent to which the proposal will attract Ohio 2426

residents who left Ohio to attend out-of-state institutions of 2427  
higher education to return to Ohio institutions of higher 2428  
education; 2429

(C) The extent to which the proposal will increase the number 2430  
of Ohio graduates who remain in Ohio and enter Ohio's workforce; 2431

(D) The quality of the program that is the subject of the 2432  
proposal and the extent to which additional resources will enhance 2433  
its quality; 2434

(E) The extent to which the proposal is integrated with the 2435  
strengths of the regional economy; 2436

(F) The extent to which the proposal is aligned with the 2437  
report submitted by the chancellor pursuant to Section 4 of Sub. 2438  
H.B. 2 of the 127th general assembly, as amended; 2439

(G) The extent to which the proposal facilitates the 2440  
development of high quality academic programs with a cooperative 2441  
education program or a significant internship program at state 2442  
institutions of higher education; 2443

(H) The extent to which the proposal is integrated with 2444  
supporting private companies to fill potential job growth; 2445

(I) The amount of other institutional, public, or private 2446  
resources, whether monetary or nonmonetary, the proposal pledges 2447  
to leverage that are in addition to the monetary cost-sharing 2448  
requirement prescribed in section 3333.74 of the Revised Code; 2449

(J) The extent to which the proposal is collaborative with 2450  
other Ohio institutions of higher education; 2451

(K) The extent to which the proposal is integrated with the 2452  
institution's mission; 2453

(L) The extent to which the proposal meets a statewide 2454  
educational need at the undergraduate or graduate level; 2455

(M) The demonstrated productivity or future capacity of the 2456

<u>students to be recruited;</u>	2457
<u>(N) The extent to which the proposal will create additional</u>	2458
<u>capacity in a high quality academic program with a cooperative</u>	2459
<u>education program or significant internship program;</u>	2460
<u>(O) The extent to which the proposal will encourage students</u>	2461
<u>who received degrees from two-year institutions to pursue</u>	2462
<u>baccalaureate degrees;</u>	2463
<u>(P) The extent to which the proposal facilitates the</u>	2464
<u>completion of a baccalaureate degree in a cost-effective manner;</u>	2465
<u>(Q) The extent to which other institutional, public, or</u>	2466
<u>private resources that are pledged to the proposal, in addition to</u>	2467
<u>the monetary cost-sharing requirement prescribed in section</u>	2468
<u>3333.74 of the Revised Code, will be deployed to assist in</u>	2469
<u>sustaining the academic program of excellence;</u>	2470
<u>(R) The extent to which the proposal increases the likelihood</u>	2471
<u>that students will successfully complete their degree programs;</u>	2472
<u>(S) The extent to which the proposal ensures that a student</u>	2473
<u>participating in the high quality academic program funded by the</u>	2474
<u>choose Ohio first co-op/internship program is appropriately</u>	2475
<u>qualified and prepared to successfully transition into professions</u>	2476
<u>in Ohio's growing companies and industries.</u>	2477
<b><u>Sec. 3333.74. (A) Except as provided in division (B) of this</u></b>	2478
<b><u>section, each award under the choose Ohio first co-op/internship</u></b>	2479
<b><u>program shall require a pledge of private funds equal to the</u></b>	2480
<b><u>following:</u></b>	2481
<u>(1) In the case of a program, initiative, or scholarships for</u>	2482
<u>undergraduate students, at least one hundred per cent of the money</u>	2483
<u>awarded;</u>	2484
<u>(2) In the case of a program, initiative, or scholarships for</u>	2485
<u>graduate students, at least one hundred fifty per cent of the</u>	2486



money awarded. 2487

(B) The chancellor of the Ohio board of regents may waive the 2488  
requirement of division (A) of this section if the chancellor 2489  
finds that exceptional circumstances exist to do so, provided that 2490  
the chancellor reviews the proposal with the advisory committee 2491  
established under section 3333.80 of the Revised Code and provides 2492  
an explanation for the waiver to the controlling board. 2493  
2494

(C) The chancellor shall endeavor to distribute awards in 2495  
such a way that a wide range of disciplines is supported and that 2496  
all regions of the state benefit from the economic development 2497  
impact of the program. 2498

**Sec. 3333.75.** The chancellor of the Ohio board of regents 2499  
shall require each state institution of higher education that the 2500  
controlling board approves to receive an award under the choose 2501  
Ohio first co-op/internship program to enter into an agreement 2502  
governing the use of the award. The agreement shall contain terms 2503  
the chancellor determines to be necessary, which shall include 2504  
performance measures, reporting requirements, and an obligation to 2505  
fulfill pledges of other institutional, public, or nonpublic 2506  
resources for the proposal. 2507

The chancellor may require a state institution of higher 2508  
education that violates the terms of its agreement to repay the 2509  
award plus interest at the rate required by section 5703.47 of the 2510  
Revised Code to the chancellor. 2511

If the chancellor makes an award to a program or initiative 2512  
that is intended to be implemented by a state institution of 2513  
higher education in collaboration with other state institutions of 2514  
higher education or nonpublic Ohio universities or colleges, the 2515  
chancellor may enter into an agreement with the collaborating 2516  
universities or colleges that permits awards to be received 2517

directly by the collaborating universities or colleges consistent 2518  
with the terms of the program or initiative. In that case, the 2519  
chancellor shall incorporate into the agreement terms consistent 2520  
with the requirements of this section. 2521

**Sec. 3333.76.** The chancellor of the Ohio board of regents 2522  
shall encourage state institutions of higher education, alone or 2523  
in collaboration with other state institutions of higher education 2524  
or nonpublic Ohio universities and colleges, to submit proposals 2525  
under the choose Ohio first co-op/internship program for 2526  
initiatives that recruit Ohio residents enrolled in colleges and 2527  
universities in other states or other countries to return to Ohio 2528  
and enroll in state institutions of higher education or nonpublic 2529  
Ohio universities and colleges as graduate students in a high 2530  
quality academic program that uses a cooperative education 2531  
program, a significant internship program in a private industry or 2532  
institutional laboratory, or a similar model involving a variation 2533  
of cooperative education or internship programs common to graduate 2534  
education, and is in an educational area, industry, or industry 2535  
sector of need. 2536

The chancellor may encourage state institutions of higher 2537  
education, alone or in collaboration with other state institutions 2538  
of higher education or nonpublic Ohio universities and colleges, 2539  
to submit proposals for initiatives that recruit Ohio residents 2540  
who have received baccalaureate degrees to remain in Ohio and 2541  
enroll in state institutions of higher education or nonpublic Ohio 2542  
universities and colleges as graduate students in a high quality 2543  
academic program of the type described in the preceding paragraph. 2544

**Sec. 3333.77.** When making an award under the choose Ohio 2545  
first co-op/internship program, the chancellor of the Ohio board 2546  
of regents, subject to approval by the controlling board, may 2547  
commit to giving a state institution of higher education's 2548

proposal preference for future awards after the current fiscal 2549  
year or fiscal biennium. A proposal's eligibility for future 2550  
awards remains conditional on all of the following: 2551

(A) Future appropriations of the general assembly; 2552

(B) The institution's adherence to the agreement entered into 2553  
under section 3333.75 of the Revised Code, including its 2554  
fulfillment of pledges of other institutional, public, or 2555  
nonpublic resources; 2556

(C) A demonstration that the students participating in the 2557  
programs and initiatives or receiving scholarships financed by the 2558  
awards are satisfied with the institutions selected by the 2559  
chancellor to offer the programs, initiatives, or scholarships 2560  
financed by the awards. 2561

The chancellor and the controlling board shall not commit to 2562  
awarding any proposal after June 30, 2014. 2563

**Sec. 3333.78.** The chancellor of the Ohio board of regents 2564  
shall monitor each initiative for which an award is granted under 2565  
the choose Ohio first co-op/internship program to ensure the 2566  
following: 2567

(A) Fiscal accountability, so that the award is used in 2568  
accordance with the agreement entered into under section 3333.75 2569  
of the Revised Code; 2570

(B) Operating progress, so that the initiative is managed to 2571  
achieve the goals stated in the proposal and in the agreement, and 2572  
so that problems may be promptly identified and remedied; 2573

(C) Desired outcomes, so that the initiative contributes to 2574  
the program's goal of retaining Ohio's students after graduation. 2575

**Sec. 3333.79.** Not later than December 31, 2010, and the 2576

thirty-first day of December of each year thereafter, the 2577  
chancellor of the Ohio board of regents shall submit to the 2578  
general assembly in accordance with section 101.68 of the Revised 2579  
Code a report on the academic and economic impact of the choose 2580  
Ohio first co-op/internship program. At a minimum, the report 2581  
shall include the following: 2582

(A) Progress and performance metrics for each initiative that 2583  
received an award in the previous fiscal year; 2584

(B) Economic indicators of the impact of each initiative, and 2585  
all initiatives as a whole, on the regional economies and the 2586  
statewide economy; 2587

(C) The chancellor's strategy in allocating awards among 2588  
state institutions of higher education and how the actual awards 2589  
fit that strategy. 2590

**Sec. 3333.80.** (A) The co-op/internship program advisory 2591  
committee is hereby created. The committee shall consist of the 2592  
following members: 2593

(1) Five members appointed by the governor, two of whom shall 2594  
represent academia, two of whom shall be representatives of 2595  
private industry, and one of whom shall be a member of the public; 2596

(2) The director of development, or the director's designee; 2597

(3) Five members appointed by the president of the senate, 2598  
three of whom shall be members of the senate, one of whom shall 2599  
represent academia, and one of whom shall be a member of the 2600  
public; 2601

(4) Five members appointed by the speaker of the house of 2602  
representatives, three of whom shall be members of the house of 2603  
representatives, one of whom shall represent private industry, and 2604  
one of whom shall be a member of the public. 2605

(B) Members of the committee who are members of the general assembly shall serve for terms of four years or until their legislative terms end, whichever is sooner. The director of development or the director's designee shall serve as an ex-officio, voting member. Otherwise, initial members shall serve the following terms: 2606  
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(1) Of the initial members appointed by the governor, the member representing the public and one member representing academia shall serve for terms of one year; one member representing private industry shall serve for a term of two years; and one member representing private industry and one member representing academia shall serve for terms of three years. 2612  
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(2) The member representing academia and the representative of the public initially appointed by the president of the senate shall serve for terms of two years. 2618  
2619  
2620

(3) The member representing private industry initially appointed by the speaker of the house of representatives shall serve for a term of one year. 2621  
2622  
2623

(4) The representative of the public initially appointed by the speaker of the house of representatives shall serve for a term of three years. 2624  
2625  
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Thereafter, terms shall be for three years, with each term ending on the same day of the same month as did the term that it succeeds. Each member shall serve from the date of appointment until the end of the term for which the member was appointed. Members may be reappointed. Vacancies shall be filled in the same manner as provided for original appointments. Any member appointed to fill a vacancy occurring prior to the expiration date of the term for which the member was appointed shall hold office for the remainder of that term. A member shall continue to serve after the expiration date of the member's term until the member's successor 2627  
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is appointed or until a period of sixty days has elapsed, 2637  
whichever occurs first. The appointing authority may remove a 2638  
member from the committee for failure to attend two consecutive 2639  
meetings without showing good cause for the absences. 2640

(C) The committee annually shall select a chairperson and a 2641  
vice-chairperson. Only the members who represent academia and 2642  
private industry may serve as chairperson and vice-chairperson. 2643  
For this purpose, any committee member appointed as a member of 2644  
the public who is a trustee, officer, employee, or student of an 2645  
institution of higher education shall be included among the 2646  
representatives of academia who may serve as chairperson or 2647  
vice-chairperson, and any committee member appointed as a member 2648  
of the public who is a director, officer, or employee of a private 2649  
business shall be included among the representatives of private 2650  
industry who may serve as chairperson or vice-chairperson. The 2651  
committee annually shall rotate the selection of the chairperson 2652  
between these two groups and shall select a member of the other 2653  
group to serve as vice-chairperson. 2654

The committee annually shall select one of its members to 2655  
serve as secretary to keep a record of the committee's 2656  
proceedings. 2657

(D) A majority vote of the members of the full committee is 2658  
necessary to take action on any matter. The committee may adopt 2659  
bylaws governing its operation, including bylaws that establish 2660  
the frequency of meetings. 2661

(E) Members of the committee shall serve without 2662  
compensation. 2663

(F) A member of the committee shall not participate in 2664  
discussions or votes concerning a proposed initiative or an actual 2665  
award under the choose Ohio first co-op/internship program that 2666  
involves an institution of higher education of which the member is 2667

a trustee, officer, employee, or student; an organization of which 2668  
the member is a trustee, director, officer, or employee; or a 2669  
business of which the member is a director, officer, or employee 2670  
or a shareholder of more than five per cent of the business' 2671  
stock. 2672

(G) The committee shall advise the chancellor of the Ohio 2673  
board of regents on growing industries well-suited for awards 2674  
under the choose Ohio first co-op/internship program. The 2675  
chancellor shall consult with the committee and request the 2676  
committee's advice at each of the following times: 2677

(1) Prior to issuing each request for applications under the 2678  
program; 2679

(2) While the chancellor is reviewing applications and before 2680  
deciding on awards to submit for the controlling board's approval; 2681

(3) After deciding on awards to submit for the controlling 2682  
board's approval and prior to submitting them. 2683

The committee shall advise the chancellor on other matters 2684  
the chancellor considers appropriate. 2685

(H) The chancellor shall provide meeting space for the 2686  
committee. The committee shall be assisted in its duties by the 2687  
chancellor's staff. 2688

(I) Sections 101.82 to 101.87 of the Revised Code do not 2689  
apply to the committee. 2690

**Sec. 3345.32.** (A) As used in this section: 2691

(1) "State university or college" means the institutions 2692  
described in section 3345.27 of the Revised Code and the 2693  
northeastern Ohio universities college of medicine. 2694

(2) "Resident" has the meaning specified by rule of the 2695  
chancellor of the Ohio board of regents. 2696

(3) "Statement of selective service status" means a statement certifying one of the following:	2697 2698
(a) That the individual filing the statement 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;	2699 2700 2701 2702
(b) That the individual filing the statement is not required to register with the selective service for one of the following reasons:	2703 2704 2705
(i) The individual is under eighteen or over twenty-six years of age.	2706 2707
(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.	2708 2709 2710
(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.	2711 2712 2713
(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.	2714 2715 2716
(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.	2717 2718 2719 2720 2721 2722
(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	2723 2724 2725 2726



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.

(C) A state university or college that enrolls in any course,  
class, or program a male student born after December 31, 1959, who  
has not filed a statement of selective service status with the  
university or college shall, regardless of the student's  
residency, charge the student any tuition surcharge charged  
students who are not residents of this state.

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

(E) If an institution of higher education receives a  
statement from an individual certifying that the individual 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 or that the individual is exempt from registration 2759  
for a reason other than that the individual is under eighteen 2760  
years of age, the institution shall not require the individual to 2761  
file any further statements. If it receives a statement certifying 2762  
that the individual is not required to register because the 2763  
individual is under eighteen years of age, the institution shall 2764  
require the individual to file a new statement of selective 2765  
service status each time the individual seeks to enroll for a new 2766  
academic term or makes application for a new loan or loan 2767  
guarantee or for any form of financial assistance for educational 2768  
expenses, until it receives a statement certifying that the 2769  
individual has registered with the selective service system or is 2770  
exempt from registration for a reason other than that the 2771  
individual is under eighteen years of age. 2772

Sec. 4511.101. (A)(1) There is hereby created in the state 2773  
treasury the motorist service sign fund, which shall consist of 2774  
proceeds from the business logo sign program established under 2775  
this section. Subject to division (A)(2) of this section, the 2776  
director of transportation shall use money credited to the fund 2777  
for transportation purposes, including transportation 2778  
infrastructure. 2779

(2) Beginning as soon as possible, but not later than July 1, 2780  
2009, and every three months thereafter, the director of budget 2781  
and management shall transfer the cash balance in the motorist 2782  
service sign fund to the highway operating fund created in section 2783  
5735.291 of the Revised Code to be used for transportation 2784  
purposes within the districts defined in section 164.03 of the 2785  
Revised Code and shall be allocated each year on a per capita 2786  
basis to those districts in accordance with the most recent 2787  
decennial census statistics. The obligation to make such transfers 2788  
shall cease upon termination of the agreement described in section 2789  
5537.141 of the Revised Code. 2790

(B) The director of transportation, in accordance with 23 2791  
U.S.C.A. 109(d), 131(f), and 315, as amended, shall establish a 2792  
program for the placement of business logos for identification 2793  
purposes on state directional signs within the rights-of-way of 2794  
divided, multi-lane, limited access highways in both rural and 2795  
urban areas. 2796

~~(B)~~(C) The director shall establish, and may revise at any 2797  
time, a fee for participation in the business logo sign program. 2798  
All direct and indirect costs of the business logo sign program 2799  
established pursuant to this section shall be fully paid by the 2800  
businesses applying for participation in the program. ~~At any~~ 2801  
~~interchange where a business logo sign is erected, such costs~~ 2802  
~~shall be divided equally among the participating businesses.~~ The 2803  
direct and indirect costs of the program shall include, but not be 2804  
limited to, the cost of capital, directional signs, blanks, posts, 2805  
logos, installation, repair, engineering, design, insurance, 2806  
removal, replacement, and administration. Money collected from 2807  
participating businesses in excess of the direct and indirect 2808  
costs and any reasonable profit earned by a person awarded a 2809  
contract under division (D) of this section shall be retained by, 2810  
or remitted to, the department and deposited to the credit of the 2811  
motorist service sign fund. Nothing in this chapter shall be 2812  
construed to prohibit the director from establishing such a 2813  
program. 2814

~~(C)~~(D) The director, in accordance with rules adopted 2815  
pursuant to Chapter 119. of the Revised Code, may contract with 2816  
any private person to operate, maintain, ~~and~~ or market the 2817  
business logo sign program. ~~The rules shall describe the terms of~~ 2818  
~~the contract, and shall~~ may allow for a reasonable profit to be 2819  
earned by the successful applicant. In awarding the contract, the 2820  
director shall consider the skill, expertise, prior experience, 2821  
and other qualifications of each applicant. 2822

~~(D)~~(E) As used in this section, "urban area" means an area 2823  
having a population of fifty thousand or more according to the 2824  
most recent federal census and designated as such on urban maps 2825  
prepared by the department. 2826

~~(E)~~ Neither (F) In implementing this section, neither the 2827  
department nor the director shall do either of the following: 2828

(1) Limit the right of any person to erect, maintain, repair, 2829  
remove, or utilize any off-premises or on-premises advertising 2830  
device; 2831

(2) Make participation in the business logo sign program 2832  
conditional upon a business agreeing to limit, discontinue, 2833  
withdraw, modify, alter, or change any advertising or sign. 2834

~~(F)~~(G) The program shall permit the business logo signs of a 2835  
seller of motor vehicle fuel to include on the seller's signs a 2836  
marking or symbol indicating that the seller sells one or more 2837  
types of alternative fuel so long as the seller in fact sells that 2838  
fuel. 2839

As used in this division, "alternative fuel" has the same 2840  
meaning as in section 125.831 of the Revised Code. 2841

**Sec. 5537.141.** (A) Notwithstanding sections 5537.14 and 2842  
5537.28 of the Revised Code, the Ohio turnpike commission shall 2843  
pay to the state, for deposit into the state treasury to the 2844  
credit of the highway operating fund created in section 5735.291 2845  
of the Revised Code, an annual amount determined by the director 2846  
of budget and management to be used for transportation purposes 2847  
within districts one, five, six, seven, eight, nine, and twelve, 2848  
as those districts are defined in section 164.03 of the Revised 2849  
Code and shall be allocated each year on a per capita basis to 2850  
those districts in accordance with the most recent decennial 2851  
census statistics. The obligation to make those payments shall be 2852

evidenced by an agreement between the commission, the office of budget and management, and the department of transportation. The agreement shall be entered into not later than September 30, 2008, and shall, at a minimum, set forth all of the following:

(1) The obligation of the commission to make those payments from revenues available after satisfying its debt obligations and covenants under any outstanding bond proceedings;

(2) The amount due and payable in each calendar year, which amount shall not exceed the amount by which the cash transfers provided for in section 4511.101 of the Revised Code for that calendar year are less than twenty million dollars;

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

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

(B) Funds transferred from the motorist service sign fund to the highway operating fund pursuant to section 4511.101 of the Revised Code shall be expended before the funds transferred to the highway operating fund pursuant to this section.

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

(B) There is allowed a ~~refundable~~ credit against the tax imposed by section 5707.03 and assessed under section 5725.15 of the Revised Code for a dealer in intangibles subject to that tax that is a certificate owner of a rehabilitation tax credit certificate issued under section 149.311 of the Revised Code. The credit shall equal twenty-five per cent of the dollar amount indicated on the certificate, but the amount of the credit allowed for any dealer for any year shall not exceed five million dollars.

The credit shall be claimed in the calendar year specified in the certificate. If the credit exceeds the amount of tax otherwise due in that year, the excess shall be refunded to the dealer but, if any amount of the credit is refunded, the sum of the amount refunded and the amount applied to reduce the tax otherwise due in that year shall not exceed three million dollars. The dealer may carry forward any balance of the credit in excess of the amount claimed in that year for not more than five ensuing years, and shall deduct any amount claimed in any such year from the amount claimed in an ensuing year.

(C) A dealer in intangibles claiming a credit under this section shall retain the rehabilitation tax credit certificate for four years following the end of the year in which the credit was claimed, and shall make the certificate available for inspection by the tax commissioner upon the request of the tax commissioner during that period.

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

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

(B) There is allowed a refundable credit against the tax imposed under section 5733.06 of the Revised Code for a taxpayer that is a certificate owner of a rehabilitation tax credit certificate issued under section 149.311 of the Revised Code. The credit shall equal twenty-five per cent of the dollar amount

indicated on the certificate, but shall not exceed five million 2914  
dollars. The credit shall be claimed for the tax year specified in 2915  
the certificate and in the order required under section 5733.98 of 2916  
the Revised Code. For purposes of making tax payments under this 2917  
chapter, taxes equal to the amount of the refundable credit shall 2918  
be considered to be paid to the state on the first day of the tax 2919  
year. 2920

(C) A taxpayer claiming a credit under this section shall 2921  
retain the rehabilitation tax credit certificate for four years 2922  
following the end of the tax year to which the credit was applied, 2923  
and shall make the certificate available for inspection by the tax 2924  
commissioner upon the request of the tax commissioner during that 2925  
period. 2926

(D) If, pursuant to division (G) of section 5733.01 of the 2927  
Revised Code, a taxpayer no longer pays a tax under this chapter, 2928  
the taxpayer may nonetheless file an annual report under section 2929  
5733.02 of the Revised Code and claim the refundable credit 2930  
authorized by this section. Nothing in this division allows a 2931  
taxpayer to claim the credit under this section more than once. 2932

**Sec. 5747.76.** (A) As used in this section, "certificate 2933  
owner" has the same meaning as in section 149.311 of the Revised 2934  
Code. 2935

(B) There is allowed a ~~refundable~~ credit against the tax 2936  
imposed under section 5747.02 of the Revised Code for a taxpayer 2937  
that is the certificate owner of a rehabilitation tax credit 2938  
certificate issued under section 149.311 of the Revised Code. The 2939  
credit shall equal twenty-five per cent of the dollar amount 2940  
indicated on the certificate, but the amount of credit allowed for 2941  
any taxpayer shall not exceed five million dollars. The credit 2942  
shall be claimed for the taxable year specified in the certificate 2943  
and in the order required under section 5747.98 of the Revised 2944

~~Code. For purposes of making tax payments under this chapter, 2945  
taxes equal to the amount of the refundable credit shall be 2946  
considered to be paid to the state on the first day of the taxable 2947  
year. 2948~~

(C) Nothing in this section limits or disallows pass-through 2949  
treatment of the credit if the certificate owner is a pass-through 2950  
entity. If the certificate owner is a pass-through entity, the 2951  
amount of the credit allowed for the pass-through entity shall not 2952  
exceed five million dollars. 2953

(D) If the credit allowed for any taxable year exceeds the 2954  
tax otherwise due under section 5747.02 of the Revised Code, after 2955  
allowing for any other credits preceding the credit in the order 2956  
prescribed by section 5747.98 of the Revised Code, the excess 2957  
shall be refunded to the taxpayer but, if any amount of the credit 2958  
is refunded, the sum of the amount refunded and the amount applied 2959  
to reduce the tax otherwise due for that year shall not exceed 2960  
three million dollars or, if the certificate owner is a 2961  
pass-through entity, shall not exceed the taxpayer's distributive 2962  
or proportionate share of three million dollars. The taxpayer may 2963  
carry forward any balance of the credit in excess of the amount 2964  
claimed for that year for not more than five ensuing taxable 2965  
years, and shall deduct any amount claimed for any such year from 2966  
the amount claimed in an ensuing year. 2967

(E) A taxpayer claiming a credit under this section shall 2968  
retain the rehabilitation tax credit certificate for four years 2969  
following the end of the taxable year to which the credit was 2970  
applied, and shall make the certificate available for inspection 2971  
by the tax commissioner upon the request of the tax commissioner 2972  
during that period. 2973

**Sec. 5747.98.** (A) To provide a uniform procedure for 2974  
calculating the amount of tax due under section 5747.02 of the 2975



Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled in the following order:	2976 2977
(1) The retirement income credit under division (B) of section 5747.055 of the Revised Code;	2978 2979
(2) The senior citizen credit under division (C) of section 5747.05 of the Revised Code;	2980 2981
(3) The lump sum distribution credit under division (D) of section 5747.05 of the Revised Code;	2982 2983
(4) The dependent care credit under section 5747.054 of the Revised Code;	2984 2985
(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	2986 2987
(6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	2988 2989
(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	2990 2991
(8) The low-income credit under section 5747.056 of the Revised Code;	2992 2993
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	2994 2995
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	2996 2997
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	2998 2999
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	3000 3001
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	3002 3003
(14) The credit for a resident's out-of-state income under	3004

division (B) of section 5747.05 of the Revised Code;	3005
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	3006 3007
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	3008 3009
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	3010 3011
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	3012 3013
(19) The job retention credit under division (B) of section 5747.058 of the Revised Code;	3014 3015
(20) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	3016 3017
(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;	3018 3019 3020
(22) The job training credit under section 5747.39 of the Revised Code;	3021 3022
(23) The enterprise zone credit under section 5709.66 of the Revised Code;	3023 3024
(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	3025 3026
(25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	3027 3028
(26) The ethanol plant investment credit under section 5747.75 of the Revised Code;	3029 3030
(27) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	3031 3032
(28) The export sales credit under section 5747.057 of the	3033

Revised Code;	3034
(29) The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	3035 3036
(30) The enterprise zone credits under section 5709.65 of the Revised Code;	3037 3038
(31) The research and development credit under section 5747.331 of the Revised Code;	3039 3040
(32) <u>The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;</u>	3041 3042
<del>(33)</del> (34) The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	3043 3044
<del>(33)</del> (34) The refundable jobs creation credit under division (A) of section 5747.058 of the Revised Code;	3045 3046
<del>(34)</del> (35) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	3047 3048
<del>(35)</del> (36) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of section 5747.08 of the Revised Code;	3049 3050 3051
<del>(36)</del> (37) The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code;	3052 3053
<del>(37)</del> (38) The refundable credit under section 5747.80 of the Revised Code for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code.	3054 3055 3056
(B) For any credit, except the credits enumerated in divisions (A) <del>(32)</del> (33) to <del>(37)</del> (38) of this section and the credit granted under division (I) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the	3057 3058 3059 3060 3061 3062 3063

section creating that credit. Nothing in this chapter shall be 3064  
construed to allow a taxpayer to claim, directly or indirectly, a 3065  
credit more than once for a taxable year. 3066

**Section 2.** That existing sections 149.311, 151.01, 166.01, 3068  
166.02, 166.08, 166.11, 184.02, 1555.03, 3333.38, 3345.32, 3069  
4511.101, 5725.151, 5733.47, 5747.76, and 5747.98 of the Revised 3070  
Code are hereby repealed. 3071

**Section 3.** (A) Except as provided in division (B) of this 3072  
section, the amendment by this act of sections 149.311, 5725.151, 3073  
5733.47, 5747.76, and 5747.98 of the Revised Code applies only to 3074  
the application periods beginning July 1, 2009, and July 1, 2010, 3075  
and to tax credits allowed under rehabilitation tax credit 3076  
certificates issued for applications filed for those application 3077  
periods. Those sections as they existed before their amendment by 3078  
this act apply to the application period beginning July 1, 2007, 3079  
and ending June 30, 2008, and to tax credits allowed under 3080  
rehabilitation tax credit certificates issued for applications 3081  
filed for that application period. 3082

(B) The amendment by this act of division (A)(9) of section 3083  
149.311 of the Revised Code, eliminating the application period 3084  
beginning July 1, 2008, and ending June 30, 2009, takes effect 3085  
when this act becomes law. The State Historic Preservation Officer 3086  
shall not accept applications for that period, and the Director of 3087  
Development shall not issue any rehabilitation tax credit 3088  
certificates for that period. 3089

(C) Nothing in this section precludes the approval of 3090  
applications for tax credit certificates as prescribed in division 3091  
(D)(3) of section 149.311 of the Revised Code, as amended by this 3092  
act, from among the \$30 million reserved for that purpose from the 3093

\$60 million in credits allowed for each of the application periods 3094  
July 1, 2009, through June 30, 2010, and July 1, 2010, through 3095  
June 30, 2011. The Director of Development shall approve such 3096  
applications and issue tax credit certificates as prescribed in 3097  
that section as amended by this act, may accept from such 3098  
applicants the amount of qualified rehabilitation expenditures the 3099  
applicant estimates will be paid or incurred if such estimates 3100  
have not yet been provided to the Director, may notify such 3101  
applicants whether the application was approved or denied on or 3102  
after the effective date of this section, and may adopt any rules 3103  
necessary to administer such applications. 3104

**Section 4.** The amendment by this act of sections 149.311, 3105  
5725.151, 5733.47, 5747.76, and 5747.98 of the Revised Code and 3106  
the enactment of Section 3 of this act provide for or are 3107  
essential to the implementation of a tax levy. Therefore, under 3108  
Ohio Constitution, Article II, Section 1d, the amendment and 3109  
enactment are not subject to the referendum and go into immediate 3110  
effect when this act becomes law. 3111

**Section 5.** All items in this section are hereby appropriated 3112  
as designated out of any moneys in the state treasury to the 3113  
credit of the designated fund that are not otherwise appropriated. 3114  
For all appropriations made in this section, those in the first 3115  
column are for fiscal year 2008 and those in the second column are 3116  
for fiscal year 2009. The appropriations made in this section are 3117  
in addition to any other appropriations made for the FY 2008-FY 3118  
2009 biennium. 3119

DEV DEPARTMENT OF DEVELOPMENT 3120

Appropriations

Third Frontier Coal R&D Fund Group 3121  
5CS0 195644 Third Frontier Coal \$ 0 \$ 66,000,000 3122

R&D Fund				
TOTAL 5CS0 Third Frontier Coal R&D	\$	0 \$	66,000,000	3123
Fund Group				
TOTAL ALL BUDGET FUND GROUPS	\$	0 \$	66,000,000	3124
DEV DEPARTMENT OF DEVELOPMENT				3125
Appropriations				
State Special Revenue Fund Group				3126
5Z30 195694 JF Bioproducts	\$	0 \$	20,000,000	3127
5Z30 195695 JF Biomedical	\$	0 \$	40,000,000	3128
TOTAL SSR State Special Revenue	\$	0 \$	60,000,000	3129
Fund Group				
Logistics and Distribution Infrastructure Fund Group				3130
7008 195698 Logistics and	\$	0 \$	50,000,000	3131
Distribution				
Infrastructure				
TOTAL 7008 Logistics and	\$	0 \$	50,000,000	3132
Distribution Infrastructure Fund				
Group				
TOTAL ALL BUDGET FUND GROUPS	\$	0 \$	110,000,000	3133
JF BIOPRODUCTS				3134
The foregoing appropriation item 195694, JF Bioproducts,				3135
shall be used for the Ohio Bioproducts Development Program				3136
established in section 184.25 of the Revised Code.				3137
JF BIOMEDICAL				3138
The foregoing appropriation item 195695, JF Biomedical, shall				3139
be used for the Ohio Biomedical Development Program established in				3140
section 184.26 of the Revised Code.				3141
LOGISTICS AND DISTRIBUTION INFRASTRUCTURE				3142
The foregoing appropriation item 195698, Logistics and				3143
Distribution Infrastructure, shall be used for eligible logistics				3144
and distribution projects as defined in section 166.01 of the				3145

Revised Code. 3146

Within the limits set forth in this section, the Director of 3147  
Budget and Management shall establish accounts indicating the 3148  
source and amount of funds for each appropriation made in this 3149  
section, and shall determine the form and manner in which 3150  
appropriation accounts shall be maintained. Expenditures from 3151  
appropriations contained in this section shall be accounted for as 3152  
though made in Am. Sub. H.B. 119 of the 127th General Assembly. 3153

The appropriations made in this section are subject to all 3154  
provisions of Am. Sub. H.B. 119 of the 127th General Assembly that 3155  
are generally applicable to such appropriations. 3156

**Section 6.** The Governor has informed the General Assembly of 3157  
the Governor's intent to propose appropriations, and it is the 3158  
intent of the General Assembly to appropriate \$20,000,000 in 3159  
fiscal year 2010 and \$10,000,000 in fiscal year 2011 for the 3160  
purposes of the Ohio Bioproducts Development Program established 3161  
in section 184.25 of the Revised Code. 3162

**Section 7.** The Governor has informed the General Assembly of 3163  
the Governor's intent to propose appropriations, and it is the 3164  
intent of the General Assembly to appropriate \$40,000,000 in 3165  
fiscal year 2010 and \$20,000,000 in fiscal year 2011 for the 3166  
purposes of the Ohio Biomedical Development Program established in 3167  
section 184.26 of the Revised Code. 3168

**Section 8.** The Governor has informed the General Assembly of 3169  
the Governor's intent to propose appropriations, and it is the 3170  
intent of the General Assembly to appropriate \$80 million in 3171  
fiscal year 2010 out of moneys transferred from the Jobs Fund 3172  
(Fund 5Z30), created by Section 4 of Sub. H.B. 544 of the 127th 3173  
General Assembly, to the Local Infrastructure Development Fund 3174  
(Fund 7039) created by section 164.28 of the Revised Code for use 3175

by the Public Works Commission for capital improvement projects 3176  
under Chapter 164. of the Revised Code. 3177

**Section 9.** On June 30, 2011, or as soon as possible 3178  
thereafter, the Director of Budget and Management shall transfer 3179  
the cash balance in the Jobs Fund (Fund 5Z30) to the General 3180  
Revenue Fund. Upon completion of the transfer, the Jobs Fund (Fund 3181  
5Z30) is abolished. 3182

**Section 10.** On or before June 30, 2011, or as soon as 3183  
possible thereafter, the Director of the Public Works Commission 3184  
shall notify the Director of Budget and Management that all 3185  
projects funded by the Local Infrastructure Development Fund (Fund 3186  
7039) have been completed and the Director of Budget and 3187  
Management shall transfer the cash balance remaining in the Local 3188  
Infrastructure Development Fund (Fund 7039) to the General Revenue 3189  
Fund. Upon completion of the transfer, the Local Infrastructure 3190  
Development Fund (Fund 7039) is abolished. 3191

**Section 11.** The Governor has informed the General Assembly of 3192  
the Governor's intent to propose appropriations, and it is the 3193  
intent of the General Assembly to appropriate \$25,000,000 for 3194  
fiscal year 2010 and \$25,000,000 for fiscal year 2011 for eligible 3195  
logistics and distribution infrastructure projects as defined in 3196  
section 166.01 of the Revised Code. 3197

**Section 12.** The Ohio Public Facilities Commission, upon the 3198  
request of the Director of Development, after consultation with 3199  
the Third Frontier Commission, is hereby authorized to issue and 3200  
sell, in accordance with Section 15 of Article VIII, Ohio 3201  
Constitution, and Chapter 151. and particularly sections 151.01 3202  
and 151.071 of the Revised Code, bonds and other obligations of 3203  
the State of Ohio in an aggregate principal amount not to exceed 3204



\$66,000,000 in addition to the issuance of obligations heretofore 3205  
authorized by prior acts of the General Assembly. The obligations 3206  
shall be dated, issued, and sold from time to time in such amounts 3207  
as may be necessary to provide sufficient moneys to the credit of 3208  
the Third Frontier Coal Research and Development Fund created in 3209  
section 184.36 of the Revised Code to pay costs charged to the 3210  
fund when due. 3211

**Section 13.** The Governor has informed the General Assembly of 3212  
the Governor's intent to propose appropriations, and it is the 3213  
intent of the General Assembly to appropriate \$20,000,000 in 3214  
fiscal year 2010, \$100,000,000 in fiscal year 2011, and 3215  
\$80,000,000 in fiscal year 2012 for use by the Public Works 3216  
Commission for the Local Transportation Improvement Program 3217  
established in section 164.14 of the Revised Code. The 3218  
appropriations will be supported by periodic transfers of cash 3219  
made by the Director of Budget and Management from the Highway 3220  
Operating Fund created in section 5735.291 of the Revised Code to 3221  
the Local Transportation Improvement Program Fund created in 3222  
section 164.14 of the Revised Code. These appropriations are in 3223  
addition to any other appropriations that may be made for this 3224  
purpose. 3225

**Section 14.** The Governor has informed the General Assembly of 3226  
the Governor's intent to propose appropriations, and it is the 3227  
intent of the General Assembly to appropriate from the Highway 3228  
Capital Improvement Fund created in section 5528.53 of the Revised 3229  
Code \$20,000,000 in fiscal year 2010, \$100,000,000 in fiscal year 3230  
2011, and \$80,000,000 in fiscal year 2012 for highway capital 3231  
facilities and projects. Those appropriations will be supported by 3232  
the issuance of general obligations authorized for that purpose 3233  
under Article VIII, Section 2m of the Ohio Constitution. These 3234

appropriations are in addition to any other appropriations that 3235  
may be made for this purpose. The issuance of obligations pursuant 3236  
to this section is intended to reimburse the Ohio Department of 3237  
Transportation for the periodic transfers of cash made by the 3238  
Director of Budget and Management from the Highway Operating Fund 3239  
(Fund 7002) pursuant to Section 13 of this act. 3240

3241

**Section 15.** (A) All items set forth in this division are 3242  
hereby appropriated out of any moneys in the state treasury, for 3243  
the biennium ending on June 30, 2010, to the credit of the 3244  
Advanced Energy Research and Development Taxable Fund (Fund 7004) 3245  
that are not otherwise appropriated: 3246

DEV DEPARTMENT OF DEVELOPMENT 3247

C19503	Advanced Energy R&D Taxable	\$	9,000,000	3248
	Total Department of Development	\$	9,000,000	3249
	TOTAL Advanced Energy Research and Development			3250
	Taxable Fund	\$	9,000,000	3251

(B) All items set forth in this division are hereby 3252  
appropriated out of any moneys in the state treasury, for the 3253  
biennium ending on June 30, 2010, to the credit of the Advanced 3254  
Energy Research and Development Fund (Fund 7005) that are not 3255  
otherwise appropriated: 3256

DEV DEPARTMENT OF DEVELOPMENT 3257

C19504	Advanced Energy R&D	\$	19,000,000	3258
	Total Department of Development	\$	19,000,000	3259
	TOTAL Advanced Energy Research and Development			3260
	Fund	\$	19,000,000	3261

(C) The foregoing appropriation items C19503, Advanced Energy 3262  
R&D Taxable, and C19504, Advanced Energy R&D, shall be used for 3263  
advanced energy projects in the manner provided in sections 184.30 3264  
to 184.34 of the Revised Code. The Third Frontier Commission may 3265

certify to the Director of Budget and Management that a need 3266  
exists to appropriate investment earnings of funds 7004 and 7005 3267  
to be so used. If the Director of Budget and Management, pursuant 3268  
to sections 184.30 to 184.34 of the Revised Code, determines that 3269  
investment earnings are available to support additional 3270  
appropriations, such amounts are hereby appropriated. 3271

3272

(D) Upon the request of the Executive Director of the Air 3273  
Quality Development Authority, the Director of Budget and 3274  
Management may transfer cash between funds 7004 and 7005. Amounts 3275  
transferred are hereby appropriated. 3276

(E) Expenditures from appropriations contained in this 3277  
section may be accounted as though made in the main capital 3278  
appropriations act of the FY 2009-FY 2010 biennium of the 127th 3279  
General Assembly. The appropriations made in this section are 3280  
subject to all provisions of the FY 2009-FY 2010 biennial capital 3281  
appropriations act of the 127th General Assembly that are 3282  
generally applicable to such appropriations. 3283

**Section 16.** The Governor has informed the General Assembly of 3284  
the Governor's intent to propose appropriations, and it is the 3285  
intent of the General Assembly to appropriate amounts not to 3286  
exceed \$56 million for the biennium ending on June 30, 2012, from 3287  
bond proceeds deposited in the state treasury to the credit of the 3288  
Advanced Energy Research and Development Taxable Fund (Fund 7004) 3289  
and the Advanced Energy Research and Development Fund (Fund 7005) 3290  
for advanced energy projects as provided in sections 184.30 to 3291  
184.34 of the Revised Code. 3292

**Section 17.** All items set forth in this section are hereby 3293  
appropriated out of any moneys in the state treasury, for the 3294  
biennium ending on June 30, 2010, to the credit of the State 3295

Capital Improvements Fund (Fund 7038) that are not otherwise 3296  
appropriated. 3297

Appropriations

PWC PUBLIC WORKS COMMISSION 3298  
C15000 Local Public Infrastructure \$ 120,000,000 3299  
Total Public Works Commission \$ 120,000,000 3300  
TOTAL State Capital Improvements Fund \$ 120,000,000 3301

The foregoing appropriation item C15000, Local Public 3302  
Infrastructure, shall be used in accordance with sections 164.01 3303  
to 164.12 of the Revised Code. The Director of the Public Works 3304  
Commission may certify to the Director of Budget and Management 3305  
that a need exists to appropriate investment earnings of Fund 7038 3306  
to be used in accordance with sections 164.01 to 164.12 of the 3307  
Revised Code. If the Director of Budget and Management, pursuant 3308  
to division (D) of section 164.08 and section 164.12 of the 3309  
Revised Code, determines that investment earnings are available to 3310  
support additional appropriations, such amounts are hereby 3311  
appropriated. 3312

Expenditures from appropriations contained in this section 3313  
may be accounted as though made in the main capital appropriations 3314  
act of the FY 2009-FY 2010 biennium of the 127th General Assembly. 3315  
The appropriations made in this section are subject to all 3316  
provisions of the FY 2009-FY 2010 biennial capital appropriations 3317  
act of the 127th General Assembly that are generally applicable to 3318  
such appropriations. 3319

**Section 18.** The Ohio Public Facilities Commission is hereby 3320  
authorized to issue and sell, in accordance with Section 2p of 3321  
Article VIII, Ohio Constitution, and pursuant to sections 151.01 3322  
and 151.08 of the Revised Code, original obligations of the state, 3323  
in an aggregate principal amount not to exceed \$120,000,000, in 3324  
addition to the original obligations heretofore authorized by 3325

prior acts of the General Assembly. These authorized obligations 3326  
shall be issued and sold from time to time, subject to applicable 3327  
constitutional and statutory limitations, as needed to ensure 3328  
sufficient moneys to the credit of the State Capital Improvements 3329  
Fund (Fund 7038) to pay costs of the state in financing or 3330  
assisting in the financing of local subdivision capital 3331  
improvement projects. 3332

**Section 19.** CAPITAL RELEASE BY THE DIRECTOR OF BUDGET AND 3333  
MANAGEMENT 3334

Notwithstanding section 126.14 of the Revised Code, 3335  
appropriations from the State Capital Improvement Fund (Fund 7038) 3336  
shall be released upon presentation of a request to release the 3337  
funds by the Director of the Public Works Commission to the 3338  
Director of Budget and Management. 3339

**Section 20.** The Governor has informed the General Assembly of 3340  
the Governor's intent to propose appropriations, and it is the 3341  
intent of the General Assembly to appropriate, for the Choose Ohio 3342  
First Co-op/Internship Program established under section 3333.72 3343  
of the Revised Code a minimum of \$50,000,000 each fiscal year from 3344  
fiscal year 2010 through fiscal year 2014. 3345

**Section 21.** The amendments to section 184.02 that add the 3346  
cross references to sections 184.25 and 184.26 and enactments of 3347  
sections 184.23, 184.24, 184.25, and 184.26 of the Revised Code 3348  
are hereby repealed, effective June 30, 2011. 3349

**Section 22.** The enactment of section 164.28 of the Revised 3350  
Code is hereby repealed, effective June 30, 2013. 3351

**Section 23.** The amendment or enactment by this act of a 3352  
codified or uncodified section listed below is exempt from the 3353

referendum under Ohio Constitution, Article II, Section 1d and	3354
section 1.471 of the Revised Code and takes effect immediately	3355
when this act becomes law:	3356
Sec. 151.07, 151.071, 164.28, 166.01, 166.02, 166.08, 166.11,	3357
166.25, 166.26, 166.30, 184.02, 184.23, 184.24, 184.25, 184.26,	3358
184.35, 184.36, 184.37, 1555.03	3359
Section 5.	3360