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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, 166.01, 166.02, 166.08, 1
166.11, 184.02, 1555.03, 3333.38, 3345.32, 2
3706.01, 5725.151, 5733.47, 5747.76, and 5747.98; 3
to enact sections 164.28, 166.25, 166.26, 166.27, 4
166.30, 184.174, 184.23, 184.231, 184.24 to 5
184.26, 184.37, 3333.71 to 3333.81, and 3706.25 to 6
3706.30 of the Revised Code; and to amend Section 7
229.10 of Am. Sub. H.B. 67 of the 127th General 8
Assembly, to establish the Ohio Bioproducts 9
Development Program and Ohio Biomedical 10
Development Program to be administered by the 11

Third Frontier Commission, to establish advisory 12
boards to the Third Frontier Commission, to expand 13
the economic development programs administered by 14
the Department of Development to include 15
transportation logistics and distribution 16
infrastructure projects, to provide additional 17
money for capital improvement projects of local 18
subdivisions, to modify the authority of the Ohio 19
Coal Development Office, to provide for advanced 20
energy projects administered by the Ohio Air 21
Quality Development Authority, to establish the 22
Choose Ohio First Co-op/Internship Program, to 23
extend the historical building rehabilitation tax 24
credit, limit credit amounts, and require regional 25
distributive balance and economic effects to be 26
considered, to modify the definition of an air 27
quality facility, to create minority outreach 28
requirements for loan and grant programs 29
established under this bill, and to make an 30
appropriation. 31

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

Section 1. That sections 149.311, 166.01, 166.02, 166.08, 32
166.11, 184.02, 1555.03, 3333.38, 3345.32, 3706.01, 5725.151, 33
5733.47, 5747.76, and 5747.98 be amended and that sections 164.28, 34
166.25, 166.26, 166.27, 166.30, 184.174, 184.23, 184.231, 184.24, 35
184.25, 184.26, 184.37, 3333.71, 3333.72, 3333.73, 3333.74, 36
3333.75, 3333.76, 3333.77, 3333.78, 3333.79, 3333.80, 3333.81, 37
3706.25, 3706.26, 3706.27, 3706.28, 3706.29, and 3706.30 of the 38
Revised Code be enacted to read as follows: 39

Sec. 149.311. (A) As used in this section: 40

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

(2) "Qualified rehabilitation expenditures" means expenditures paid or incurred during the rehabilitation period, and before and after that period as determined under 26 U.S.C. 47, by an owner of a historic building to rehabilitate the building. "Qualified rehabilitation expenditures" includes architectural or engineering fees paid or incurred in connection with the rehabilitation, and expenses incurred in the preparation of nomination forms for listing on the national register of historic places. "Qualified rehabilitation expenditures" does not include any of the following:

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

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

(c) New building construction costs.

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

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

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

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

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

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

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

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

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

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

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

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

(B) ~~On or after July 1, 2007, but before July 1, 2009~~ For any application period, the owner of a historic building may apply to the state historic preservation officer for a rehabilitation tax

credit certificate for qualified rehabilitation expenditures paid 102
or incurred after April 4, 2007, for rehabilitation of a historic 103
building. The form and manner of filing such applications shall be 104
prescribed by rule of the director of development, and, except as 105
otherwise provided in division (D) of this section, applications 106
expire at the end of each application period. ~~Before July 1, 2007,~~ 107
~~the~~ Each application shall state the amount of qualified 108
rehabilitation expenditures the applicant estimates will be paid 109
or incurred. The director may require applicants to furnish 110
documentation of such estimates. 111

The director, after consultation with the tax commissioner 113
and in accordance with Chapter 119. of the Revised Code, shall 114
adopt rules that establish all of the following: 115

(1) Forms and procedures by which applicants may apply for 116
rehabilitation tax credit certificates; 117

(2) Criteria for reviewing, evaluating, and approving 118
applications for certificates within the ~~limitation on the number~~ 119
~~of applications that may be approved in an application period~~ 120
limitations under division (D) of this section, criteria for 121
assuring that the certificates issued encompass a mixture of high 122
and low qualified rehabilitation expenditures, and criteria for 123
issuing certificates under division (C)(3)(b) of this section; 124

(3) Eligibility requirements for obtaining a certificate 125
under this section; 126

(4) The form of rehabilitation tax credit certificates; 127

(5) Reporting requirements and monitoring procedures; 128

(6) Any other rules necessary to implement and administer 129
this section. 130

(C) The state historic preservation officer shall accept 131

applications ~~in the order in which they are filed.~~ Within seven 132
days ~~after an application is filed,~~ the officer shall and forward 133
~~it them~~ to the director of development, who shall review the 134
~~application~~ applications and determine whether all of the 135
following criteria are met: 136

(1) That the building that is the subject of the application 137
is a historic building and the applicant is the owner of the 138
building; 139

(2) That the rehabilitation will satisfy standards prescribed 140
by the United States secretary of the interior under 16 U.S.C. 141
470, et seq., as amended, and 36 C.F.R. 67.7 or a successor to 142
that section; 143

(3) That receiving a rehabilitation tax credit certificate 144
under this section is a major factor in: 145

(a) The applicant's decision to rehabilitate the historic 146
building; or 147

(b) To increase the level of investment in such 148
rehabilitation. 149

An applicant shall demonstrate to the satisfaction of the 150
state historic preservation officer and director of development 151
that the rehabilitation will satisfy the standards described in 152
division (C)(2) of this section before the applicant begins the 153
physical rehabilitation of the historic building. 154

(D) ~~If the~~ (1) The director of development may approve an 155
application and issue a rehabilitation tax credit certificate to 156
an applicant only if the director determines that the criteria in 157
divisions (C)(1), (2), and (3) of this section are met, ~~the~~ 158
~~director, in conjunction with the tax commissioner, shall conduct~~ 159
~~a cost and benefit analysis for the historic building that is the~~ 160
~~subject of an application filed under this section to determine~~ 161
~~whether rehabilitation of the historic building, including~~ 162

~~activities during the construction phase of the rehabilitation, 163
will result in a net revenue gain in state and local taxes. The 164
director shall not approve an application and issue a 165
rehabilitation tax credit certificate to an applicant unless the 166
cost and benefit analysis of the historic building determines that 167
there will be a net revenue gain in state and local taxes once the 168
building is used. A. The director shall consider the potential 169
economic impact and the regional distributive balance of the 170
credits throughout the state. 171~~

(2) A rehabilitation tax credit certificate shall not be 172
issued before rehabilitation of a historic building is completed 173
or for an amount greater than the estimated amount furnished by 174
the applicant on the application for such certificate and approved 175
by the director. The director shall not approve more than ~~one 176
hundred applications in a total of sixty million dollars of 177
rehabilitation tax credits for an application period. 178~~

(3) Of the sixty million dollars approved for application 180
periods July 1, 2009, through June 30, 2010, and July 1, 2010, 181
through June 30, 2011, forty-five million dollars shall be 182
reserved in each application period for the award of 183
rehabilitation tax credit certificates to applicants who, as of 184
March 1, 2008, had filed completed applications that met the 185
criteria described in divisions (C)(1), (2), and (3) of this 186
section, who have not withdrawn the application, and who have not 187
yet been approved to receive a certificate. If the total amount of 188
credits awarded for such applications is less than forty-five 189
million dollars in an application period, the remainder shall be 190
made available for other qualifying applications for that 191
application period. 192

(4) If an applicant whose application is approved for receipt 193
of a rehabilitation tax credit certificate fails to provide to the 194

director of development sufficient evidence of reviewable 195
progress, including a viable financial plan, copies of final 196
construction drawings, and evidence that the applicant has 197
obtained all historic approvals within twelve months after the 198
date the applicant received notification of approval, or if the 199
applicant fails to provide evidence to the director of development 200
that the applicant has secured and closed on financing for the 201
rehabilitation within eighteen months after receiving notification 202
of approval, the director shall notify the applicant that the 203
approval has been rescinded. Credits that would have been 204
available to an applicant whose approval was rescinded shall be 205
available for other qualified applicants. Nothing in this division 206
prohibits an applicant whose approval has been rescinded from 207
submitting a new application for a rehabilitation tax credit 208
certificate. 209

(E) Issuance of a certificate represents a finding by the 210
director of development of the matters described in divisions 211
(C)(1), (2), and (3) of this section only; issuance of a 212
certificate does not represent a verification or certification by 213
the director of the amount of qualified rehabilitation 214
expenditures for which a tax credit may be claimed under section 215
5725.151, 5733.47, or 5747.76 of the Revised Code. The amount of 216
qualified rehabilitation expenditures for which a tax credit may 217
be claimed is subject to inspection and examination by the tax 218
commissioner or employees of the commissioner under section 219
5703.19 of the Revised Code and any other applicable law. Upon the 220
issuance of a certificate, the director shall certify to the tax 221
commissioner, in the form and manner requested by the tax 222
commissioner, the name of the applicant, the amount of qualified 223
rehabilitation expenditures shown on the certificate, and any 224
other information required by the rules adopted under this 225
section. 226

(F)(1) On or before the first day of December in 2007, 2008, 227
~~and 2009, 2010, and 2011,~~ the director of development and tax 228
commissioner jointly shall submit to the president of the senate 229
and the speaker of the house of representatives a report on the 230
tax credit program established under this section and sections 231
5725.151, 5733.47, and 5747.76 of the Revised Code. The report 232
shall present an overview of the program and shall include 233
information on the number of rehabilitation tax credit 234
certificates issued under this section during an application 235
period, an update on the status of each historic building for 236
which an application was approved under this section, the dollar 237
amount of the tax credits granted under sections 5725.151, 238
5733.47, and 5747.76 of the Revised Code, and any other 239
information the director and commissioner consider relevant to the 240
topics addressed in the report. 241

(2) On or before December 1, ~~2010~~ 2012, the director of 242
development and tax commissioner jointly shall submit to the 243
president of the senate and the speaker of the house of 244
representatives a comprehensive report that includes the 245
information required by division (F)(1) of this section and a 246
detailed analysis of the effectiveness of issuing tax credits for 247
rehabilitating historic buildings. The report shall be prepared 248
with the assistance of an economic research organization jointly 249
chosen by the director and commissioner. 250

Sec. 164.28. The local infrastructure development fund is 251
hereby created in the state treasury. The fund shall consist of 252
cash transferred from the jobs fund created in the state treasury 253
by Section 4 of Sub. H.B. 544 of the 127th general assembly. Money 254
in the fund shall be used to provide grants for local 255
infrastructure development and for capital improvement projects. 256
All investment earnings of the fund shall be credited to the fund. 257

Sec. 166.01. As used in this chapter: 258

(A) "Allowable costs" means all or part of the costs of 259
project facilities, eligible projects, eligible innovation 260
projects, ~~or~~ eligible research and development projects, eligible 261
advanced energy projects, or eligible logistics and distribution 262
projects, including costs of acquiring, constructing, 263
reconstructing, rehabilitating, renovating, enlarging, improving, 264
equipping, or furnishing project facilities, eligible projects, 265
eligible innovation projects, ~~or~~ eligible research and development 266
projects, eligible advanced energy projects, or eligible logistics 267
and distribution projects, site clearance and preparation, 268
supplementing and relocating public capital improvements or 269
utility facilities, designs, plans, specifications, surveys, 270
studies, and estimates of costs, expenses necessary or incident to 271
determining the feasibility or practicability of assisting an 272
eligible project, an eligible innovation project, ~~or~~ an eligible 273
research and development project, an eligible advanced energy 274
project, or an eligible logistics and distribution project, or 275
providing project facilities or facilities related to an eligible 276
project, an eligible innovation project ~~or~~, an eligible research 277
and development project, an eligible advanced energy project, or 278
an eligible logistics and distribution project, architectural, 279
engineering, and legal services fees and expenses, the costs of 280
conducting any other activities as part of a voluntary action, and 281
such other expenses as may be necessary or incidental to the 282
establishment or development of an eligible project, an eligible 283
innovation project, ~~or~~ an eligible research and development 284
project, an eligible advanced energy project, or an eligible 285
logistics and distribution project, and reimbursement of moneys 286
advanced or applied by any governmental agency or other person for 287
allowable costs. 288

(B) "Allowable innovation costs" includes allowable costs of 289

eligible innovation projects and, in addition, includes the costs 290
of research and development of eligible innovation projects; 291
obtaining or creating any requisite software or computer hardware 292
related to an eligible innovation project or the products or 293
services associated therewith; testing (including, without 294
limitation, quality control activities necessary for initial 295
production), perfecting, and marketing of such products and 296
services; creating and protecting intellectual property related to 297
an eligible innovation project or any products or services related 298
thereto, including costs of securing appropriate patent, 299
trademark, trade secret, trade dress, copyright, or other form of 300
intellectual property protection for an eligible innovation 301
project or related products and services; all to the extent that 302
such expenditures could be capitalized under then-applicable 303
generally accepted accounting principles; and the reimbursement of 304
moneys advanced or applied by any governmental agency or other 305
person for allowable innovation costs. 306

(C) "Eligible innovation project" includes an eligible 307
project, including any project facilities associated with an 308
eligible innovation project and, in addition, includes all 309
tangible and intangible property related to a new product or 310
process based on new technology or the creative application of 311
existing technology, including research and development, product 312
or process testing, quality control, market research, and related 313
activities, that is to be acquired, established, expanded, 314
remodeled, rehabilitated, or modernized for industry, commerce, 315
distribution, or research, or any combination thereof, the 316
operation of which, alone or in conjunction with other eligible 317
projects, eligible innovation projects, or innovation property, 318
will create new jobs or preserve existing jobs and employment 319
opportunities and improve the economic welfare of the people of 320
the state. 321

(D) "Eligible project" means project facilities to be 322
acquired, established, expanded, remodeled, rehabilitated, or 323
modernized for industry, commerce, distribution, or research, or 324
any combination thereof, the operation of which, alone or in 325
conjunction with other facilities, will create new jobs or 326
preserve existing jobs and employment opportunities and improve 327
the economic welfare of the people of the state. "Eligible 328
project" includes, without limitation, a voluntary action. For 329
purposes of this division, "new jobs" does not include existing 330
jobs transferred from another facility within the state, and 331
"existing jobs" includes only those existing jobs with work places 332
within the municipal corporation or unincorporated area of the 333
county in which the eligible project is located. 334

"Eligible project" does not include project facilities to be 335
acquired, established, expanded, remodeled, rehabilitated, or 336
modernized for industry, commerce, distribution, or research, or 337
any combination of industry, commerce, distribution, or research, 338
if the project facilities consist solely of 339
point-of-final-purchase retail facilities. If the project 340
facilities consist of both point-of-final-purchase retail 341
facilities and nonretail facilities, only the portion of the 342
project facilities consisting of nonretail facilities is an 343
eligible project. If a warehouse facility is part of a 344
point-of-final-purchase retail facility and supplies only that 345
facility, the warehouse facility is not an eligible project. 346
Catalog distribution facilities are not considered 347
point-of-final-purchase retail facilities for purposes of this 348
paragraph, and are eligible projects. 349

(E) "Eligible research and development project" means an 350
eligible project, including project facilities, comprising, 351
within, or related to, a facility or portion of a facility at 352
which research is undertaken for the purpose of discovering 353

information that is technological in nature and the application of 354
which is intended to be useful in the development of a new or 355
improved product, process, technique, formula, or invention, a new 356
product or process based on new technology, or the creative 357
application of existing technology. 358

(F) "Financial assistance" means inducements under division 359
(B) of section 166.02 of the Revised Code, loan guarantees under 360
section 166.06 of the Revised Code, and direct loans under section 361
166.07 of the Revised Code. 362

(G) "Governmental action" means any action by a governmental 363
agency relating to the establishment, development, or operation of 364
an eligible project, eligible innovation project, ~~or~~ eligible 365
research and development project, eligible advanced energy 366
project, or eligible logistics and distribution project, and 367
project facilities that the governmental agency acting has 368
authority to take or provide for the purpose under law, including, 369
but not limited to, actions relating to contracts and agreements, 370
zoning, building, permits, acquisition and disposition of 371
property, public capital improvements, utility and transportation 372
service, taxation, employee recruitment and training, and liaison 373
and coordination with and among governmental agencies. 374

(H) "Governmental agency" means the state and any state 376
department, division, commission, institution or authority; a 377
municipal corporation, county, or township, and any agency 378
thereof, and any other political subdivision or public corporation 379
or the United States or any agency thereof; any agency, 380
commission, or authority established pursuant to an interstate 381
compact or agreement; and any combination of the above. 382

(I) "Innovation financial assistance" means inducements under 383
division (B) of section 166.12 of the Revised Code, innovation 384
Ohio loan guarantees under section 166.15 of the Revised Code, and 385

innovation Ohio loans under section 166.16 of the Revised Code. 386

(J) "Innovation Ohio loan guarantee reserve requirement" 387
means, at any time, with respect to innovation loan guarantees 388
made under section 166.15 of the Revised Code, a balance in the 389
innovation Ohio loan guarantee fund equal to the greater of twenty 390
per cent of the then-outstanding principal amount of all 391
outstanding innovation loan guarantees made pursuant to section 392
166.15 of the Revised Code or fifty per cent of the principal 393
amount of the largest outstanding guarantee made pursuant to 394
section 166.15 of the Revised Code. 395

(K) "Innovation property" includes property and also includes 396
software, inventory, licenses, contract rights, goodwill, 397
intellectual property, including without limitation, patents, 398
patent applications, trademarks and service marks, and trade 399
secrets, and other tangible and intangible property, and any 400
rights and interests in or connected to the foregoing. 401

(L) "Loan guarantee reserve requirement" means, at any time, 402
with respect to loan guarantees made under section 166.06 of the 403
Revised Code, a balance in the loan guarantee fund equal to the 404
greater of twenty per cent of the then-outstanding principal 405
amount of all outstanding guarantees made pursuant to section 406
166.06 of the Revised Code or fifty per cent of the principal 407
amount of the largest outstanding guarantee made pursuant to 408
section 166.06 of the Revised Code. 409

(M) "Person" means any individual, firm, partnership, 410
association, corporation, or governmental agency, and any 411
combination thereof. 412

(N) "Project facilities" means buildings, structures, and 413
other improvements, and equipment and other property, excluding 414
small tools, supplies, and inventory, and any one, part of, or 415
combination of the above, comprising all or part of, or serving or 416

being incidental to, an eligible project, an eligible innovation 417
project, ~~or~~ an eligible research and development project, an 418
eligible advanced energy project, or an eligible logistics and 419
distribution project, including, but not limited to, public 420
capital improvements. 421

(O) "Property" means real and personal property and interests 422
therein. 423

(P) "Public capital improvements" means capital improvements 424
or facilities that any governmental agency has authority to 425
acquire, pay the costs of, own, maintain, or operate, or to 426
contract with other persons to have the same done, including, but 427
not limited to, highways, roads, streets, water and sewer 428
facilities, railroad and other transportation facilities, and air 429
and water pollution control and solid waste disposal facilities. 430
For purposes of this division, "air pollution control facilities" 431
includes, without limitation, solar, geothermal, biofuel, biomass, 432
wind, hydro, wave, and other advanced energy projects as defined 433
in section 3706.25 of the Revised Code. 434

(Q) "Research and development financial assistance" means 435
inducements under section 166.17 of the Revised Code, research and 436
development loans under section 166.21 of the Revised Code, and 437
research and development tax credits under sections 5733.352 and 438
5747.331 of the Revised Code. 439

(R) "Targeted innovation industry sectors" means industry 440
sectors involving the production or use of advanced materials, 441
instruments, controls and electronics, power and propulsion, 442
biosciences, and information technology, or such other sectors as 443
may be designated by the director of development. 444

(S) "Voluntary action" means a voluntary action, as defined 445
in section 3746.01 of the Revised Code, that is conducted under 446
the voluntary action program established in Chapter 3746. of the 447

Revised Code. 448

(T) "Project financing obligations" means obligations issued 449
pursuant to section 166.08 of the Revised Code other than 450
obligations for which the bond proceedings provide that bond 451
service charges shall be paid from receipts of the state 452
representing gross profit on the sale of spirituous liquor as 453
referred to in division (B)(4) of section 4310.10 of the Revised 454
Code. 455

(U) "Regional economic development entity" means an entity 456
that is under contract with the director of development to 457
administer a loan program under this chapter in a particular area 458
of this state. 459

(V) "Advanced energy research and development fund" means the 460
advanced energy research and development fund created in section 461
3706.27 of the Revised Code. 462

(W) "Advanced energy research and development taxable fund" 463
means the advanced energy research and development taxable fund 464
created in section 3706.27 of the Revised Code. 465

(X) "Eligible advanced energy project" means an eligible 466
project that is an "advanced energy project" as defined in section 467
3706.25 of the Revised Code. 468

(Y) "Eligible logistics and distribution project" means an 469
eligible project, including project facilities, to be acquired, 470
established, expanded, remodeled, rehabilitated, or modernized for 471
transportation logistics and distribution infrastructure purposes. 472
As used in this division, "transportation logistics and 473
distribution infrastructure purposes" means promoting, providing 474
for, and enabling improvements to the ground, air, and water 475
transportation infrastructure comprising the transportation system 476
in this state, including, without limitation, highways, streets, 477
roads, bridges, railroads carrying freight, and air and water 478

ports and port facilities, and all related supporting facilities. 479

Sec. 166.02. (A) The general assembly finds that many local 480
areas throughout the state are experiencing economic stagnation or 481
decline, and that the economic development ~~program~~ programs 482
provided for in ~~sections 166.01 to 166.11 of the Revised Code~~ this 483
chapter will constitute a deserved, necessary reinvestment by the 484
state in those areas, materially contribute to their economic 485
revitalization, and result in improving the economic welfare of 486
all the people of the state. Accordingly, it is declared to be the 487
public policy of the state, through the operations ~~under sections~~ 488
~~166.01 to 166.11 of the Revised Code~~ this chapter and other 489
applicable laws adopted pursuant to Section 2p or 13 of Article 490
VIII, Ohio Constitution, and other authority vested in the general 491
assembly, to assist in and facilitate the establishment or 492
development of eligible projects or assist and cooperate with any 493
governmental agency in achieving such purpose. 494

(B) In furtherance of such public policy and to implement 495
such purpose, the director of development may: 496

(1) After consultation with appropriate governmental 497
agencies, enter into agreements with persons engaged in industry, 498
commerce, distribution, or research and with governmental agencies 499
to induce such persons to acquire, construct, reconstruct, 500
rehabilitate, renovate, enlarge, improve, equip, or furnish, or 501
otherwise develop, eligible projects and make provision therein 502
for project facilities and governmental actions, as authorized by 503
this chapter and other applicable laws, subject to any required 504
actions by the general assembly or the controlling board and 505
subject to applicable local government laws and regulations; 506

(2) Provide for the guarantees and loans as provided for in 507
sections 166.06 and 166.07 of the Revised Code; 508

(3) Subject to release of such moneys by the controlling 509

board, contract for labor and materials needed for, or contract 510
with others, including governmental agencies, to provide, project 511
facilities the allowable costs of which are to be paid for or 512
reimbursed from moneys in the facilities establishment fund, and 513
contract for the operation of such project facilities; 514

(4) Subject to release thereof by the controlling board, from 515
moneys in the facilities establishment fund acquire or contract to 516
acquire by gift, exchange, or purchase, including the obtaining 517
and exercise of purchase options, property, and convey or 518
otherwise dispose of, or provide for the conveyance or disposition 519
of, property so acquired or contracted to be acquired by sale, 520
exchange, lease, lease purchase, conditional or installment sale, 521
transfer, or other disposition, including the grant of an option 522
to purchase, to any governmental agency or to any other person 523
without necessity for competitive bidding and upon such terms and 524
conditions and manner of consideration pursuant to and as the 525
director determines to be appropriate to satisfy the objectives of 526
sections 166.01 to 166.11 of the Revised Code; 527

(5) Retain the services of or employ financial consultants, 528
appraisers, consulting engineers, superintendents, managers, 529
construction and accounting experts, attorneys, and employees, 530
agents, and independent contractors as are necessary in the 531
director's judgment and fix the compensation for their services; 532

(6) Receive and accept from any person grants, gifts, and 533
contributions of money, property, labor, and other things of 534
value, to be held, used and applied only for the purpose for which 535
such grants, gifts, and contributions are made; 536

(7) Enter into appropriate arrangements and agreements with 537
any governmental agency for the taking or provision by that 538
governmental agency of any governmental action; 539

(8) Do all other acts and enter into contracts and execute 540

all instruments necessary or appropriate to carry out the 541
provisions of ~~Chapter 166. of the Revised Code~~ this chapter; 542

(9) Adopt rules to implement any of the provisions of ~~Chapter~~ 543
~~166. of the Revised Code~~ this chapter applicable to the director. 544

(C) The determinations by the director that facilities 545
constitute eligible projects, that facilities are project 546
facilities, that costs of such facilities are allowable costs, and 547
all other determinations relevant thereto or to an action taken or 548
agreement entered into shall be conclusive for purposes of the 549
validity and enforceability of rights of parties arising from 550
actions taken and agreements entered into under this chapter. 551

(D) Except as otherwise prescribed in ~~Chapter 166. of the~~ 552
~~Revised Code~~ this chapter, all expenses and obligations incurred 553
by the director in carrying out the director's powers and in 554
exercising the director's duties under ~~Chapter 166. of the Revised~~ 555
~~Code~~ this chapter, shall be payable solely from, as appropriate, 556
moneys in the facilities establishment fund, the loan guarantee 557
fund, the innovation Ohio loan guarantee fund, the innovation Ohio 558
loan fund, the research and development loan fund, the logistics 559
and distribution infrastructure fund, or moneys appropriated for 560
such purpose by the general assembly. ~~Chapter 166. of the Revised~~ 561
~~Code~~ This chapter does not authorize the director or the issuing 562
authority under section 166.08 of the Revised Code to incur bonded 563
indebtedness of the state or any political subdivision thereof, or 564
to obligate or pledge moneys raised by taxation for the payment of 565
any bonds or notes issued or guarantees made pursuant to ~~Chapter~~ 566
~~166. of the Revised Code~~ this chapter. 567

(E) No financial assistance for project facilities shall be 568
provided under this chapter unless the provisions of the agreement 569
providing for such assistance specify that all wages paid to 570
laborers and mechanics employed on such project facilities for 571
which the assistance is granted shall be paid at the prevailing 572

rates of wages of laborers and mechanics for the class of work 573
called for by such project facilities, which wages shall be 574
determined in accordance with the requirements of Chapter 4115. of 575
the Revised Code for determination of prevailing wage rates, 576
provided that the requirements of this division do not apply where 577
the federal government or any of its agencies provides financing 578
assistance as to all or any part of the funds used in connection 579
with such project facilities and prescribes predetermined minimum 580
wages to be paid to such laborers and mechanics; and provided 581
further that should a nonpublic user beneficiary of the eligible 582
project undertake, as part of the eligible project, construction 583
to be performed by its regular bargaining unit employees who are 584
covered under a collective bargaining agreement which was in 585
existence prior to the date of the document authorizing such 586
assistance then, in that event, the rate of pay provided under the 587
collective bargaining agreement may be paid to such employees. 588

(F) Any governmental agency may enter into an agreement with 589
the director, any other governmental agency, or a person to be 590
assisted under this chapter, to take or provide for the purposes 591
of this chapter any governmental action it is authorized to take 592
or provide, and to undertake on behalf and at the request of the 593
director any action which the director is authorized to undertake 594
pursuant to divisions (B)(3), (4), and (5) of this section or 595
divisions (B)(3), (4), and (5) of section 166.12 of the Revised 596
Code. Governmental agencies of the state shall cooperate with and 597
provide assistance to the director of development and the 598
controlling board in the exercise of their respective functions 599
under this chapter. 600

Sec. 166.08. (A) As used in this chapter: 601

(1) "Bond proceedings" means the resolution, order, trust 602
agreement, indenture, lease, and other agreements, amendments and 603

supplements to the foregoing, or any one or more or combination 604
thereof, authorizing or providing for the terms and conditions 605
applicable to, or providing for the security or liquidity of, 606
obligations issued pursuant to this section, and the provisions 607
contained in such obligations. 608

(2) "Bond service charges" means principal, including 609
mandatory sinking fund requirements for retirement of obligations, 610
and interest, and redemption premium, if any, required to be paid 611
by the state on obligations. 612

(3) "Bond service fund" means the applicable fund and 613
accounts therein created for and pledged to the payment of bond 614
service charges, which may be, or may be part of, the economic 615
development bond service fund created by division (S) of this 616
section including all moneys and investments, and earnings from 617
investments, credited and to be credited thereto. 618

(4) "Issuing authority" means the treasurer of state, or the 619
officer who by law performs the functions of such officer. 620

(5) "Obligations" means bonds, notes, or other evidence of 621
obligation including interest coupons pertaining thereto, issued 622
pursuant to this section. 623

(6) "Pledged receipts" means all receipts of the state 624
representing the gross profit on the sale of spirituous liquor, as 625
referred to in division (B)(4) of section 4301.10 of the Revised 626
Code, after paying all costs and expenses of the division of 627
liquor control and providing an adequate working capital reserve 628
for the division of liquor control as provided in that division, 629
but excluding the sum required by the second paragraph of section 630
4301.12 of the Revised Code, as in effect on May 2, 1980, to be 631
paid into the state treasury; moneys accruing to the state from 632
the lease, sale, or other disposition, or use, of project 633
facilities, and from the repayment, including interest, of loans 634

made from proceeds received from the sale of obligations; accrued 635
interest received from the sale of obligations; income from the 636
investment of the special funds; and any gifts, grants, donations, 637
and pledges, and receipts therefrom, available for the payment of 638
bond service charges. 639

(7) "Special funds" or "funds" means, except where the 640
context does not permit, the bond service fund, and any other 641
funds, including reserve funds, created under the bond 642
proceedings, and the economic development bond service fund 643
created by division (S) of this section to the extent provided in 644
the bond proceedings, including all moneys and investments, and 645
earnings from investment, credited and to be credited thereto. 646

(B) Subject to the limitations provided in section 166.11 of 647
the Revised Code, the issuing authority, upon the certification by 648
the director of development or, with respect to eligible advanced 649
energy projects, the Ohio air quality development authority to the 650
issuing authority of the amount of moneys or additional moneys 651
needed in the facilities establishment fund, the loan guarantee 652
fund, the innovation Ohio loan fund, the innovation Ohio loan 653
guarantee fund, ~~or~~ the research and development loan fund, the 654
logistics and distribution infrastructure fund, the advanced 655
energy research and development fund, or the advanced energy 656
research and development taxable fund, as applicable, for the 657
purpose of paying, or making loans for, allowable costs from the 658
facilities establishment fund, allowable innovation costs from the 659
innovation Ohio loan fund, ~~or~~ allowable costs from the research 660
and development loan fund, allowable costs from the logistics and 661
distribution infrastructure fund, allowable costs from the 662
advanced energy research and development fund, or allowable costs 663
from the advanced energy research and development taxable fund, as 664
applicable, or needed for capitalized interest, for funding 665
reserves, and for paying costs and expenses incurred in connection 666

with the issuance, carrying, securing, paying, redeeming, or 667
retirement of the obligations or any obligations refunded thereby, 668
including payment of costs and expenses relating to letters of 669
credit, lines of credit, insurance, put agreements, standby 670
purchase agreements, indexing, marketing, remarketing and 671
administrative arrangements, interest swap or hedging agreements, 672
and any other credit enhancement, liquidity, remarketing, renewal, 673
or refunding arrangements, all of which are authorized by this 674
section, or providing moneys for the loan guarantee fund or the 675
innovation Ohio loan guarantee fund, as provided in this chapter 676
or needed for the purposes of funds established in accordance with 677
or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56, 678
122.561, 122.57, and 122.80 of the Revised Code which are within 679
the authorization of Section 13 of Article VIII, Ohio 680
Constitution, or, with respect to certain eligible advanced energy 681
projects, Section 2p of Article VIII, Ohio Constitution, shall 682
issue obligations of the state under this section in the required 683
amount; provided that such obligations may be issued to satisfy 684
the covenants in contracts of guarantee made under section 166.06 685
or 166.15 of the Revised Code, notwithstanding limitations 686
otherwise applicable to the issuance of obligations under this 687
section. The proceeds of such obligations, except for the portion 688
to be deposited in special funds, including reserve funds, as may 689
be provided in the bond proceedings, shall as provided in the bond 690
proceedings be deposited by the director of development to the 691
facilities establishment fund, the loan guarantee fund, the 692
innovation Ohio loan guarantee fund, the innovation Ohio loan 693
fund, ~~or~~ the research and development loan fund, or the logistics 694
and distribution infrastructure fund, or be deposited by the Ohio 695
air quality development authority to the advanced energy research 696
and development fund or the advanced energy research and 697
development taxable fund. Bond proceedings for project financing 698
obligations may provide that the proceeds derived from the 699

issuance of such obligations shall be deposited into such fund or 700
funds provided for in the bond proceedings and, to the extent 701
provided for in the bond proceedings, such proceeds shall be 702
deemed to have been deposited into the facilities establishment 703
fund and transferred to such fund or funds. The issuing authority 704
may appoint trustees, paying agents, and transfer agents and may 705
retain the services of financial advisors, accounting experts, and 706
attorneys, and retain or contract for the services of marketing, 707
remarketing, indexing, and administrative agents, other 708
consultants, and independent contractors, including printing 709
services, as are necessary in the issuing authority's judgment to 710
carry out this section. The costs of such services are allowable 711
costs payable from the facilities establishment fund or the 712
research and development loan fund ~~or~~, allowable innovation costs 713
payable from the innovation Ohio loan fund, or allowable costs 714
payable from the logistics and distribution infrastructure fund, 715
the advanced energy research and development fund, or the advanced 716
energy research and development taxable fund, as applicable. 717

(C) The holders or owners of such obligations shall have no 719
right to have moneys raised by taxation obligated or pledged, and 720
moneys raised by taxation shall not be obligated or pledged, for 721
the payment of bond service charges. Such holders or owners shall 722
have no rights to payment of bond service charges from any moneys 723
accruing to the state from the lease, sale, or other disposition, 724
or use, of project facilities, or from payment of the principal of 725
or interest on loans made, or fees charged for guarantees made, or 726
from any money or property received by the director, treasurer of 727
state, or the state under Chapter 122. of the Revised Code, or 728
from any other use of the proceeds of the sale of the obligations, 729
and no such moneys may be used for the payment of bond service 730
charges, except for accrued interest, capitalized interest, and 731
reserves funded from proceeds received upon the sale of the 732

obligations and except as otherwise expressly provided in the 733
applicable bond proceedings pursuant to written directions by the 734
director. The right of such holders and owners to payment of bond 735
service charges is limited to all or that portion of the pledged 736
receipts and those special funds pledged thereto pursuant to the 737
bond proceedings in accordance with this section, and each such 738
obligation shall bear on its face a statement to that effect. 739

(D) Obligations shall be authorized by resolution or order of 740
the issuing authority and the bond proceedings shall provide for 741
the purpose thereof and the principal amount or amounts, and shall 742
provide for or authorize the manner or agency for determining the 743
principal maturity or maturities, not exceeding twenty-five years 744
from the date of issuance, the interest rate or rates or the 745
maximum interest rate, the date of the obligations and the dates 746
of payment of interest thereon, their denomination, and the 747
establishment within or without the state of a place or places of 748
payment of bond service charges. Sections 9.98 to 9.983 of the 749
Revised Code are applicable to obligations issued under this 750
section, subject to any applicable limitation under section 166.11 751
of the Revised Code. The purpose of such obligations may be stated 752
in the bond proceedings in terms describing the general purpose or 753
purposes to be served. The bond proceedings also shall provide, 754
subject to the provisions of any other applicable bond 755
proceedings, for the pledge of all, or such part as the issuing 756
authority may determine, of the pledged receipts and the 757
applicable special fund or funds to the payment of bond service 758
charges, which pledges may be made either prior or subordinate to 759
other expenses, claims, or payments, and may be made to secure the 760
obligations on a parity with obligations theretofore or thereafter 761
issued, if and to the extent provided in the bond proceedings. The 762
pledged receipts and special funds so pledged and thereafter 763
received by the state are immediately subject to the lien of such 764
pledge without any physical delivery thereof or further act, and 765

the lien of any such pledges is valid and binding against all 766
parties having claims of any kind against the state or any 767
governmental agency of the state, irrespective of whether such 768
parties have notice thereof, and shall create a perfected security 769
interest for all purposes of Chapter 1309. of the Revised Code, 770
without the necessity for separation or delivery of funds or for 771
the filing or recording of the bond proceedings by which such 772
pledge is created or any certificate, statement or other document 773
with respect thereto; and the pledge of such pledged receipts and 774
special funds is effective and the money therefrom and thereof may 775
be applied to the purposes for which pledged without necessity for 776
any act of appropriation. Every pledge, and every covenant and 777
agreement made with respect thereto, made in the bond proceedings 778
may therein be extended to the benefit of the owners and holders 779
of obligations authorized by this section, and to any trustee 780
therefor, for the further security of the payment of the bond 781
service charges. 782

(E) The bond proceedings may contain additional provisions as 783
to: 784

(1) The redemption of obligations prior to maturity at the 785
option of the issuing authority at such price or prices and under 786
such terms and conditions as are provided in the bond proceedings; 787

(2) Other terms of the obligations; 788

(3) Limitations on the issuance of additional obligations; 789

(4) The terms of any trust agreement or indenture securing 790
the obligations or under which the same may be issued; 791

(5) The deposit, investment and application of special funds, 792
and the safeguarding of moneys on hand or on deposit, without 793
regard to Chapter 131. or 135. of the Revised Code, but subject to 794
any special provisions of this chapter, with respect to particular 795
funds or moneys, provided that any bank or trust company which 796

acts as depository of any moneys in the special funds may furnish 797
such indemnifying bonds or may pledge such securities as required 798
by the issuing authority; 799

(6) Any or every provision of the bond proceedings being 800
binding upon such officer, board, commission, authority, agency, 801
department, or other person or body as may from time to time have 802
the authority under law to take such actions as may be necessary 803
to perform all or any part of the duty required by such provision; 804

(7) Any provision that may be made in a trust agreement or 805
indenture; 806

(8) Any other or additional agreements with the holders of 807
the obligations, or the trustee therefor, relating to the 808
obligations or the security therefor, including the assignment of 809
mortgages or other security obtained or to be obtained for loans 810
under section 122.43, 166.07, or 166.16 of the Revised Code. 811

(F) The obligations may have the great seal of the state or a 812
facsimile thereof affixed thereto or printed thereon. The 813
obligations and any coupons pertaining to obligations shall be 814
signed or bear the facsimile signature of the issuing authority. 815
Any obligations or coupons may be executed by the person who, on 816
the date of execution, is the proper issuing authority although on 817
the date of such bonds or coupons such person was not the issuing 818
authority. If the issuing authority whose signature or a facsimile 819
of whose signature appears on any such obligation or coupon ceases 820
to be the issuing authority before delivery thereof, such 821
signature or facsimile is nevertheless valid and sufficient for 822
all purposes as if the former issuing authority had remained the 823
issuing authority until such delivery; and if the seal to be 824
affixed to obligations has been changed after a facsimile of the 825
seal has been imprinted on such obligations, such facsimile seal 826
shall continue to be sufficient as to such obligations and 827
obligations issued in substitution or exchange therefor. 828

(G) All obligations are negotiable instruments and securities 829
under Chapter 1308. of the Revised Code, subject to the provisions 830
of the bond proceedings as to registration. The obligations may be 831
issued in coupon or in registered form, or both, as the issuing 832
authority determines. Provision may be made for the registration 833
of any obligations with coupons attached thereto as to principal 834
alone or as to both principal and interest, their exchange for 835
obligations so registered, and for the conversion or reconversion 836
into obligations with coupons attached thereto of any obligations 837
registered as to both principal and interest, and for reasonable 838
charges for such registration, exchange, conversion, and 839
reconversion. 840

(H) Obligations may be sold at public sale or at private 841
sale, as determined in the bond proceedings. 842

Obligations issued to provide moneys for the loan guarantee 843
fund or the innovation Ohio loan guarantee fund may, as determined 844
by the issuing authority, be sold at private sale, and without 845
publication of a notice of sale. 846

(I) Pending preparation of definitive obligations, the 847
issuing authority may issue interim receipts or certificates which 848
shall be exchanged for such definitive obligations. 849

(J) In the discretion of the issuing authority, obligations 850
may be secured additionally by a trust agreement or indenture 851
between the issuing authority and a corporate trustee which may be 852
any trust company or bank having a place of business within the 853
state. Any such agreement or indenture may contain the resolution 854
or order authorizing the issuance of the obligations, any 855
provisions that may be contained in any bond proceedings, and 856
other provisions which are customary or appropriate in an 857
agreement or indenture of such type, including, but not limited 858
to: 859

(1) Maintenance of each pledge, trust agreement, indenture, 860
or other instrument comprising part of the bond proceedings until 861
the state has fully paid the bond service charges on the 862
obligations secured thereby, or provision therefor has been made; 863

(2) In the event of default in any payments required to be 864
made by the bond proceedings, or any other agreement of the 865
issuing authority made as a part of the contract under which the 866
obligations were issued, enforcement of such payments or agreement 867
by mandamus, the appointment of a receiver, suit in equity, action 868
at law, or any combination of the foregoing; 869

(3) The rights and remedies of the holders of obligations and 870
of the trustee, and provisions for protecting and enforcing them, 871
including limitations on rights of individual holders of 872
obligations; 873

(4) The replacement of any obligations that become mutilated 874
or are destroyed, lost, or stolen; 875

(5) Such other provisions as the trustee and the issuing 876
authority agree upon, including limitations, conditions, or 877
qualifications relating to any of the foregoing. 878

(K) Any holders of obligations or trustees under the bond 879
proceedings, except to the extent that their rights are restricted 880
by the bond proceedings, may by any suitable form of legal 881
proceedings, protect and enforce any rights under the laws of this 882
state or granted by such bond proceedings. Such rights include the 883
right to compel the performance of all duties of the issuing 884
authority, the director of development, the Ohio air quality 885
development authority, or the division of liquor control required 886
by this chapter or the bond proceedings; to enjoin unlawful 887
activities; and in the event of default with respect to the 888
payment of any bond service charges on any obligations or in the 889
performance of any covenant or agreement on the part of the 890

issuing authority, the director of development, the Ohio air 891
quality development authority, or the division of liquor control 892
in the bond proceedings, to apply to a court having jurisdiction 893
of the cause to appoint a receiver to receive and administer the 894
pledged receipts and special funds, other than those in the 895
custody of the treasurer of state, which are pledged to the 896
payment of the bond service charges on such obligations or which 897
are the subject of the covenant or agreement, with full power to 898
pay, and to provide for payment of bond service charges on, such 899
obligations, and with such powers, subject to the direction of the 900
court, as are accorded receivers in general equity cases, 901
excluding any power to pledge additional revenues or receipts or 902
other income or moneys of the issuing authority or the state or 903
governmental agencies of the state to the payment of such 904
principal and interest and excluding the power to take possession 905
of, mortgage, or cause the sale or otherwise dispose of any 906
project facilities. 907

Each duty of the issuing authority and the issuing 908
authority's officers and employees, and of each governmental 909
agency and its officers, members, or employees, undertaken 910
pursuant to the bond proceedings or any agreement or lease, 911
lease-purchase agreement, or loan made under authority of this 912
chapter, and in every agreement by or with the issuing authority, 913
is hereby established as a duty of the issuing authority, and of 914
each such officer, member, or employee having authority to perform 915
such duty, specifically enjoined by the law resulting from an 916
office, trust, or station within the meaning of section 2731.01 of 917
the Revised Code. 918

The person who is at the time the issuing authority, or the 919
issuing authority's officers or employees, are not liable in their 920
personal capacities on any obligations issued by the issuing 921
authority or any agreements of or with the issuing authority. 922

(L) The issuing authority may authorize and issue obligations 923
for the refunding, including funding and retirement, and advance 924
refunding with or without payment or redemption prior to maturity, 925
of any obligations previously issued by the issuing authority. 926
Such obligations may be issued in amounts sufficient for payment 927
of the principal amount of the prior obligations, any redemption 928
premiums thereon, principal maturities of any such obligations 929
maturing prior to the redemption of the remaining obligations on a 930
parity therewith, interest accrued or to accrue to the maturity 931
dates or dates of redemption of such obligations, and any 932
allowable costs including expenses incurred or to be incurred in 933
connection with such issuance and such refunding, funding, and 934
retirement. Subject to the bond proceedings therefor, the portion 935
of proceeds of the sale of obligations issued under this division 936
to be applied to bond service charges on the prior obligations 937
shall be credited to an appropriate account held by the trustee 938
for such prior or new obligations or to the appropriate account in 939
the bond service fund for such obligations. Obligations authorized 940
under this division shall be deemed to be issued for those 941
purposes for which such prior obligations were issued and are 942
subject to the provisions of this section pertaining to other 943
obligations, except as otherwise provided in this section; 944
provided that, unless otherwise authorized by the general 945
assembly, any limitations imposed by the general assembly pursuant 946
to this section with respect to bond service charges applicable to 947
the prior obligations shall be applicable to the obligations 948
issued under this division to refund, fund, advance refund or 949
retire such prior obligations. 950

(M) The authority to issue obligations under this section 951
includes authority to issue obligations in the form of bond 952
anticipation notes and to renew the same from time to time by the 953
issuance of new notes. The holders of such notes or interest 954
coupons pertaining thereto shall have a right to be paid solely 955

from the pledged receipts and special funds that may be pledged to 956
the payment of the bonds anticipated, or from the proceeds of such 957
bonds or renewal notes, or both, as the issuing authority provides 958
in the resolution or order authorizing such notes. Such notes may 959
be additionally secured by covenants of the issuing authority to 960
the effect that the issuing authority and the state will do such 961
or all things necessary for the issuance of such bonds or renewal 962
notes in appropriate amount, and apply the proceeds thereof to the 963
extent necessary, to make full payment of the principal of and 964
interest on such notes at the time or times contemplated, as 965
provided in such resolution or order. For such purpose, the 966
issuing authority may issue bonds or renewal notes in such 967
principal amount and upon such terms as may be necessary to 968
provide funds to pay when required the principal of and interest 969
on such notes, notwithstanding any limitations prescribed by or 970
for purposes of this section. Subject to this division, all 971
provisions for and references to obligations in this section are 972
applicable to notes authorized under this division. 973

The issuing authority in the bond proceedings authorizing the 974
issuance of bond anticipation notes shall set forth for such bonds 975
an estimated interest rate and a schedule of principal payments 976
for such bonds and the annual maturity dates thereof, and for 977
purposes of any limitation on bond service charges prescribed 978
under division (A) of section 166.11 of the Revised Code, the 979
amount of bond service charges on such bond anticipation notes is 980
deemed to be the bond service charges for the bonds anticipated 981
thereby as set forth in the bond proceedings applicable to such 982
notes, but this provision does not modify any authority in this 983
section to pledge receipts and special funds to, and covenant to 984
issue bonds to fund, the payment of principal of and interest and 985
any premium on such notes. 986

(N) Obligations issued under this section are lawful 987

investments for banks, societies for savings, savings and loan 988
associations, deposit guarantee associations, trust companies, 989
trustees, fiduciaries, insurance companies, including domestic for 990
life and domestic not for life, trustees or other officers having 991
charge of sinking and bond retirement or other special funds of 992
political subdivisions and taxing districts of this state, the 993
commissioners of the sinking fund of the state, the administrator 994
of workers' compensation, the state teachers retirement system, 995
the public employees retirement system, the school employees 996
retirement system, and the Ohio police and fire pension fund, 997
notwithstanding any other provisions of the Revised Code or rules 998
adopted pursuant thereto by any governmental agency of the state 999
with respect to investments by them, and are also acceptable as 1000
security for the deposit of public moneys. 1001

(O) Unless otherwise provided in any applicable bond 1002
proceedings, moneys to the credit of or in the special funds 1003
established by or pursuant to this section may be invested by or 1004
on behalf of the issuing authority only in notes, bonds, or other 1005
obligations of the United States, or of any agency or 1006
instrumentality of the United States, obligations guaranteed as to 1007
principal and interest by the United States, obligations of this 1008
state or any political subdivision of this state, and certificates 1009
of deposit of any national bank located in this state and any 1010
bank, as defined in section 1101.01 of the Revised Code, subject 1011
to inspection by the superintendent of banks. If the law or the 1012
instrument creating a trust pursuant to division (J) of this 1013
section expressly permits investment in direct obligations of the 1014
United States or an agency of the United States, unless expressly 1015
prohibited by the instrument, such moneys also may be invested in 1016
no-front-end-load money market mutual funds consisting exclusively 1017
of obligations of the United States or an agency of the United 1018
States and in repurchase agreements, including those issued by the 1019
fiduciary itself, secured by obligations of the United States or 1020

an agency of the United States; and in common trust funds 1021
established in accordance with section 1111.20 of the Revised Code 1022
and consisting exclusively of any such securities, notwithstanding 1023
division (A)(4) of that section. The income from such investments 1024
shall be credited to such funds as the issuing authority 1025
determines, and such investments may be sold at such times as the 1026
issuing authority determines or authorizes. 1027

(P) Provision may be made in the applicable bond proceedings 1028
for the establishment of separate accounts in the bond service 1029
fund and for the application of such accounts only to the 1030
specified bond service charges on obligations pertinent to such 1031
accounts and bond service fund and for other accounts therein 1032
within the general purposes of such fund. Unless otherwise 1033
provided in any applicable bond proceedings, moneys to the credit 1034
of or in the several special funds established pursuant to this 1035
section shall be disbursed on the order of the treasurer of state, 1036
provided that no such order is required for the payment from the 1037
bond service fund when due of bond service charges on obligations. 1038

(Q) The issuing authority may pledge all, or such portion as 1039
the issuing authority determines, of the pledged receipts to the 1040
payment of bond service charges on obligations issued under this 1041
section, and for the establishment and maintenance of any 1042
reserves, as provided in the bond proceedings, and make other 1043
provisions therein with respect to pledged receipts as authorized 1044
by this chapter, which provisions are controlling notwithstanding 1045
any other provisions of law pertaining thereto. 1046

(R) The issuing authority may covenant in the bond 1047
proceedings, and any such covenants are controlling 1048
notwithstanding any other provision of law, that the state and 1049
applicable officers and governmental agencies of the state, 1050
including the general assembly, so long as any obligations are 1051
outstanding, shall: 1052

(1) Maintain statutory authority for and cause to be charged 1053
and collected wholesale and retail prices for spirituous liquor 1054
sold by the state or its agents so that the pledged receipts are 1055
sufficient in amount to meet bond service charges, and the 1056
establishment and maintenance of any reserves and other 1057
requirements provided for in the bond proceedings, and, as 1058
necessary, to meet covenants contained in contracts of guarantee 1059
made under section 166.06 of the Revised Code; 1060

(2) Take or permit no action, by statute or otherwise, that 1061
would impair the exemption from federal income taxation of the 1062
interest on the obligations. 1063

(S) There is hereby created the economic development bond 1064
service fund, which shall be in the custody of the treasurer of 1065
state but shall be separate and apart from and not a part of the 1066
state treasury. All moneys received by or on account of the 1067
issuing authority or state agencies and required by the applicable 1068
bond proceedings, consistent with this section, to be deposited, 1069
transferred, or credited to a bond service fund or the economic 1070
development bond service fund, and all other moneys transferred or 1071
allocated to or received for the purposes of the fund, shall be 1072
deposited and credited to such fund and to any separate accounts 1073
therein, subject to applicable provisions of the bond proceedings, 1074
but without necessity for any act of appropriation. During the 1075
period beginning with the date of the first issuance of 1076
obligations and continuing during such time as any such 1077
obligations are outstanding, and so long as moneys in the 1078
pertinent bond service funds are insufficient to pay all bond 1079
services charges on such obligations becoming due in each year, a 1080
sufficient amount of the gross profit on the sale of spirituous 1081
liquor included in pledged receipts are committed and shall be 1082
paid to the bond service fund or economic development bond service 1083
fund in each year for the purpose of paying the bond service 1084

charges becoming due in that year without necessity for further 1085
act of appropriation for such purpose and notwithstanding anything 1086
to the contrary in Chapter 4301. of the Revised Code. The economic 1087
development bond service fund is a trust fund and is hereby 1088
pledged to the payment of bond service charges to the extent 1089
provided in the applicable bond proceedings, and payment thereof 1090
from such fund shall be made or provided for by the treasurer of 1091
state in accordance with such bond proceedings without necessity 1092
for any act of appropriation. 1093

(T) The obligations, the transfer thereof, and the income 1094
therefrom, including any profit made on the sale thereof, shall at 1095
all times be free from taxation within the state. 1096

Sec. 166.11. (A) The aggregate principal amount of project 1097
financing obligations that may be issued under section 166.08 of 1098
the Revised Code is three hundred million dollars, plus the 1099
principal amount of such project financing obligations retired by 1100
payments. The aggregate principal amount of obligations, exclusive 1101
of project financing obligations, that may be issued under section 1102
166.08 of the Revised Code is five six hundred thirty million 1103
dollars, plus the principal amount of any such obligations retired 1104
by payment, the amounts held or obligations pledged for the 1105
payment of the principal amount of any such obligations 1106
outstanding, amounts in special funds held as reserves to meet 1107
bond service charges, and amounts of obligations issued to provide 1108
moneys required to meet payments from the loan guarantee fund 1109
created in section 166.06 of the Revised Code and the innovation 1110
Ohio loan guarantee fund created in section 166.15 of the Revised 1111
Code. Of that six hundred thirty million dollars, not more than 1112
eighty-four million principal amount of obligations may be issued 1113
for eligible advanced energy projects and not more than one 1114
hundred million principal amount of obligations may be issued for 1115
eligible logistics and distribution projects. The terms of the 1116

obligations issued under section 166.08 of the Revised Code, other 1117
than obligations issued to meet guarantees that cannot be 1118
satisfied from amounts then held in the loan guarantee fund or the 1119
innovation Ohio loan guarantee fund, shall be such that the 1120
aggregate amount of moneys used from profit from the sale of 1121
spirituous liquor, and not from other sources, in any fiscal year 1122
shall not exceed ~~forty-five~~ sixty-three million dollars. For 1123
purposes of the preceding sentence, "other sources" include the 1124
annual investment income on special funds to the extent it will be 1125
available for payment of any bond service charges in lieu of use 1126
of profit from the sale of spirituous liquor, and shall be 1127
estimated on the basis of the expected funding of those special 1128
funds and assumed investment earnings thereon at a rate equal to 1129
the weighted average yield on investments of those special funds 1130
determined as of any date within sixty days immediately preceding 1131
the date of issuance of the bonds in respect of which the 1132
determination is being made. The determinations required by this 1133
division shall be made by the treasurer of state at the time of 1134
issuance of an issue of obligations and shall be conclusive for 1135
purposes of such issue of obligations from and after their 1136
issuance and delivery. 1137

(B) The aggregate amount of the guaranteed portion of the 1138
unpaid principal of loans guaranteed under sections 166.06 and 1139
166.15 of the Revised Code and the unpaid principal of loans made 1140
under sections 166.07 , 166.16, and 166.21 of the Revised Code may 1141
not at any time exceed eight hundred million dollars. Of that 1142
eight hundred million dollars, the aggregate amount of the 1143
guaranteed portion of the unpaid principal of loans guaranteed 1144
under sections 166.06 and 166.15 of the Revised Code shall not at 1145
any time exceed two hundred million dollars. However, the 1146
limitations established under this division do not apply to loans 1147
made with proceeds from the issuance and sale of project financing 1148
obligations. 1149

Sec. 166.25. (A) The director of development, with the 1150
approval of the controlling board and subject to the other 1151
applicable provisions of this chapter, may lend money in the 1152
logistics and distribution infrastructure fund to persons for the 1153
purpose of paying allowable costs of eligible logistics and 1154
distribution projects. 1155

(B) In determining the eligible logistics and distribution 1156
projects to be assisted and the nature, amount, and terms of 1157
assistance to be provided for an eligible logistics and 1158
distribution project, the director shall consult with appropriate 1159
governmental agencies, including the department of transportation 1160
and the Ohio rail development commission. 1161

(C)(1) The director shall submit to the development financing 1162
advisory council the terms of the proposed assistance to be 1163
provided for an eligible logistics and distribution project and 1164
such other relevant information as the council may request. 1165

(2) The council, on the basis of such information, shall make 1166
recommendations as to the appropriateness of the assistance to be 1167
provided. The recommendations may be revised to reflect any 1168
changes in the proposed assistance the director may submit to the 1169
council. 1170

(3) The director shall submit the terms of the proposed 1171
assistance to be provided, along with the recommendations, as 1172
amended, of the council as to the appropriateness of the proposed 1173
assistance, to the controlling board. 1174

(D) Any loan made pursuant to this section shall be evidenced 1175
by a loan agreement, which shall contain such terms as the 1176
director determines necessary or appropriate, including 1177
performance measures and reporting requirements. The director may 1178
take actions necessary or appropriate to collect or otherwise deal 1179
with any loan made under this section, including requiring a loan 1180

recipient to repay the amount of the loan plus interest at a rate 1181
of three per cent above the federal short term interest rate or 1182
any other rate determined by the director. 1183

Sec. 166.26. (A) There is hereby created in the state 1184
treasury the logistics and distribution infrastructure fund. The 1185
fund shall consist of grants, gifts, and contributions of money or 1186
rights to money lawfully designated for or deposited into the 1187
fund, all money and rights to money lawfully appropriated and 1188
transferred to the fund, including money received from the 1189
issuance of obligations under section 166.08 of the Revised Code 1190
and subject to section 166.11 of the Revised Code for purposes of 1191
allowable costs of eligible logistics and distribution projects, 1192
and money credited to the fund pursuant to division (B) of this 1193
section. All investment earnings on the cash balance in the fund 1194
shall be credited to the fund. The fund shall not be comprised, in 1195
any part, of money raised by taxation. 1196

(B) There shall be credited to the logistics and distribution 1197
infrastructure fund the money received by the state from the 1198
repayment of loans and recovery on loan guarantees, including 1199
interest thereon, made from the fund. 1200

Sec. 166.27. (A) As used in this section, "minority" has the 1201
same meaning as in section 184.17 of the Revised Code, except that 1202
the individual must be a resident of this state. The term also 1203
includes an economically disadvantaged individual who is a 1204
resident of this state. 1205

(B) The director of development shall conduct outreach 1206
activities in Ohio that seek to include minorities in the loan 1207
program for logistics and distribution projects established under 1208
section 166.25 of the Revised Code. The outreach activities shall 1209
include the following, when appropriate: 1210

<u>(1) Identifying and partnering with historically black colleges and universities;</u>	1211
	1212
<u>(2) Working with all institutions of higher education in the state to support minority faculty and students involved in logistics and distribution fields;</u>	1213
	1214
	1215
<u>(3) Developing a plan to contact by telephone minority-owned businesses and entrepreneurs and other economically disadvantaged businesses to notify them of opportunities to participate in the loan program for logistics and distribution projects;</u>	1216
	1217
	1218
	1219
<u>(4) Identifying minority professional and technical trade associations and economic development assistance organizations and notifying them of the loan program for logistics and distribution projects;</u>	1220
	1221
	1222
	1223
<u>(5) Partnering with regional councils to foster local efforts to support minority-owned businesses or otherwise identify networks of minority-owned businesses, entrepreneurs, and individuals operating locally;</u>	1224
	1225
	1226
	1227
<u>(6) Identifying minority firms and notifying them of the opportunities that exist within the investment community, including the Ohio venture capital authority created under section 150.02 of the Revised Code.</u>	1228
	1229
	1230
	1231
<u>(C) The director shall publish an annual report that includes all of the following:</u>	1232
	1233
<u>(1) Details of loans awarded for logistics and distribution projects;</u>	1234
	1235
<u>(2) The status of loan recipients' projects funded in previous years;</u>	1236
	1237
<u>(3) The amount of loans awarded for projects in economically distressed areas, and if possible to ascertain, the impact of the loans to those areas.</u>	1238
	1239
	1240

(D) To the extent possible, outreach activities described in 1241
this section shall be conducted in conjunction with the EDGE 1242
program created in section 123.152 of the Revised Code. 1243

Sec. 166.30. (A) The Ohio air quality development authority, 1244
with the approval of the controlling board and subject to sections 1245
3706.25 to 3706.30 of the Revised Code, may provide grants from 1246
money in the advanced energy research and development fund and may 1247
lend money in the advanced energy research and development taxable 1248
fund to persons for the purposes of paying allowable costs of 1249
eligible advanced energy projects. 1250

(B) In determining the eligible advanced energy projects to 1251
be assisted and the nature, amount, and terms of assistance to be 1252
provided for an eligible advanced energy project, the authority 1253
shall consult with appropriate governmental agencies. 1254

(C)(1) The authority shall submit to the development 1255
financing advisory council the terms of the proposed assistance to 1256
be provided for an eligible advanced energy project and such other 1257
relevant information as the council may request. 1258

(2) The council, on the basis of such information, shall make 1259
recommendations as to the appropriateness of the assistance to be 1260
provided. The recommendations may be revised to reflect any 1261
changes in the proposed assistance the authority may submit to the 1262
council. 1263

(3) The authority shall submit the terms of the proposed 1264
assistance to be provided, along with the recommendations, as 1265
amended, of the council as to the appropriateness of the proposed 1266
assistance, to the controlling board. 1267

(D) Any grant or loan made pursuant to this section shall be 1268
evidenced by an agreement, which shall contain such terms as the 1269
authority determines necessary or appropriate, including 1270

performance measures and reporting requirements. The authority may 1271
take actions necessary or appropriate to collect or otherwise deal 1272
with any assistance provided under this section, including 1273
requiring a loan or grant recipient to repay the amount of the 1274
loan or grant plus interest at a rate of three per cent above the 1275
federal short term interest rate or any other rate determined by 1276
the authority. 1277

Sec. 184.02. (A) In addition to the powers and duties under 1278
sections 184.10 to 184.20, 184.25, 184.26, and 184.37 of the 1279
Revised Code, the third frontier commission may perform any act to 1280
ensure the performance of any function necessary or appropriate to 1281
carry out the purposes of, and exercise the powers granted under, 1282
sections 184.01 and 184.02 of the Revised Code. In addition, the 1283
commission may do any of the following: 1284

(1) Adopt, amend, and rescind rules under section 111.15 of 1285
the Revised Code for the administration of any aspect of its 1286
operations; 1287

(2) Adopt bylaws governing its operations, including bylaws 1288
that establish procedures and set policies as may be necessary to 1289
assist with the furtherance of its purposes; 1290

(3) Appoint and set the compensation of employees needed to 1291
carry out its duties; 1292

(4) Contract with, retain the services of, or designate, and 1293
fix the compensation of, such financial consultants, accountants, 1294
other consultants and advisors, and other independent contractors 1295
as may be necessary or desirable to carry out its duties; 1296

(5) Solicit input and comments from the third frontier 1297
advisory board, and specialized industry, professional, and other 1298
relevant interest groups concerning its purposes; 1299

(6) Facilitate alignment of the state's science and 1300

technology programs and activities; 1301

(7) Make grants and loans to individuals, public agencies, 1302
private companies or organizations, or joint ventures for any of 1303
the broad range of activities related to its purposes. 1304

(B) In addition to the powers and duties under sections 1305
184.10 to 184.20, 184.25, 184.26, and 184.37 of the Revised Code, 1306
the commission shall do all of the following: 1307

(1) Establish a competitive process for the award of grants 1308
and loans that is designed to fund the most meritorious proposals 1309
and, when appropriate, provide for peer review of proposals; 1310

(2) Within ninety days after the end of each fiscal year, 1311
submit to the governor and the general assembly a report of the 1312
activities of the commission during the preceding fiscal year; 1313

(3) With specific application to the biomedical research and 1314
technology transfer trust fund, periodically make strategic 1315
assessments of the types of state investments in biomedical 1316
research and biotechnology in the state that would likely create 1317
jobs and business opportunities in the state and produce the most 1318
beneficial long-term improvements to the public health of Ohioans, 1319
including, but not limited to, biomedical research and 1320
biotechnology initiatives that address tobacco-related illnesses 1321
as may be outlined in any master agreement. The commission shall 1322
award grants and loans from the fund pursuant to a process 1323
established under division (B)(1) of this section. 1324

Sec. 184.174. The third frontier commission shall publish an 1325
annual report that includes all of the following: 1326

(A) Details of grants, loans, and loan guarantees awarded or 1327
provided under the bioproduct development program established in 1328
section 184.25 of the Revised Code and the biomedical development 1329
program established in section 184.26 of the Revised Code. 1330

(B) The status of the recipients' projects funded in previous 1331
years. 1332

(C) The amount of grants or loans awarded and loan guarantees 1333
provided for projects in economically distressed areas, and if 1334
possible to ascertain, the impact of the grants, loans, and loan 1335
guarantees to those areas. 1336

Sec. 184.23. (A) There is hereby created the third frontier 1337
biomedical advisory board. The advisory board shall provide 1338
general advice to the commission regarding biomedical issues. 1339

(B) The board shall consist of seven members selected for 1340
their biomedical knowledge and experience. The governor shall 1341
appoint two members. The speaker of the house of representatives 1342
shall appoint two members, one of whom may be recommended by the 1343
minority leader of the house of representatives. The president of 1344
the senate shall appoint two members, one of whom may be 1345
recommended by the minority leader of the senate. The director of 1346
development or the director's designee shall serve as a member. 1347
Membership on the advisory board created under section 184.03 of 1348
the Revised Code does not prohibit membership on the advisory 1349
board created under this section. The designee of the director of 1350
development may also serve on the advisory board created in 1351
section 184.231 of the Revised Code. The remaining members of the 1352
board created under this section may not serve on that other 1353
board. All members of the board shall serve at the pleasure of 1354
their appointing authorities. 1355

(C) The board shall select from among its members a 1356
chairperson. A majority of board members constitutes a quorum, and 1357
no action shall be taken without the affirmative vote of a 1358
majority of the members. 1359

(D) A vacancy shall be filled in the same manner as the 1360
original appointment. The governor may remove any member of the 1361

board for malfeasance, misfeasance, or nonfeasance after a hearing 1362
in accordance with Chapter 119. of the Revised Code. 1363

(E) Members of the board shall not act as representatives of 1364
any specific disciplinary, regional, or organizational interest. 1365
Members shall represent a wide variety of experience valuable in 1366
technology research and development, product process innovation 1367
and commercialization, and creating and managing high-growth 1368
technology-based companies. 1369

(F) Members of the board shall file financial disclosure 1370
statements described in division (B) of section 102.02 of the 1371
Revised Code. 1372

(G) Members of the board shall serve without compensation, 1373
but shall receive their reasonable and necessary expenses incurred 1374
in the conduct of board business. 1375

(H) The department of development shall provide office space 1376
and facilities for the board. 1377

Sec. 184.231. (A) There is hereby created the third frontier 1378
bioproducts advisory board. The advisory board shall, in 1379
consideration of the recommendations of the Ohio agriculture to 1380
chemicals, polymers, and advanced materials taskforce, provide 1381
general advice to the commission regarding bioproduct issues. 1382

(B) The board shall consist of seven members selected for 1383
their bioproducts knowledge and experience. The governor shall 1384
appoint one member. The speaker of the house of representatives 1385
shall appoint two members, one of whom may be recommended by the 1386
minority leader of the house of representatives. The president of 1387
the senate shall appoint two members, one of whom may be 1388
recommended by the minority leader of the senate. The director of 1389
development or the director's designee shall serve as a member. 1390
The director of agriculture or the director's designee shall serve 1391

as a member. Membership on the advisory board created under 1392
section 184.03 of the Revised Code does not prohibit membership on 1393
the advisory board created under this section. All members of the 1394
board shall serve at the pleasure of their appointing authorities. 1395

1396

(C) The board shall select from among its members a 1397
chairperson. A majority of board members constitutes a quorum, and 1398
no action shall be taken without the affirmative vote of a 1399
majority of the members. 1400

(D) A vacancy shall be filled in the same manner as the 1401
original appointment. The governor may remove any member of the 1402
board for malfeasance, misfeasance, or nonfeasance after a hearing 1403
in accordance with Chapter 119. of the Revised Code. 1404

(E) Members of the board shall not act as representatives of 1405
any specific disciplinary, regional, or organizational interest. 1406
Members shall represent a wide variety of experience valuable in 1407
technology research and development, product process innovation 1408
and commercialization, and creating and managing high-growth 1409
technology-based companies. 1410

(F) Members of the board shall file financial disclosure 1411
statements described in division (B) of section 102.02 of the 1412
Revised Code. 1413

(G) Members of the board shall serve without compensation, 1414
but shall receive their reasonable and necessary expenses incurred 1415
in the conduct of board business. 1416

(H) The department of development shall provide office space 1417
and facilities for the board. 1418

Sec. 184.24. Money in the jobs fund created in the state 1419
treasury by Section 4 of Sub. H.B. 544 of the 127th general 1420
assembly shall be used in accordance with sections 184.25 and 1421

184.26 of the Revised Code and may be used to provide cash 1422
transfers to the local infrastructure development fund created in 1423
section 164.28 of the Revised Code. 1424

Sec. 184.25. There is hereby created the Ohio bioproducts 1425
development program to be administered by the third frontier 1426
commission. The commission shall provide loans, loan guarantees, 1427
or grants to for-profit or not-for-profit entities to promote, 1428
provide for and enable innovation, development and 1429
commercialization of bioproducts, including biopolymers, 1430
chemicals, and advanced materials that use biomaterials and 1431
renewable agriculture resources, through efforts including, but 1432
not limited to, agribusiness and the agricultural industry in 1433
Ohio, state and local government entities and agencies, 1434
educational institutions, or research organizations and 1435
institutions. 1436

Any assistance made pursuant to this section shall be 1437
evidenced by an agreement, which shall contain such terms as the 1438
commission determines necessary or appropriate, including 1439
performance measures and reporting requirements. The commission 1440
may take actions necessary or appropriate to collect or otherwise 1441
deal with any assistance made under this section, including 1442
requiring a recipient of assistance to repay the amount of the 1443
assistance plus interest at a rate of three per cent above the 1444
federal short term interest rate or any other rate determined by 1445
the commission. 1446

Sec. 184.26. (A) There is hereby created the Ohio biomedical 1447
development program to be administered by the third frontier 1448
commission. The commission shall provide loans, loan guarantees, 1449
or grants to for-profit or not-for-profit entities to promote, 1450
provide for and enable innovation, development and 1451

commercialization of biomedical and biotechnological products, 1452
processes and applications, including medical devices, 1453
diagnostics, informatics, therapies, and drugs, through efforts by 1454
and collaboration among and including business and industry in 1455
Ohio, state and local governmental entities and agencies, 1456
educational institutions, or research organizations and 1457
institutions. 1458

Any assistance made pursuant to this section shall be 1459
evidenced by an agreement, which shall contain such terms as the 1460
commission determines necessary or appropriate, including 1461
performance measures and reporting requirements. The commission 1462
may take actions necessary or appropriate to collect or otherwise 1463
deal with any assistance made under this section, including 1464
requiring a recipient of assistance to repay the amount of the 1465
assistance plus interest at a rate of three per cent above the 1466
federal short term interest rate or any other rate determined by 1467
the commission. 1468

(B)(1) As used in this section: 1469

(a) "Human blastocyst" means an early stage human embryo that 1470
is five to seven days after conception. A blastocyst has an outer 1471
layer of cells known as a trophoblast, and an interior group of 1472
cells that is the inner cell mass. 1473

(b) "Human cloning" means the creation of a human zygote, 1474
human blastocyst, or human embryo by any means other than the 1475
fertilization of a human egg by a human sperm. 1476

(c) "Human embryo" means an organism of the species homo 1477
sapiens during the earliest stages of development from one cell up 1478
to eight weeks. 1479

(d) "Human zygote" means a one-cell human embryo. 1480

(2) Money received by an entity pursuant to the Ohio 1481

biomedical development program shall not be used, directly or 1482
indirectly, to pay costs of, or otherwise support any activities 1483
involving, human cloning. 1484

Sec. 184.37. The third frontier commission, in consultation 1485
with the third frontier economic stimulus advisory board, shall 1486
establish competitive processes for the purpose of awarding all of 1487
the following: 1488

(A) Loans, loan guarantees, and grants under the Ohio 1489
bioproducts development program pursuant to section 184.25 of the 1490
Revised Code; 1491

(B) Loans, loan guarantees, and grants under the Ohio 1492
biomedical development program pursuant to section 184.26 of the 1493
Revised Code. 1494

Sec. 1555.03. For the purposes of this chapter, the director 1495
of the Ohio coal development office may: 1496

(A) With the advice of the technical advisory committee 1497
created in section 1551.35 of the Revised Code and the affirmative 1498
vote of a majority of the members of the Ohio air quality 1499
development authority, make loans, guarantee loans, and make 1500
grants to persons doing business in this state or to educational 1501
or scientific institutions located in this state for coal research 1502
and development projects by any such person or educational or 1503
scientific institution and adopt rules under Chapter 119. of the 1504
Revised Code for making such loans, guarantees, and grants. 1505

(B) In making loans, loan guarantees, and grants under 1506
division (A) of this section and section 1555.04 of the Revised 1507
Code, the director of the office shall ensure that an adequate 1508
portion of the total amount of those loans, loan guarantees, and 1509
grants, as determined by the director with the advice of the 1510
technical advisory committee, is used for conducting research on 1511

fundamental scientific problems related to the utilization of Ohio 1512
coal and shall ensure, to the maximum feasible extent, joint 1513
financial participation by the federal government or other 1514
investors or interested parties in conjunction with any such loan, 1515
loan guarantee, or grant. The director, in each grant agreement or 1516
contract under division (A) of this section, loan contract or 1517
agreement under this division or section 1555.04 of the Revised 1518
Code, and contract of guarantee under section 1555.05 of the 1519
Revised Code, shall require that the facility or project be 1520
maintained and kept in good condition and repair by the person or 1521
educational or scientific institution to whom the grant or loan 1522
was made or for whom the guarantee was made. 1523

(C) From time to time, with the advice of the technical 1524
advisory committee and the affirmative vote of a majority of the 1525
members of the Ohio air quality development authority, request the 1526
issuance of coal research and development general obligations 1527
under section 151.07 of the Revised Code, for any of the purposes 1528
set forth in Section 15 of Article VIII, Ohio Constitution, and 1529
subject to the limitations therein upon the aggregate total amount 1530
of obligations that may be outstanding at any time. 1531

(D) Include as a condition of any loan, loan guarantee, or 1532
grant contract or agreement with any such person or educational or 1533
scientific institution that the director of the office receive, in 1534
addition to payments of principal and interest on any such loan or 1535
service charges for any such guarantee, as appropriate, as 1536
authorized by Section 15, Article VIII, Ohio Constitution, a 1537
reasonable royalty or portion of the income or profits arising out 1538
of the developments, discoveries, or inventions, including patents 1539
or copyrights, that result in whole or in part from coal research 1540
and development projects conducted under any such contract or 1541
agreement, in such amounts and for such period of years as may be 1542
negotiated and provided by the contract or agreement in advance of 1543

the making of the grant, loan, or loan guarantee. Moneys ~~so~~ 1544
received by the director of the office ~~shall~~ under this section 1545
may be credited to the coal research and development bond service 1546
fund or used to make additional loans, loan guarantees, grants, or 1547
agreements under this section. 1548

(E) Employ managers, superintendents, and other employees and 1549
retain or contract with consulting engineers, financial 1550
consultants, accounting experts, architects, and such other 1551
consultants and independent contractors as are necessary in the 1552
judgment of the director of the office to carry out this chapter, 1553
and fix the compensation thereof. 1554

(F) Receive and accept from any federal agency, subject to 1555
the approval of the governor, grants for or in aid of the 1556
construction or operation of any coal research and development 1557
project or for coal research and development, and receive and 1558
accept aid or contributions from any source of money, property, 1559
labor, or other things of value, to be held, used, and applied 1560
only for the purposes for which such grants and contributions are 1561
made. 1562

(G) Purchase fire and extended coverage and liability 1563
insurance for any coal research and development project, insurance 1564
protecting the office and its officers and employees against 1565
liability for damage to property or injury to or death of persons 1566
arising from its operations, and any other insurance the director 1567
of the office determines necessary or proper under this chapter. 1568
Any moneys received by the director from the proceeds of any such 1569
insurance with respect to a coal research and development project 1570
and any moneys received by the director from the proceeds of any 1571
settlement, judgment, foreclosure, or other insurance with respect 1572
to a coal research and development project or facility shall be 1573
credited to the coal research and development bond service fund. 1574

(H) In the exercise of the powers of the director of the 1575

office under this chapter, call to the director's assistance, 1576
temporarily, from time to time, any engineers, technical experts, 1577
financial experts, and other employees in any state department, 1578
agency, or commission, or in the Ohio state university, or other 1579
educational institutions financed wholly or partially by this 1580
state for purposes of assisting the director of the office with 1581
reviewing and evaluating applications for financial assistance 1582
under this chapter, monitoring performance of coal research and 1583
development projects receiving financial assistance under this 1584
chapter, and reviewing and evaluating the progress and findings of 1585
those projects. Such engineers, experts, and employees shall not 1586
receive any additional compensation over that which they receive 1587
from the department, agency, commission, or educational 1588
institution by which they are employed, but they shall be 1589
reimbursed for their actual and necessary expenses incurred while 1590
working under the direction of the director. 1591

(I) Do all acts necessary or proper to carry out the powers 1592
expressly granted in this chapter. 1593

Sec. 3333.38. (A) As used in this section: 1594

(1) "Institution of higher education" includes all of the 1595
following: 1596

(a) A state institution of higher education, as defined in 1597
section 3345.011 of the Revised Code; 1598

(b) A nonprofit institution issued a certificate of 1599
authorization under Chapter 1713. of the Revised Code; 1600

(c) A private institution exempt from regulation under 1601
Chapter 3332. of the Revised Code, as prescribed in section 1602
3333.046 of the Revised Code; 1603

(d) An institution of higher education with a certificate of 1604
registration from the state board of career colleges and schools 1605

under Chapter 3332. of the Revised Code. 1606

(2) "Student financial assistance supported by state funds" 1607
includes assistance granted under sections 3315.33, 3333.12, 1608
3333.122, 3333.21, 3333.26, 3333.27, 3333.28, 3333.372, 5910.03, 1609
5910.032, and 5919.34 of the Revised Code ~~or~~, financed by an award 1610
under the choose Ohio first scholarship program established under 1611
section 3333.61 of the Revised Code, or financed by an award under 1612
the choose Ohio first co-op/internship program established under 1613
section 3333.72 of the Revised Code, and any other post-secondary 1614
student financial assistance supported by state funds. 1615

(B) An individual who is convicted of, pleads guilty to, or 1617
is adjudicated a delinquent child for one of the following 1618
violations shall be ineligible to receive any student financial 1619
assistance supported by state funds at an institution of higher 1620
education for two calendar years from the time the individual 1621
applies for assistance of that nature: 1622

(1) A violation of section 2917.02 or 2917.03 of the Revised 1623
Code; 1624

(2) A violation of section 2917.04 of the Revised Code that 1625
is a misdemeanor of the fourth degree; 1626

(3) A violation of section 2917.13 of the Revised Code that 1627
is a misdemeanor of the fourth or first degree and occurs within 1628
the proximate area where four or more others are acting in a 1629
course of conduct in violation of section 2917.11 of the Revised 1630
Code. 1631

(C) If an individual is convicted of, pleads guilty to, or is 1632
adjudicated a delinquent child for committing a violation of 1633
section 2917.02 or 2917.03 of the Revised Code, and if the 1634
individual is enrolled in a state-supported institution of higher 1635
education, the institution in which the individual is enrolled 1636

shall immediately dismiss the individual. No state-supported 1637
institution of higher education shall admit an individual of that 1638
nature for one academic year after the individual applies for 1639
admission to a state-supported institution of higher education. 1640
This division does not limit or affect the ability of a 1641
state-supported institution of higher education to suspend or 1642
otherwise discipline its students. 1643

Sec. 3333.71. As used in sections 3333.71 to 3333.81 of the 1644
Revised Code: 1645

(A) "Cooperative education program" means a partnership 1646
between students, institutions of higher education, and employers 1647
that formally integrates students' academic study with work 1648
experience in cooperating employer organizations and that meets 1649
all of the following conditions: 1650

(1) Alternates or combines periods of academic study and work 1651
experience in appropriate fields as an integral part of student 1652
education; 1653

(2) Provides students with compensation from the cooperative 1654
employer in the form of wages or salaries for work performed; 1655

(3) Evaluates each participating student's performance in the 1656
cooperative position, both from the perspective of the student's 1657
institution of higher education and the student's cooperative 1658
employer; 1659

(4) Provides participating students with academic credit from 1660
the institution of higher education upon successful completion of 1661
their cooperative education; 1662

(5) Is part of an overall degree or certificate program for 1663
which a percentage of the total program acceptable to the 1664
chancellor of the Ohio board of regents involves cooperative 1665
education. 1666

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

(1) Offers internships of specified and definite duration;

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

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

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

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

Sec. 3333.72. The chancellor of the Ohio board of regents shall establish and administer the choose Ohio first co-op/internship program to promote and encourage cooperative education programs or internship programs at Ohio institutions of higher education for the purpose of recruiting Ohio students to stay in the state, and recruiting Ohio residents who left Ohio to attend out-of-state institutions of higher education back to Ohio institutions of higher education, to participate in high quality academic programs that use cooperative education programs or significant internship programs, in order to support the growth of Ohio's businesses by providing businesses with Ohio's most talented students and providing Ohio graduates with job

opportunities with Ohio's growing companies. 1697

The chancellor, subject to approval by the controlling board, 1698
shall make awards to state institutions of higher education for 1699
new or existing programs and initiatives meeting the goals of the 1700
choose Ohio first co-op/internship program. Awards may be granted 1701
for programs and initiatives to be implemented by a state 1702
institution of higher education alone or in collaboration with 1703
other state institutions of higher education or nonpublic Ohio 1704
universities and colleges. If the chancellor makes an award to a 1705
program or initiative that is intended to be implemented by a 1706
state institution of higher education in collaboration with other 1707
state institutions of higher education or nonpublic Ohio 1708
universities or colleges, the chancellor may provide that some 1709
portion of the award be received directly by the collaborating 1710
universities or colleges consistent with all terms of the choose 1711
Ohio first co-op/internship program. 1712

The choose Ohio first co-op/internship program shall support 1713
the creation and maintenance of high quality academic programs 1714
that utilize an intensive cooperative education or internship 1715
program for students at state institutions of higher education, or 1716
assign a number of scholarships to institutions to recruit Ohio 1717
residents as students in a high quality academic program, or both. 1718
If scholarships are included in an award to an institution of 1719
higher education, the scholarships shall be awarded to each 1720
participating eligible student as a grant to the state institution 1721
of higher education the student is attending and shall be 1722
reflected on the student's tuition bill. 1723

Notwithstanding any other provision of this section or 1724
sections 3333.73 to 3333.81 of the Revised Code, an Ohio four-year 1725
nonpublic university or college may submit a proposal as lead 1726
applicant or co-lead applicant for an award under the choose Ohio 1727

first co-op/internship program if the proposal is to be 1728
implemented in collaboration with a state institution of higher 1729
education. If the chancellor grants a nonpublic university or 1730
college an award, the nonpublic university or college shall comply 1731
with all requirements of this section, sections 3333.73 to 3333.81 1732
of the Revised Code, and the rules adopted under this section that 1733
apply to state institutions of higher education that receive 1734
awards under the program. 1735

The chancellor shall adopt rules in accordance with Chapter 1736
119. of the Revised Code to administer the choose Ohio first 1737
co-op/internship program. 1738

Sec. 3333.73. The chancellor of the Ohio board of regents 1739
shall establish a competitive process for making awards under the 1740
choose Ohio first co-op/internship program. The chancellor, on 1741
completion of that process, shall make a recommendation to the 1742
controlling board asking for approval of each award selected by 1743
the chancellor. 1744

The state institution of higher education shall submit a 1745
proposal and other documentation required by the chancellor, in 1746
the form and manner prescribed by the chancellor, for each award 1747
it seeks. A proposal may propose an initiative to be implemented 1748
solely by the state institution of higher education or in 1749
collaboration with other state institutions of higher education or 1750
nonpublic Ohio universities or colleges. 1751

The chancellor shall determine which proposals will receive 1752
awards each fiscal year, and the amount of each award, on the 1753
basis of the merit of each proposal, which the chancellor, subject 1754
to approval by the controlling board, shall determine based on one 1755
or more of the following criteria: 1756

(A) The extent to which the proposal will keep Ohio students 1757
in Ohio institutions of higher education; 1758

(B) The extent to which the proposal will attract Ohio residents who left Ohio to attend out-of-state institutions of higher education to return to Ohio institutions of higher education; 1759
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(C) The extent to which the proposal will increase the number of Ohio graduates who remain in Ohio and enter Ohio's workforce; 1763
1764

(D) The quality of the program that is the subject of the proposal and the extent to which additional resources will enhance its quality; 1765
1766
1767

(E) The extent to which the proposal is integrated with the strengths of the regional economy; 1768
1769

(F) The extent to which the proposal is aligned with the report submitted by the chancellor pursuant to Section 4 of Sub. H.B. 2 of the 127th general assembly, as amended; 1770
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1772

(G) The extent to which the proposal facilitates the development of high quality academic programs with a cooperative education program or a significant internship program at state institutions of higher education; 1773
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(H) The extent to which the proposal is integrated with supporting private companies to fill potential job growth; 1777
1778

(I) The amount of other institutional, public, or private resources, whether monetary or nonmonetary, the proposal pledges to leverage that are in addition to the monetary cost-sharing requirement prescribed in section 3333.74 of the Revised Code; 1779
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(J) The extent to which the proposal is collaborative with other Ohio institutions of higher education; 1783
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(K) The extent to which the proposal is integrated with the institution's mission; 1785
1786

(L) The extent to which the proposal meets a statewide educational need at the undergraduate or graduate level; 1787
1788

<u>(M) The demonstrated productivity or future capacity of the students to be recruited;</u>	1789
	1790
<u>(N) The extent to which the proposal will create additional capacity in a high quality academic program with a cooperative education program or significant internship program;</u>	1791
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	1793
<u>(O) The extent to which the proposal will encourage students who received degrees from two-year institutions to pursue baccalaureate degrees;</u>	1794
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<u>(P) The extent to which the proposal facilitates the completion of a baccalaureate degree in a cost-effective manner;</u>	1797
	1798
<u>(Q) The extent to which other institutional, public, or private resources that are pledged to the proposal, in addition to the monetary cost-sharing requirement prescribed in section 3333.74 of the Revised Code, will be deployed to assist in sustaining the academic program of excellence;</u>	1799
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<u>(R) The extent to which the proposal increases the likelihood that students will successfully complete their degree programs or certificate programs;</u>	1804
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<u>(S) The extent to which the proposal ensures that a student participating in the high quality academic program funded by the choose Ohio first co-op/internship program is appropriately qualified and prepared to successfully transition into professions in Ohio's growing companies and industries.</u>	1807
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<u>Sec. 3333.74. (A) Except as provided in division (B) of this section, each award under the choose Ohio first co-op/internship program shall require a pledge of private funds equal to the following:</u>	1812
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<u>(1) In the case of a program, initiative, or scholarships for undergraduate students, at least one hundred per cent of the money awarded;</u>	1816
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(2) In the case of a program, initiative, or scholarships for graduate students, at least one hundred fifty per cent of the money awarded. 1819
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(B) The chancellor of the Ohio board of regents may waive the requirement of division (A) of this section if the chancellor finds that exceptional circumstances exist to do so, provided that the chancellor reviews the proposal with the advisory committee established under section 3333.81 of the Revised Code and provides an explanation for the waiver to the controlling board. 1822
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(C) The chancellor shall endeavor to distribute awards in such a way that a wide range of disciplines is supported and that all regions of the state benefit from the economic development impact of the program. 1829
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Sec. 3333.75. The chancellor of the Ohio board of regents shall require each state institution of higher education that the controlling board approves to receive an award under the choose Ohio first co-op/internship program to enter into an agreement governing the use of the award. The agreement shall contain terms the chancellor determines to be necessary, which shall include performance measures, reporting requirements, and an obligation to fulfill pledges of other institutional, public, or nonpublic resources for the proposal. 1833
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The chancellor may require a state institution of higher education that violates the terms of its agreement to repay the award plus interest at the rate required by section 5703.47 of the Revised Code to the chancellor. 1842
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If the chancellor makes an award to a program or initiative that is intended to be implemented by a state institution of higher education in collaboration with other state institutions of higher education or nonpublic Ohio universities or colleges, the 1846
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chancellor may enter into an agreement with the collaborating 1850
universities or colleges that permits awards to be received 1851
directly by the collaborating universities or colleges consistent 1852
with the terms of the program or initiative. In that case, the 1853
chancellor shall incorporate into the agreement terms consistent 1854
with the requirements of this section. 1855

Sec. 3333.76. The chancellor of the Ohio board of regents 1856
shall encourage state institutions of higher education, alone or 1857
in collaboration with other state institutions of higher education 1858
or nonpublic Ohio universities and colleges, to submit proposals 1859
under the choose Ohio first co-op/internship program for 1860
initiatives that recruit Ohio residents enrolled in colleges and 1861
universities in other states or other countries to return to Ohio 1862
and enroll in state institutions of higher education or nonpublic 1863
Ohio universities and colleges as graduate students in a high 1864
quality academic program that uses a cooperative education 1865
program, a significant internship program in a private industry or 1866
institutional laboratory, or a similar model involving a variation 1867
of cooperative education or internship programs common to graduate 1868
education, and is in an educational area, industry, or industry 1869
sector of need. 1870

The chancellor may encourage state institutions of higher 1871
education, alone or in collaboration with other state institutions 1872
of higher education or nonpublic Ohio universities and colleges, 1873
to submit proposals for initiatives that recruit Ohio residents 1874
who have received baccalaureate degrees to remain in Ohio and 1875
enroll in state institutions of higher education or nonpublic Ohio 1876
universities and colleges as graduate students in a high quality 1877
academic program of the type described in the preceding paragraph. 1878

Sec. 3333.77. When making an award under the choose Ohio 1879
first co-op/internship program, the chancellor of the Ohio board 1880

of regents, subject to approval by the controlling board, may 1881
commit to giving a state institution of higher education's 1882
proposal preference for future awards after the current fiscal 1883
year or fiscal biennium. A proposal's eligibility for future 1884
awards remains conditional on all of the following: 1885

(A) Future appropriations of the general assembly; 1886

(B) The institution's adherence to the agreement entered into 1887
under section 3333.75 of the Revised Code, including its 1888
fulfillment of pledges of other institutional, public, or 1889
nonpublic resources; 1890

(C) A demonstration that the students participating in the 1891
programs and initiatives or receiving scholarships financed by the 1892
awards are satisfied with the institutions selected by the 1893
chancellor to offer the programs, initiatives, or scholarships 1894
financed by the awards. 1895

The chancellor and the controlling board shall not commit to 1896
awarding any proposal after June 30, 2014. 1897

Sec. 3333.78. The chancellor of the Ohio board of regents 1898
shall monitor each initiative for which an award is granted under 1899
the choose Ohio first co-op/internship program to ensure the 1900
following: 1901

(A) Fiscal accountability, so that the award is used in 1902
accordance with the agreement entered into under section 3333.75 1903
of the Revised Code; 1904

(B) Operating progress, so that the initiative is managed to 1905
achieve the goals stated in the proposal and in the agreement, and 1906
so that problems may be promptly identified and remedied; 1907

(C) Desired outcomes, so that the initiative contributes to 1908
the program's goal of retaining Ohio's students after graduation. 1909

Sec. 3333.79. (A) As used in this section, "minority" has the same meaning as in section 184.17 of the Revised Code. The term also includes an individual who is economically disadvantaged.

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(B) The chancellor of the board of regents shall conduct outreach activities in Ohio that seek to include minorities in the co-op/internship program established under section 3333.72 of the Revised Code. The outreach activities shall include the following, when appropriate:

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(1) Identifying and partnering with historically black colleges and universities;

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(2) Working with all institutions of higher education in the state to support minority faculty and students involved in cooperative and intern programs;

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(3) Developing a plan to contact by telephone minorities and other economically disadvantaged individuals to notify them of opportunities to participate in the co-op/internship program;

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(4) Identifying minority professional and trade associations and economic development assistance organizations and notifying them of the co-op/internship program;

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(5) Partnering with regional technology councils to foster local efforts to support minority participation in the co-op/internship program.

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(C) To the extent possible, outreach activities described in this section shall be conducted in conjunction with the EDGE program created in section 123.152 of the Revised Code.

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Sec. 3333.80. Not later than December 31, 2010, and the thirty-first day of December of each year thereafter, the chancellor of the Ohio board of regents shall submit to the

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general assembly in accordance with section 101.68 of the Revised Code a report on the academic and economic impact of the choose Ohio first co-op/internship program. At a minimum, the report shall include the following: 1939
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(A) Progress and performance metrics for each initiative that received an award in the previous fiscal year; 1943
1944

(B) Economic indicators of the impact of each initiative, and all initiatives as a whole, on the regional economies and the statewide economy; 1945
1946
1947

(C) The chancellor's strategy in allocating awards among state institutions of higher education and how the actual awards fit that strategy. 1948
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Sec. 3333.81. (A) The co-op/internship program advisory committee is hereby created. The committee shall consist of the following members: 1951
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1953

(1) Five members appointed by the governor, two of whom shall represent academia, two of whom shall be representatives of private industry, and one of whom shall be a member of the public; 1954
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(2) The director of development, or the director's designee; 1957

(3) Five members appointed by the president of the senate, three of whom shall be members of the senate, but not more than two from the same political party, one of whom shall represent academia, and one of whom shall be a member of the public; 1958
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(4) Five members appointed by the speaker of the house of representatives, three of whom shall be members of the house of representatives, but not more than two from the same political party, one of whom shall represent private industry, and one of whom shall be a member of the public. 1962
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(B) Members of the committee who are members of the general 1967

assembly shall serve for terms of four years or until their 1968
legislative terms end, whichever is sooner. The director of 1969
development or the director's designee shall serve as an 1970
ex-officio, voting member. Otherwise, initial members shall serve 1971
the following terms: 1972

(1) Of the initial members appointed by the governor, the 1973
member representing the public and one member representing 1974
academia shall serve for terms of one year; one member 1975
representing private industry shall serve for a term of two years; 1976
and one member representing private industry and one member 1977
representing academia shall serve for terms of three years. 1978

(2) The member representing academia and the representative 1979
of the public initially appointed by the president of the senate 1980
shall serve for terms of two years. 1981

(3) The member representing private industry initially 1982
appointed by the speaker of the house of representatives shall 1983
serve for a term of one year. 1984

(4) The representative of the public initially appointed by 1985
the speaker of the house of representatives shall serve for a term 1986
of three years. 1987

Thereafter, terms shall be for three years, with each term 1988
ending on the same day of the same month as did the term that it 1989
succeeds. Each member shall serve from the date of appointment 1990
until the end of the term for which the member was appointed. 1991
Members may be reappointed. Vacancies shall be filled in the same 1992
manner as provided for original appointments. Any member appointed 1993
to fill a vacancy occurring prior to the expiration date of the 1994
term for which the member was appointed shall hold office for the 1995
remainder of that term. A member shall continue to serve after the 1996
expiration date of the member's term until the member's successor 1997
is appointed or until a period of sixty days has elapsed, 1998

whichever occurs first. The appointing authority may remove a member from the committee for failure to attend two consecutive meetings without showing good cause for the absences. 1999
2000
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(C) The committee annually shall select a chairperson and a vice-chairperson. Only the members who represent academia and private industry may serve as chairperson and vice-chairperson. For this purpose, any committee member appointed as a member of the public who is a trustee, officer, employee, or student of an institution of higher education shall be included among the representatives of academia who may serve as chairperson or vice-chairperson, and any committee member appointed as a member of the public who is a director, officer, or employee of a private business shall be included among the representatives of private industry who may serve as chairperson or vice-chairperson. The committee annually shall rotate the selection of the chairperson between these two groups and shall select a member of the other group to serve as vice-chairperson. 2002
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The committee annually shall select one of its members to serve as secretary to keep a record of the committee's proceedings. 2016
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(D) A majority vote of the members of the full committee is necessary to take action on any matter. The committee may adopt bylaws governing its operation, including bylaws that establish the frequency of meetings. 2019
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(E) Members of the committee shall serve without compensation. 2023
2024

(F) A member of the committee shall not participate in discussions or votes concerning a proposed initiative or an actual award under the choose Ohio first co-op/internship program that involves an institution of higher education of which the member is a trustee, officer, employee, or student; an organization of which 2025
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the member is a trustee, director, officer, or employee; or a 2030
business of which the member is a director, officer, or employee 2031
or a shareholder of more than five per cent of the business' 2032
stock. 2033

(G) The committee shall advise the chancellor of the Ohio 2034
board of regents on growing industries well-suited for awards 2035
under the choose Ohio first co-op/internship program. The 2036
chancellor shall consult with the committee and request the 2037
committee's advice at each of the following times: 2038

(1) Prior to issuing each request for applications under the 2039
program; 2040

(2) While the chancellor is reviewing applications and before 2041
deciding on awards to submit for the controlling board's approval; 2042

(3) After deciding on awards to submit for the controlling 2043
board's approval and prior to submitting them. 2044

The committee shall advise the chancellor on other matters 2045
the chancellor considers appropriate. 2046

(H) The chancellor shall provide meeting space for the 2047
committee. The committee shall be assisted in its duties by the 2048
chancellor's staff. 2049

(I) Sections 101.82 to 101.87 of the Revised Code do not 2050
apply to the committee. 2051

Sec. 3345.32. (A) As used in this section: 2052

(1) "State university or college" means the institutions 2053
described in section 3345.27 of the Revised Code and the 2054
northeastern Ohio universities college of medicine. 2055

(2) "Resident" has the meaning specified by rule of the 2056
chancellor of the Ohio board of regents. 2057

(3) "Statement of selective service status" means a statement 2058

certifying one of the following: 2059

(a) That the individual filing the statement has registered 2060
with the selective service system in accordance with the "Military 2061
Selective Service Act," 62 Stat. 604, 50 U.S.C. App. 453, as 2062
amended; 2063

(b) That the individual filing the statement is not required 2064
to register with the selective service for one of the following 2065
reasons: 2066

(i) The individual is under eighteen or over twenty-six years 2067
of age. 2068

(ii) The individual is on active duty with the armed forces 2069
of the United States other than for training in a reserve or 2070
national guard unit. 2071

(iii) The individual is a nonimmigrant alien lawfully in the 2072
United States in accordance with section 101 (a)(15) of the 2073
"Immigration and Nationality Act," 8 U.S.C. 1101, as amended. 2074

(iv) The individual is not a citizen of the United States and 2075
is a permanent resident of the Trust Territory of the Pacific 2076
Islands or the Northern Mariana Islands. 2077

(4) "Institution of higher education" means any eligible 2078
institution approved by the United States department of education 2079
pursuant to the "Higher Education Act of 1965," 79 Stat. 1219, as 2080
amended, or any institution whose students are eligible for 2081
financial assistance under any of the programs described by 2082
division (E) of this section. 2083

(B) The chancellor shall, by rule, specify the form of 2084
statements of selective service status to be filed in compliance 2085
with divisions (C) to (F) of this section. Each statement of 2086
selective service status shall contain a section wherein a male 2087
student born after December 31, 1959, certifies that the student 2088

has registered with the selective service system in accordance 2089
with the "Military Selective Service Act," 62 Stat. 604, 50 U.S.C. 2090
App. 453, as amended. For those students not required to register 2091
with the selective service, as specified in divisions (A)(2)(b)(i) 2092
to (iv) of this section, a section shall be provided on the 2093
statement of selective service status for the certification of 2094
nonregistration and for an explanation of the reason for the 2095
exemption. The chancellor may require that such statements be 2096
accompanied by documentation specified by rule of the chancellor. 2097

(C) A state university or college that enrolls in any course, 2099
class, or program a male student born after December 31, 1959, who 2100
has not filed a statement of selective service status with the 2101
university or college shall, regardless of the student's 2102
residency, charge the student any tuition surcharge charged 2103
students who are not residents of this state. 2104

(D) No male born after December 31, 1959, shall be eligible 2105
to receive any loan, grant, scholarship, or other financial 2106
assistance for educational expenses granted under section 3315.33, 2107
3333.12, 3333.122, 3333.21, 3333.22, 3333.26, 3333.27, 5910.03, 2108
5910.032, or 5919.34 of the Revised Code, ~~or~~ financed by an award 2109
under the choose Ohio first scholarship program established under 2110
section 3333.61 of the Revised Code, or financed by an award under 2111
the choose Ohio first co-op/internship program established under 2112
section 3333.72 of the Revised Code, unless that person has filed 2113
a statement of selective service status with that person's 2114
institution of higher education. 2115

(E) If an institution of higher education receives a 2116
statement from an individual certifying that the individual has 2117
registered with the selective service system in accordance with 2118
the "Military Selective Service Act," 62 Stat. 604, 50 U.S.C. App. 2119
453, as amended or that the individual is exempt from registration 2120

for a reason other than that the individual is under eighteen 2121
years of age, the institution shall not require the individual to 2122
file any further statements. If it receives a statement certifying 2123
that the individual is not required to register because the 2124
individual is under eighteen years of age, the institution shall 2125
require the individual to file a new statement of selective 2126
service status each time the individual seeks to enroll for a new 2127
academic term or makes application for a new loan or loan 2128
guarantee or for any form of financial assistance for educational 2129
expenses, until it receives a statement certifying that the 2130
individual has registered with the selective service system or is 2131
exempt from registration for a reason other than that the 2132
individual is under eighteen years of age. 2133

Sec. 3706.01. As used in this chapter: 2134

(A) "Governmental agency" means a department, division, or 2135
other unit of state government, a municipal corporation, county, 2136
township, and other political subdivision, or any other public 2137
corporation or agency having the power to acquire, construct, or 2138
operate air quality facilities, the United States or any agency 2139
thereof, and any agency, commission, or authority established 2140
pursuant to an interstate compact or agreement. 2141

(B) "Person" means any individual, firm, partnership, 2142
association, or corporation, or any combination thereof. 2143

(C) "Air contaminant" means particulate matter, dust, fumes, 2144
gas, mist, smoke, noise, vapor, heat, radioactivity, radiation, or 2145
odorous substance, or any combination thereof. 2146

(D) "Air pollution" means the presence in the ambient air of 2147
one or more air contaminants in sufficient quantity and of such 2148
characteristics and duration as to injure human health or welfare, 2149
plant or animal life, or property, or that unreasonably interferes 2150
with the comfortable enjoyment of life or property. 2151

(E) "Ambient air" means that portion of the atmosphere	2152
outside of buildings and other enclosures, stacks, or ducts that	2153
surrounds human, plant, or animal life, or property.	2154
(F) "Emission" means the release into the outdoor atmosphere	2155
of an air contaminant.	2156
(G) "Air quality facility" means any of the following:	2157
(1) Any method, modification or replacement of property,	2158
process, device, structure, or equipment that removes, reduces,	2159
prevents, contains, alters, conveys, stores, disperses, or	2160
disposes of air contaminants or substances containing air	2161
contaminants, or that renders less noxious or reduces the	2162
concentration of air contaminants in the ambient air, including,	2163
without limitation, facilities and expenditures that qualify as	2164
air pollution control facilities under section 103 (C)(4)(F) of	2165
the Internal Revenue Code of 1954, as amended, and regulations	2166
adopted thereunder;	2167
(2) Motor vehicle inspection stations operated in accordance	2168
with, and any equipment used for motor vehicle inspections	2169
conducted under, section 3704.14 of the Revised Code and rules	2170
adopted under it;	2171
(3) Ethanol or other biofuel facilities, including any	2172
equipment used at the ethanol or other biofuel facility for the	2173
production of ethanol or other biofuels;	2174
(4) Any property or portion thereof used for the collection,	2175
storage, treatment, utilization, processing, or final disposal of	2176
a by-product or solid waste resulting from any method, process,	2177
device, structure, or equipment that removes, reduces, prevents,	2178
contains, alters, conveys, stores, disperses, or disposes of air	2179
contaminants, or that renders less noxious or reduces the	2180
concentration of air contaminants in the ambient air;	2181
(5) Any property, device, or equipment that promotes the	2182

reduction of emissions of air contaminants into the ambient air 2183
through improvements in the efficiency of energy utilization or 2184
energy conservation; 2185

(6) Any coal research and development project conducted under 2186
Chapter 1555. of the Revised Code; 2187

(7) As determined by the director of the Ohio coal 2188
development office, any property or portion thereof that is used 2189
for the collection, storage, treatment, utilization, processing, 2190
or final disposal of a by-product resulting from a coal research 2191
and development project as defined in section 1555.01 of the 2192
Revised Code or from the use of clean coal technology, excluding 2193
any property or portion thereof that is used primarily for other 2194
subsequent commercial purposes; 2195

(8) Any property or portion thereof that is part of the 2196
FutureGen project of the United States department of energy or 2197
related to the siting of the FutureGen project. 2198

(9) Any property, device, or equipment that promotes the 2199
reduction of emissions of air contaminants into the ambient air 2200
through the generation of clean, renewable energy with renewable 2201
energy resources or advanced energy resources as defined in 2202
section 3706.25 of the Revised Code. 2203

(10) Any property, device, structure or equipment necessary 2204
for the manufacture and production of equipment described as an 2205
air quality facility under this chapter. 2206

"Air quality facility" further includes any property or 2207
system to be used in whole or in part for any of the purposes in 2208
divisions (G)(1) to ~~(8)~~(10) of this section, whether another 2209
purpose is also served, and any property or system incidental to 2210
or that has to do with, or the end purpose of which is, any of the 2211
foregoing. Air quality facilities that are defined in this 2212
division for industry, commerce, distribution, or research, 2213

including public utility companies, are hereby determined to be 2214
those that qualify as facilities for the control of air pollution 2215
and thermal pollution related to air under Section 13 of Article 2216
VIII, Ohio Constitution. 2217

(H) "Project" or "air quality project" means any air quality 2218
facility, including undivided or other interests therein, acquired 2219
or to be acquired or constructed or to be constructed by the Ohio 2220
air quality development authority under this chapter, or acquired 2221
or to be acquired or constructed or to be constructed by a 2222
governmental agency or person with all or a part of the cost 2223
thereof being paid from a loan or grant from the authority under 2224
this chapter or otherwise paid from the proceeds of air quality 2225
revenue bonds, including all buildings and facilities that the 2226
authority determines necessary for the operation of the project, 2227
together with all property, rights, easements, and interests that 2228
may be required for the operation of the project. 2229

(I) "Cost" as applied to an air quality project means the 2230
cost of acquisition and construction, the cost of acquisition of 2231
all land, rights-of-way, property rights, easements, franchise 2232
rights, and interests required for such acquisition and 2233
construction, the cost of demolishing or removing any buildings or 2234
structures on land so acquired, including the cost of acquiring 2235
any lands to which such buildings or structures may be moved, the 2236
cost of acquiring or constructing and equipping a principal office 2237
and sub-offices of the authority, the cost of diverting highways, 2238
interchange of highways, and access roads to private property, 2239
including the cost of land or easements for such access roads, the 2240
cost of public utility and common carrier relocation or 2241
duplication, the cost of all machinery, furnishings, and 2242
equipment, financing charges, interest prior to and during 2243
construction and for no more than eighteen months after completion 2244
of construction, engineering, expenses of research and development 2245

with respect to air quality facilities, the cost of any commodity 2246
contract, including fees and expenses related thereto, legal 2247
expenses, plans, specifications, surveys, studies, estimates of 2248
cost and revenues, working capital, other expenses necessary or 2249
incident to determining the feasibility or practicability of 2250
acquiring or constructing such project, administrative expense, 2251
and such other expense as may be necessary or incident to the 2252
acquisition or construction of the project, the financing of such 2253
acquisition or construction, including the amount authorized in 2254
the resolution of the authority providing for the issuance of air 2255
quality revenue bonds to be paid into any special funds from the 2256
proceeds of such bonds, and the financing of the placing of such 2257
project in operation. Any obligation, cost, or expense incurred by 2258
any governmental agency or person for surveys, borings, 2259
preparation of plans and specifications, and other engineering 2260
services, or any other cost described above, in connection with 2261
the acquisition or construction of a project may be regarded as a 2262
part of the cost of that project and may be reimbursed out of the 2263
proceeds of air quality revenue bonds as authorized by this 2264
chapter. 2265

(J) "Owner" includes an individual, copartnership, 2266
association, or corporation having any title or interest in any 2267
property, rights, easements, or interests authorized to be 2268
acquired by this chapter. 2269

(K) "Revenues" means all rentals and other charges received 2270
by the authority for the use or services of any air quality 2271
project, any gift or grant received with respect to any air 2272
quality project, any moneys received with respect to the lease, 2273
sublease, sale, including installment sale or conditional sale, or 2274
other disposition of an air quality project, moneys received in 2275
repayment of and for interest on any loans made by the authority 2276
to a person or governmental agency, whether from the United States 2277

or any department, administration, or agency thereof, or 2278
otherwise, proceeds of such bonds to the extent that use thereof 2279
for payment of principal of, premium, if any, or interest on the 2280
bonds is authorized by the authority, amounts received or 2281
otherwise derived from a commodity contract or from the sale of 2282
the related commodity under such a contract, proceeds from any 2283
insurance, condemnation, or guaranty pertaining to a project or 2284
property mortgaged to secure bonds or pertaining to the financing 2285
of the project, and income and profit from the investment of the 2286
proceeds of air quality revenue bonds or of any revenues. 2287

(L) "Public roads" includes all public highways, roads, and 2288
streets in the state, whether maintained by the state, county, 2289
city, township, or other political subdivision. 2290

(M) "Public utility facilities" includes tracks, pipes, 2291
mains, conduits, cables, wires, towers, poles, and other equipment 2292
and appliances of any public utility. 2293

(N) "Construction," unless the context indicates a different 2294
meaning or intent, includes reconstruction, enlargement, 2295
improvement, or providing furnishings or equipment. 2296

(O) "Air quality revenue bonds," unless the context indicates 2297
a different meaning or intent, includes air quality revenue notes, 2298
air quality revenue renewal notes, and air quality revenue 2299
refunding bonds, except that notes issued in anticipation of the 2300
issuance of bonds shall have a maximum maturity of five years as 2301
provided in section 3706.05 of the Revised Code and notes or 2302
renewal notes issued as the definitive obligation may be issued 2303
maturing at such time or times with a maximum maturity of forty 2304
years from the date of issuance of the original note. 2305

(P) "Solid waste" means any garbage; refuse; sludge from a 2306
waste water treatment plant, water supply treatment plant, or air 2307
pollution control facility; and other discarded material, 2308

including solid, liquid, semisolid, or contained gaseous material 2309
resulting from industrial, commercial, mining, and agricultural 2310
operations, and from community activities, but not including solid 2311
or dissolved material in domestic sewage, or solid or dissolved 2312
material in irrigation return flows or industrial discharges that 2313
are point sources subject to permits under section 402 of the 2314
"Federal Water Pollution Control Act Amendments of 1972," 86 Stat. 2315
880, 33 U.S.C.A. 1342, as amended, or source, special nuclear, or 2316
byproduct material as defined by the "Atomic Energy Act of 1954," 2317
68 Stat. 921, 42 U.S.C.A. 2011, as amended. 2318

(Q) "Sludge" means any solid, semisolid, or liquid waste, 2319
other than a recyclable by-product, generated from a municipal, 2320
commercial, or industrial waste water treatment plant, water 2321
supply plant, or air pollution control facility or any other such 2322
wastes having similar characteristics and effects. 2323

(R) "Ethanol or other biofuel facility" means a plant at 2324
which ethanol or other biofuel is produced. 2325

(S) "Ethanol" means fermentation ethyl alcohol derived from 2326
agricultural products, including potatoes, cereal, grains, cheese 2327
whey, and sugar beets; forest products; or other renewable or 2328
biomass resources, including residue and waste generated from the 2329
production, processing, and marketing of agricultural products, 2330
forest products, and other renewable or biomass resources, that 2331
meets all of the specifications in the American society for 2332
testing and materials (ASTM) specification D 4806-88 and is 2333
denatured as specified in Parts 20 and 21 of Title 27 of the Code 2334
of Federal Regulations. 2335

(T) "Biofuel" means any fuel that is made from cellulosic 2336
biomass resources, including renewable organic matter, crop waste 2337
residue, wood, aquatic plants and other crops, animal waste, solid 2338
waste, or sludge, and that is used for the production of energy 2339
for transportation or other purposes. 2340

(U) "FutureGen project" means the buildings, equipment, and 2341
real property and functionally related buildings, equipment, and 2342
real property, including related research projects that support 2343
the development and operation of the buildings, equipment, and 2344
real property, designated by the United States department of 2345
energy and the FutureGen industrial alliance, inc., as the 2346
coal-fueled, zero-emissions power plant designed to prove the 2347
technical and economic feasibility of producing electricity and 2348
hydrogen from coal and nearly eliminating carbon dioxide emissions 2349
through capture and permanent storage. 2350

(V) "Commodity contract" means a contract or series of 2351
contracts entered into in connection with the acquisition or 2352
construction of air quality facilities for the purchase or sale of 2353
a commodity that is eligible for prepayment with the proceeds of 2354
federally tax exempt bonds under sections 103, 141, and 148 of the 2355
Internal Revenue Code of 1986, as amended, and regulations adopted 2356
under it. 2357

Sec. 3706.25. As used in sections 3706.25 to 3706.30 of the 2358
Revised Code: 2359

(A) "Advanced energy project" means any technologies, 2360
products, activities, or management practices or strategies that 2361
facilitate the generation or use of electricity and that reduce or 2362
support the reduction of energy consumption or support the 2363
production of clean, renewable energy for industrial, 2364
distribution, commercial, institutional, governmental, research, 2365
not-for-profit, or residential energy users including, but not 2366
limited to, advanced energy resources and renewable energy 2367
resources. "Advanced energy project" includes any project 2368
described in division (A), (B), or (C) of section 4928.621 of the 2369
Revised Code. 2370

(B) "Advanced energy resource" means any of the following: 2371

(1) Any method or any modification or replacement of any property, process, device, structure, or equipment that increases the generation output of an electric generating facility to the extent such efficiency is achieved without additional carbon dioxide emissions by that facility; 2372
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(2) Any distributed generation system consisting of customer cogeneration of electricity and thermal output simultaneously, primarily to meet the energy needs of the customer's facilities; 2377
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(3) Advanced nuclear energy technology consisting of generation III technology as defined by the nuclear regulatory commission; other, later technology; or significant improvements to existing facilities; 2380
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(4) Any fuel cell used in the generation of electricity, including, but not limited to, a proton exchange membrane fuel cell, phosphoric acid fuel cell, molten carbonate fuel cell, or solid oxide fuel cell; 2384
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(5) Advanced solid waste or construction and demolition debris conversion technology, including, but not limited to, advanced stoker technology, and advanced fluidized bed gasification technology, that results in measurable greenhouse gas emissions reductions as calculated pursuant to the United States environmental protection agency's waste reduction model (WARM). 2388
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(C) "Renewable energy resource" means solar photovoltaic or solar thermal energy, wind energy, power produced by a hydroelectric facility, geothermal energy, fuel derived from solid wastes, as defined in section 3734.01 of the Revised Code, through fractionation, biological decomposition, or other process that does not principally involve combustion, biomass energy, biologically derived methane gas, or energy derived from nontreated by-products of the pulping process or wood 2394
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manufacturing process, including bark, wood chips, sawdust, and lignin in spent pulping liquors. "Renewable energy resource" includes, but is not limited to, any fuel cell used in the generation of electricity, including, but not limited to, a proton exchange membrane fuel cell, phosphoric acid fuel cell, molten carbonate fuel cell, or solid oxide fuel cell; wind turbine located in the state's territorial waters of Lake Erie; storage facility that will promote the better utilization of a renewable energy resource that primarily generates off peak; or distributed generation system used by a customer to generate electricity from any such energy. As used in this division, "hydroelectric facility" means a hydroelectric generating facility that is located at a dam on a river, or on any water discharged to a river, that is within or bordering this state or within or bordering an adjoining state and meets all of the following standards:

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

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

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

(4) The facility complies with the recommendations of the Ohio environmental protection agency and with the terms of its federal energy regulatory commission license regarding watershed protection, mitigation, or enhancement, to the extent of each agency's respective jurisdiction over the facility. 2435
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(5) The facility complies with provisions of the "Endangered Species Act of 1973," 87 Stat. 884, 16 U.S.C. 1531 to 1544, as amended. 2440
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(6) The facility does not harm cultural resources of the area. This can be shown through compliance with the terms of its federal energy regulatory commission license or, if the facility is not regulated by that commission, through development of a plan approved by the Ohio historic preservation office, to the extent it has jurisdiction over the facility. 2443
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(7) The facility complies with the terms of its federal energy regulatory commission license or exemption that are related to recreational access, accommodation, and facilities or, if the facility is not regulated by that commission, the facility complies with similar requirements as are recommended by resource agencies, to the extent they have jurisdiction over the facility; and the facility provides access to water to the public without fee or charge. 2449
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(8) The facility is not recommended for removal by any federal agency or agency of any state, to the extent the particular agency has jurisdiction over the facility. 2457
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Sec. 3706.26. (A) The Ohio air quality development authority may, with the approval of its executive director and the affirmative vote of a majority of its members, request the issuance of bonds under section 166.08 of the Revised Code for the purpose of providing loans and grants for acquiring, manufacturing, constructing, reconstructing, expanding, improving, 2460
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or equipping facilities or facility components by business and 2466
industry in this state, entities and agencies of state and local 2467
government, educational institutions, research organizations and 2468
institutions, or any combination thereof, for energy production, 2469
delivery, storage, conservation, and efficiency through advanced 2470
energy projects. The authority may, with the approval of its 2471
executive director and the affirmative vote of a majority of its 2472
members, make such loans and provide such grants in the manner 2473
provided for in section 166.30 of the Revised Code. 2474

(B) The issuance of bonds for the purpose described in this 2475
section is subject to the limitation established in division (A) 2476
of section 166.11 of the Revised Code. 2477

Sec. 3706.27. (A) There is hereby created in the state 2478
treasury the advanced energy research and development fund to 2479
provide grants for advanced energy projects. There is hereby 2480
created in the state treasury the advanced energy research and 2481
development taxable fund to provide loans for advanced energy 2482
projects. 2483

(B)(1) The advanced energy research and development fund and 2484
the advanced energy research and development taxable fund shall 2485
consist of the proceeds of obligations issued under section 166.08 2486
of the Revised Code. Money shall be credited to the respective 2487
funds in the proportion that the executive director of the Ohio 2488
air quality development authority, with the affirmative vote of a 2489
majority of the members of the authority, determines appropriate. 2490

(2) Any investment earnings from the money in the advanced 2491
energy research and development fund and in the advanced energy 2492
research and development taxable fund shall be credited to those 2493
funds, respectively. Any repayment of loans made from money in the 2494
advanced energy research and development taxable fund shall be 2495

credited to the facilities establishment fund created in section 2496
166.03 of the Revised Code. 2497

(C) The director of budget and management shall establish and 2498
maintain records or accounts for or within these funds in such a 2499
manner as to show the amount credited to the funds pursuant to 2500
section 166.08 of the Revised Code and that the amounts so 2501
credited have been expended for the purposes set forth in Section 2502
2p or 13 of Article VIII, Ohio Constitution, and sections 166.08, 2503
166.30, and 3706.26 of the Revised Code. 2504

Sec. 3706.28. (A) Determinations made by the executive 2505
director of the Ohio air quality development authority, with the 2506
affirmative vote of a majority of the members of the authority, 2507
that a particular project is an advanced energy project and is 2508
consistent with Chapter 166. of the Revised Code and Section 2p or 2509
13 of Article VIII, Ohio Constitution, shall be conclusive as to 2510
the validity and enforceability of the obligations issued to 2511
finance such a project and of the authorizations, trust agreements 2512
or indentures, loan agreements, or grant agreements, and other 2513
agreements made in connection therewith, all in accordance with 2514
their terms. 2515

(B) Advanced energy facilities for industry, commerce, 2516
distribution, or research are hereby deemed to qualify as 2517
facilities for the control of air pollution and thermal pollution 2518
related to air under Section 2p or 13 of Article VIII, Ohio 2519
Constitution. 2520

Sec. 3706.29. The Ohio air quality development authority 2521
shall, in accordance with Chapter 119. of the Revised Code, adopt 2522
any rules necessary to implement section 166.30 and sections 2523
3706.25 to 3706.28 of the Revised Code. 2524

Sec. 3706.30. (A) As used in this section, "minority" has the 2525

same meaning as in section 184.17 of the Revised Code, except that 2526
the individual must be a resident of this state. The term also 2527
includes an economically disadvantaged individual who is a 2528
resident of this state. 2529

(B) The Ohio air quality development authority shall conduct 2530
outreach activities in Ohio that seek to include minorities in the 2531
grant and loan program for advanced energy projects established 2532
under section 166.30 of the Revised Code. The outreach activities 2533
shall include the following, when appropriate: 2534

(1) Identifying and partnering with historically black 2536
colleges and universities; 2537

(2) Working with all institutions of higher education in the 2538
state to support minority faculty and students involved in science 2539
and engineering fields that address advanced energy projects; 2540

(3) Developing a plan to contact by telephone minority-owned 2541
businesses and entrepreneurs and other economically disadvantaged 2542
businesses to notify them of opportunities to participate in the 2543
grant and loan program for advanced energy projects; 2544

(4) Identifying minority professional and technical trade 2545
associations and economic development assistance organizations and 2546
notifying them of the grant and loan program for advanced energy 2547
projects; 2548

(5) Partnering with regional technology councils to foster 2549
local efforts to support minority-owned technology businesses or 2550
otherwise identify networks of minority-owned technology 2551
businesses, entrepreneurs, and individuals operating locally; 2552

(6) Identifying minority technology firms and notifying them 2553
of the opportunities that exist within the investment community, 2554
including the Ohio venture capital authority created under section 2555
150.02 of the Revised Code. 2556

<u>(C) The authority shall publish an annual report that</u>	2557
<u>includes all of the following:</u>	2558
<u>(1) Details of grants and loans awarded for advanced energy projects;</u>	2559
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<u>(2) The status of grant or loan recipients' projects funded in previous years;</u>	2561
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<u>(3) The amount of grants and loans awarded for projects in economically distressed areas, and if possible to ascertain, the impact of the grants or loans to those areas.</u>	2563
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<u>(D) To the extent possible, outreach activities described in this section shall be conducted in conjunction with the EDGE program created in section 123.152 of the Revised Code.</u>	2566
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Sec. 5725.151. (A) As used in this section, "certificate owner" has the same meaning as in section 149.311 of the Revised Code.	2569
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(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, <u>but the amount of the credit allowed for any dealer for any year shall not exceed five million dollars.</u> The credit shall be claimed in the calendar year specified in the certificate. <u>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</u>	2572
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claimed in that year for not more than five ensuing years, and 2587
shall deduct any amount claimed in any such year from the amount 2588
claimed in an ensuing year. 2589

(C) A dealer in intangibles claiming a credit under this 2590
section shall retain the rehabilitation tax credit certificate for 2591
four years following the end of the year in which the credit was 2592
claimed, and shall make the certificate available for inspection 2593
by the tax commissioner upon the request of the tax commissioner 2594
during that period. 2595

(D) For the purpose of division (C) of section 5725.24 of the 2596
Revised Code, reductions in the amount of taxes collected on 2597
account of credits allowed under this section shall be applied to 2598
reduce the amount credited to the general revenue fund and shall 2599
not be applied to reduce the amount to be credited to the 2600
undivided local government funds of the counties in which such 2601
taxes originate. 2602

Sec. 5733.47. (A) As used in this section, "certificate 2603
owner" has the same meaning as in section 149.311 of the Revised 2604
Code. 2605

(B) There is allowed a refundable credit against the tax 2606
imposed under section 5733.06 of the Revised Code for a taxpayer 2607
that is a certificate owner of a rehabilitation tax credit 2608
certificate issued under section 149.311 of the Revised Code. The 2609
credit shall equal twenty-five per cent of the dollar amount 2610
indicated on the certificate, but shall not exceed five million 2611
dollars. The credit shall be claimed for the tax year specified in 2612
the certificate and in the order required under section 5733.98 of 2613
the Revised Code. For purposes of making tax payments under this 2614
chapter, taxes equal to the amount of the refundable credit shall 2615
be considered to be paid to the state on the first day of the tax 2616
year. 2617

(C) A taxpayer claiming a credit under this section shall 2618
retain the rehabilitation tax credit certificate for four years 2619
following the end of the tax year to which the credit was applied, 2620
and shall make the certificate available for inspection by the tax 2621
commissioner upon the request of the tax commissioner during that 2622
period. 2623

(D) If, pursuant to division (G) of section 5733.01 of the 2624
Revised Code, a taxpayer no longer pays a tax under this chapter, 2625
the taxpayer may nonetheless file an annual report under section 2626
5733.02 of the Revised Code and claim the refundable credit 2627
authorized by this section. Nothing in this division allows a 2628
taxpayer to claim the credit under this section more than once. 2629

Sec. 5747.76. (A) As used in this section, "certificate 2630
owner" has the same meaning as in section 149.311 of the Revised 2631
Code. 2632

(B) There is allowed a ~~refundable~~ credit against the tax 2633
imposed under section 5747.02 of the Revised Code for a taxpayer 2634
that is the certificate owner of a rehabilitation tax credit 2635
certificate issued under section 149.311 of the Revised Code. The 2636
credit shall equal twenty-five per cent of the dollar amount 2637
indicated on the certificate, but the amount of credit allowed for 2638
any taxpayer shall not exceed five million dollars. The credit 2639
shall be claimed for the taxable year specified in the certificate 2640
and in the order required under section 5747.98 of the Revised 2641
Code. ~~For purposes of making tax payments under this chapter,~~ 2642
~~taxes equal to the amount of the refundable credit shall be~~ 2643
~~considered to be paid to the state on the first day of the taxable~~ 2644
~~year.~~ 2645

(C) Nothing in this section limits or disallows pass-through 2646
treatment of the credit if the certificate owner is a pass-through 2647
entity. If the certificate owner is a pass-through entity, the 2648

amount of the credit allowed for the pass-through entity shall not 2649
exceed five million dollars. 2650

(D) If the credit allowed for any taxable year exceeds the 2651
tax otherwise due under section 5747.02 of the Revised Code, after 2652
allowing for any other credits preceding the credit in the order 2653
prescribed by section 5747.98 of the Revised Code, the excess 2654
shall be refunded to the taxpayer but, if any amount of the credit 2655
is refunded, the sum of the amount refunded and the amount applied 2656
to reduce the tax otherwise due for that year shall not exceed 2657
three million dollars or, if the certificate owner is a 2658
pass-through entity, shall not exceed the taxpayer's distributive 2659
or proportionate share of three million dollars. The taxpayer may 2660
carry forward any balance of the credit in excess of the amount 2661
claimed for that year for not more than five ensuing taxable 2662
years, and shall deduct any amount claimed for any such year from 2663
the amount claimed in an ensuing year. 2664

(E) A taxpayer claiming a credit under this section shall 2665
retain the rehabilitation tax credit certificate for four years 2666
following the end of the taxable year to which the credit was 2667
applied, and shall make the certificate available for inspection 2668
by the tax commissioner upon the request of the tax commissioner 2669
during that period. 2670

Sec. 5747.98. (A) To provide a uniform procedure for 2671
calculating the amount of tax due under section 5747.02 of the 2672
Revised Code, a taxpayer shall claim any credits to which the 2673
taxpayer is entitled in the following order: 2674

(1) The retirement income credit under division (B) of 2675
section 5747.055 of the Revised Code; 2676

(2) The senior citizen credit under division (C) of section 2677
5747.05 of the Revised Code; 2678

(3) The lump sum distribution credit under division (D) of section 5747.05 of the Revised Code;	2679 2680
(4) The dependent care credit under section 5747.054 of the Revised Code;	2681 2682
(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	2683 2684
(6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	2685 2686
(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	2687 2688
(8) The low-income credit under section 5747.056 of the Revised Code;	2689 2690
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	2691 2692
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	2693 2694
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	2695 2696
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	2697 2698
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	2699 2700
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	2701 2702
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	2703 2704
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	2705 2706
(17) The credit for adoption of a minor child under section	2707

5747.37 of the Revised Code;	2708
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	2709 2710
(19) The job retention credit under division (B) of section 5747.058 of the Revised Code;	2711 2712
(20) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	2713 2714
(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;	2715 2716 2717
(22) The job training credit under section 5747.39 of the Revised Code;	2718 2719
(23) The enterprise zone credit under section 5709.66 of the Revised Code;	2720 2721
(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	2722 2723
(25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	2724 2725
(26) The ethanol plant investment credit under section 5747.75 of the Revised Code;	2726 2727
(27) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	2728 2729
(28) The export sales credit under section 5747.057 of the Revised Code;	2730 2731
(29) The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	2732 2733
(30) The enterprise zone credits under section 5709.65 of the Revised Code;	2734 2735
(31) The research and development credit under section	2736

5747.331 of the Revised Code;	2737
(32) <u>The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;</u>	2738
	2739
<u>(33)</u> The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	2740
	2741
(33) <u>(34)</u> The refundable jobs creation credit under division (A) of section 5747.058 of the Revised Code;	2742
	2743
(34) <u>(35)</u> The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	2744
	2745
(35) <u>(36)</u> The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of section 5747.08 of the Revised Code;	2746
	2747
	2748
(36) <u>(37)</u> The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code;	2749
	2750
(37) <u>(38)</u> 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.	2751
	2752
	2753
(B) For any credit, except the credits enumerated in divisions (A) (32) <u>(33)</u> to (37) <u>(38)</u> of this section and the credit granted under division (I) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.	2754
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	2764
Section 2. That existing sections 149.311, 166.01, 166.02, 166.08, 166.11, 184.02, 1555.03, 3333.38, 3345.32, 3706.01,	2765
	2766

5725.151, 5733.47, 5747.76, and 5747.98 of the Revised Code are 2767
hereby repealed. 2768

Section 3. (A) Except as provided in division (B) of this 2769
section, the amendment by this act of sections 149.311, 5725.151, 2770
5733.47, 5747.76, and 5747.98 of the Revised Code applies only to 2771
the application periods beginning July 1, 2009, and July 1, 2010, 2772
and to tax credits allowed under rehabilitation tax credit 2773
certificates issued for applications filed for those application 2774
periods. Those sections as they existed before their amendment by 2775
this act apply to the application period beginning July 1, 2007, 2776
and ending June 30, 2008, and to tax credits allowed under 2777
rehabilitation tax credit certificates issued for applications 2778
filed for that application period. 2779

(B) The amendment by this act of division (A)(9) of section 2780
149.311 of the Revised Code, eliminating the application period 2781
beginning July 1, 2008, and ending June 30, 2009, takes effect 2782
when this act becomes law. The State Historic Preservation Officer 2783
shall not accept applications for that period, and the Director of 2784
Development shall not issue any rehabilitation tax credit 2785
certificates for that period. 2786

(C) Nothing in this section precludes the approval of those 2787
applications for tax credit certificates described in division 2788
(D)(3) of section 149.311 of the Revised Code, as amended by this 2789
act, from among the \$45 million reserved for that purpose from the 2790
\$60 million in credits allowed for each of the application periods 2791
July 1, 2009, through June 30, 2010, and July 1, 2010, through 2792
June 30, 2011. The Director of Development shall approve such 2793
applications and issue tax credit certificates subject to the 2794
requirements of division (D)(1) of section 149.311 of the Revised 2795
Code as amended by this act, and of sections 5725.151, 5733.47, 2796
5747.76, and 5747.98 of the Revised Code as amended by this act, 2797

may accept from such applicants the amount of qualified 2798
rehabilitation expenditures the applicant estimates will be paid 2799
or incurred if such estimates have not yet been provided to the 2800
Director, may notify such applicants whether the application was 2801
approved or denied on or after the effective date of this section, 2802
and may adopt any rules necessary to administer such applications. 2803
2804

Section 4. The amendment by this act of sections 149.311, 2805
5725.151, 5733.47, 5747.76, and 5747.98 of the Revised Code and 2806
the enactment of Section 3 of this act provide for or are 2807
essential to the implementation of a tax levy. Therefore, under 2808
Ohio Constitution, Article II, Section 1d, the amendment and 2809
enactment are not subject to the referendum and go into immediate 2810
effect when this act becomes law. 2811

Section 5. All items in this section are hereby appropriated 2812
as designated out of any moneys in the state treasury to the 2813
credit of the designated fund that are not otherwise appropriated. 2814
For all appropriations made in this section, those in the first 2815
column are for fiscal year 2008 and those in the second column are 2816
for fiscal year 2009. The appropriations made in this section are 2817
in addition to any other appropriations made for the FY 2008-FY 2818
2009 biennium. 2819

AIR AIR QUALITY DEVELOPMENT AUTHORITY 2820

Appropriations

Coal Research/Development Fund Group 2821
7046 898604 Coal \$ 0 \$ 66,000,000 2822
Research/Development
Fund
TOTAL 7046 Coal \$ 0 \$ 66,000,000 2823
Research/Development Fund Group

TOTAL ALL BUDGET FUND GROUPS	\$	0 \$	66,000,000	2824
DEV DEPARTMENT OF DEVELOPMENT				2825
			Appropriations	
State Special Revenue Fund Group				2826
5Z30 195694 JF Bioproducts	\$	0 \$	20,000,000	2827
5Z30 195695 JF Biomedical	\$	0 \$	40,000,000	2828
TOTAL SSR State Special Revenue	\$	0 \$	60,000,000	2829
Fund Group				
Logistics and Distribution Infrastructure Fund Group				2830
7008 195698 Logistics and	\$	0 \$	50,000,000	2831
Distribution				
Infrastructure				
TOTAL 7008 Logistics and	\$	0 \$	50,000,000	2832
Distribution Infrastructure Fund				
Group				
TOTAL ALL BUDGET FUND GROUPS	\$	0 \$	110,000,000	2833
JF BIOPRODUCTS				2834
The foregoing appropriation item 195694, JF Bioproducts,				2835
shall be used for the Ohio Bioproducts Development Program				2836
established in section 184.25 of the Revised Code.				2837
JF BIOMEDICAL				2838
The foregoing appropriation item 195695, JF Biomedical, shall				2839
be used for the Ohio Biomedical Development Program established in				2840
section 184.26 of the Revised Code.				2841
LOGISTICS AND DISTRIBUTION INFRASTRUCTURE				2842
The foregoing appropriation item 195698, Logistics and				2843
Distribution Infrastructure, shall be used for eligible logistics				2844
and distribution projects as defined in section 166.01 of the				2845
Revised Code.				2846
Within the limits set forth in this section, the Director of				2847

Budget and Management shall establish accounts indicating the 2848
source and amount of funds for each appropriation made in this 2849
section, and shall determine the form and manner in which 2850
appropriation accounts shall be maintained. Expenditures from 2851
appropriations contained in this section shall be accounted for as 2852
though made in Am. Sub. H.B. 119 of the 127th General Assembly. 2853

The appropriations made in this section are subject to all 2854
provisions of Am. Sub. H.B. 119 of the 127th General Assembly that 2855
are generally applicable to such appropriations. 2856

Section 6. The Governor has informed the General Assembly of 2857
the Governor's intent to propose appropriations, and it is the 2858
intent of the General Assembly to appropriate \$20,000,000 in 2859
fiscal year 2010 and \$10,000,000 in fiscal year 2011 for the 2860
purposes of the Ohio Bioproducts Development Program established 2861
in section 184.25 of the Revised Code. 2862

Section 7. The Governor has informed the General Assembly of 2863
the Governor's intent to propose appropriations, and it is the 2864
intent of the General Assembly to appropriate \$40,000,000 in 2865
fiscal year 2010 and \$20,000,000 in fiscal year 2011 for the 2866
purposes of the Ohio Biomedical Development Program established in 2867
section 184.26 of the Revised Code. 2868

Section 8. On June 30, 2011, or as soon as possible 2869
thereafter, the Director of Budget and Management shall transfer 2870
the cash balance in the Jobs Fund (Fund 5Z30) to the General 2871
Revenue Fund. Upon completion of the transfer, the Jobs Fund (Fund 2872
5Z30) is abolished. 2873

Section 9. The Governor has informed the General Assembly of 2874
the Governor's intent to propose appropriations, and it is the 2875
intent of the General Assembly to appropriate \$25,000,000 for 2876

fiscal year 2010 and \$25,000,000 for fiscal year 2011 for eligible 2877
logistics and distribution infrastructure projects as defined in 2878
section 166.01 of the Revised Code. 2879

Section 10. The Ohio Public Facilities Commission, upon the 2880
request of the Director of the Ohio Coal Development Office of the 2881
Ohio Air Quality Development Authority with the advice of the 2882
Technical Advisory Committee created in section 1551.35 of the 2883
Revised Code and the affirmative vote of a majority of the members 2884
of the Ohio Air Quality Development Authority is hereby authorized 2885
to issue and sell, in accordance with Section 15 of Article VIII, 2886
Ohio Constitution, and Chapter 151. and particularly sections 2887
151.01 and 151.07 of the Revised Code, bonds and other obligations 2888
of the State of Ohio in an aggregate principal amount not to 2889
exceed \$66,000,000 in addition to the issuance of obligations 2890
heretofore authorized by prior acts of the General Assembly. The 2891
obligations shall be dated, issued, and sold from time to time in 2892
such amounts as may be necessary to provide sufficient moneys to 2893
the credit of the Coal Research and Development Fund created in 2894
section 1555.15 of the Revised Code to pay costs charged to the 2895
fund when due. 2896
2897

Section 11. (A) All items set forth in this division are 2898
hereby appropriated out of any moneys in the state treasury, for 2899
the biennium ending on June 30, 2010, to the credit of the 2900
Advanced Energy Research and Development Taxable Fund (Fund 7004) 2901
that are not otherwise appropriated: 2902

AIR AIR QUALITY DEVELOPMENT AUTHORITY			2903
C89800	Advanced Energy R&D Taxable	\$ 9,000,000	2904
	Total Air Quality Development Authority	\$ 9,000,000	2905
	TOTAL Advanced Energy Research and Development		2906

Taxable Fund \$ 9,000,000 2907

(B) All items set forth in this division are hereby 2908
appropriated out of any moneys in the state treasury, for the 2909
biennium ending on June 30, 2010, to the credit of the Advanced 2910
Energy Research and Development Fund (Fund 7005) that are not 2911
otherwise appropriated: 2912

AIR AIR QUALITY DEVELOPMENT AUTHORITY 2913

C89801 Advanced Energy R&D \$ 19,000,000 2914

Total Air Quality Development Authority \$ 19,000,000 2915

TOTAL Advanced Energy Research and Development 2916

Fund \$ 19,000,000 2917

(C) The foregoing appropriation items C89800, Advanced Energy 2918
R&D Taxable, and C89801, Advanced Energy R&D, shall be used for 2919
advanced energy projects in the manner provided in sections 2920
3706.25 to 3706.30 of the Revised Code. The Executive Director of 2921
the Air Quality Development Authority may certify to the Director 2922
of Budget and Management that a need exists to appropriate 2923
investment earnings of funds 7004 and 7005 to be so used. If the 2924
Director of Budget and Management, pursuant to sections 3706.25 to 2925
3706.30 of the Revised Code, determines that investment earnings 2926
are available to support additional appropriations, such amounts 2927
are hereby appropriated. 2928

(D) Upon the request of the Executive Director of the Air 2929
Quality Development Authority, the Director of Budget and 2930
Management may transfer cash between funds 7004 and 7005. Amounts 2931
transferred are hereby appropriated. 2932

(E) Expenditures from appropriations contained in this 2933
section may be accounted as though made in the main capital 2934
appropriations act of the FY 2009-FY 2010 biennium of the 127th 2935
General Assembly. The appropriations made in this section are 2936
subject to all provisions of the FY 2009-FY 2010 biennial capital 2937
appropriations act of the 127th General Assembly that are 2938

generally applicable to such appropriations. 2939

Section 12. The Governor has informed the General Assembly of 2940
the Governor's intent to propose appropriations, and it is the 2941
intent of the General Assembly to appropriate amounts not to 2942
exceed \$56 million for the biennium ending on June 30, 2012, from 2943
bond proceeds deposited in the state treasury to the credit of the 2944
Advanced Energy Research and Development Taxable Fund (Fund 7004) 2945
and the Advanced Energy Research and Development Fund (Fund 7005) 2946
for advanced energy projects as provided in sections 3706.25 to 2947
3706.30 of the Revised Code. 2948

Section 13. All items set forth in this section are hereby 2949
appropriated out of any moneys in the state treasury, for the 2950
biennium ending on June 30, 2010, to the credit of the Local 2951
Infrastructure Development Fund (Fund 7039) that are not otherwise 2952
appropriated: 2953

		Appropriations	
PWC PUBLIC WORKS COMMISSION			2954
C15061	Local Infrastructure Development	\$ 80,000,000	2955
Total Public Works Commission		\$ 80,000,000	2956
TOTAL Local Infrastructure Development Fund		\$ 80,000,000	2957

(A) On July 1, 2009, or as soon as possible thereafter, the 2958
Director of Budget and Management shall transfer \$80,000,000 in 2959
cash from the Jobs Fund created in the state treasury by Section 4 2960
of Sub. H.B. 544 of the 127th General Assembly to the Local 2961
Infrastructure Development Fund (Fund 7039) created in section 2962
164.28 of the Revised Code. 2963

(B) The foregoing appropriation item C15061, Local 2964
Infrastructure Development, shall be used by the Public Works 2965
Commission for capital improvement projects under Chapter 164. of 2966
the Revised Code. The Director of the Public Works Commission may 2967

certify to the Director of Budget and Management that a need 2968
exists to appropriate investment earnings of the Local 2969
Infrastructure Development Fund (Fund 7039) to be so used. If the 2970
Director of Budget and Management determines pursuant to division 2971
(D) of section 164.08 and section 164.12 of the Revised Code that 2972
investment earnings are available to support additional 2973
appropriations, such amounts are hereby appropriated. 2974

Expenditures from appropriations contained in this section 2975
may be accounted as though made in the main capital appropriations 2976
act of the FY 2009-FY 2010 biennium of the 127th General Assembly. 2977
Subject to division (C) of this section, the appropriations made 2978
in this section are subject to all provisions of the FY 2009-FY 2979
2010 biennial capital appropriations act of the 127th General 2980
Assembly that are generally applicable to such appropriations. 2981

(C) Notwithstanding any applicable limitations in the main 2982
capital appropriations act of the 127th General Assembly on the 2983
use of capital appropriations, the foregoing appropriation item 2984
C15061, Local Infrastructure Development, may also be used for 2985
broadband initiatives. 2986

(D) It is the intent of the General Assembly not to compete 2987
with the private sector in providing broadband access in this 2988
state. Notwithstanding any other law to the contrary, the Public 2989
Works Commission, in conjunction with the public-private 2990
partnership known as Connect Ohio, shall adopt rules that 2991
prescribe the manner in which the moneys specified in division (C) 2992
of this section shall be distributed to the district public works 2993
integrating committees as those districts are defined in section 2994
164.03 of the Revised Code. 2995

(E) On or before June 30, 2011, or as soon as possible 2996
thereafter, the Director of the Public Works Commission shall 2997
notify the Director of Budget and Management that all projects 2998
funded by the Local Infrastructure Development Fund (Fund 7039) 2999

created in section 164.28 of the Revised Code have been completed 3000
and the Director of Budget and Management shall transfer the cash 3001
balance remaining in the Local Infrastructure Development Fund 3002
(Fund 7039) to the General Revenue Fund. Upon completion of the 3003
transfer, the Local Infrastructure Development Fund (Fund 7039) is 3004
abolished. 3005

Section 14. All items set forth in this section are hereby 3006
appropriated out of any moneys in the state treasury, for the 3007
biennium ending on June 30, 2010, to the credit of the State 3008
Capital Improvements Fund (Fund 7038) that are not otherwise 3009
appropriated. 3010

		Appropriations	
PWC PUBLIC WORKS COMMISSION			3011
C15000	Local Public Infrastructure	\$ 120,000,000	3012
Total Public Works Commission		\$ 120,000,000	3013
TOTAL State Capital Improvements Fund		\$ 120,000,000	3014

The foregoing appropriation item C15000, Local Public 3015
Infrastructure, shall be used in accordance with sections 164.01 3016
to 164.12 of the Revised Code. The Director of the Public Works 3017
Commission may certify to the Director of Budget and Management 3018
that a need exists to appropriate investment earnings of Fund 7038 3019
to be used in accordance with sections 164.01 to 164.12 of the 3020
Revised Code. If the Director of Budget and Management, pursuant 3021
to division (D) of section 164.08 and section 164.12 of the 3022
Revised Code, determines that investment earnings are available to 3023
support additional appropriations, such amounts are hereby 3024
appropriated. 3025

Expenditures from appropriations contained in this section 3026
may be accounted as though made in the main capital appropriations 3027
act of the FY 2009-FY 2010 biennium of the 127th General Assembly. 3028
The appropriations made in this section are subject to all 3029

provisions of the FY 2009-FY 2010 biennial capital appropriations 3030
act of the 127th General Assembly that are generally applicable to 3031
such appropriations. 3032

Section 15. The Ohio Public Facilities Commission is hereby 3033
authorized to issue and sell, in accordance with Section 2p of 3034
Article VIII, Ohio Constitution, and pursuant to sections 151.01 3035
and 151.08 of the Revised Code, original obligations of the state, 3036
in an aggregate principal amount not to exceed \$120,000,000, in 3037
addition to the original obligations heretofore authorized by 3038
prior acts of the General Assembly. These authorized obligations 3039
shall be issued and sold from time to time, subject to applicable 3040
constitutional and statutory limitations, as needed to ensure 3041
sufficient moneys to the credit of the State Capital Improvements 3042
Fund (Fund 7038) to pay costs of the state in financing or 3043
assisting in the financing of local subdivision capital 3044
improvement projects. 3045

Section 16. Notwithstanding section 126.14 of the Revised 3046
Code, appropriations from the State Capital Improvement Fund (Fund 3047
7038) shall be released upon presentation of a request to release 3048
the funds by the Director of the Public Works Commission to the 3049
Director of Budget and Management. 3050

Section 17. The Governor has informed the General Assembly of 3051
the Governor's intent to propose appropriations, and it is the 3052
intent of the General Assembly to appropriate, for the Choose Ohio 3053
First Co-op/Internship Program established under section 3333.72 3054
of the Revised Code a minimum of \$50,000,000 each fiscal year from 3055
fiscal year 2010 through fiscal year 2014. 3056

Section 18. That Section 229.10 of Am. Sub. H.B. 67 of the 3057
127th General Assembly be amended to read as follows: 3058

	Sec. 229.10. PWC PUBLIC WORKS COMMISSION			3059
Local Transportation Improvements Fund Group				3060
052 150-402 Local Transportation	\$	291,537	\$	306,178
Improvement Program -				
Operating				
052 150-701 Local Transportation	\$	67,500,000	\$	67,500,000
Improvement Program				<u>267,500,000</u>
TOTAL 052 Local Transportation				3063
Improvements Fund Group	\$	67,791,537	\$	67,806,178
				<u>267,806,178</u>
Local Infrastructure Improvements Fund Group				3065
038 150-321 State Capital	\$	879,237	\$	918,912
Improvements Program -				
Operating Expenses				
TOTAL LIF Local Infrastructure				3067
Improvements Fund Group	\$	879,237	\$	918,912
TOTAL ALL BUDGET FUND GROUPS	\$	68,670,774	\$	68,725,090
				<u>268,725,090</u>
	<u>CASH TRANSFER FROM THE BUDGET STABILIZATION FUND</u>			3070
	<u>Notwithstanding any other law to the contrary, on July 1,</u>			3071
	<u>2008, or as soon as possible thereafter, the Director of Budget</u>			3072
	<u>and Management shall transfer \$200,000,000 in cash from the Budget</u>			3073
	<u>Stabilization Fund to the Local Transportation Improvement Program</u>			3074
	<u>Fund created in section 164.14 of the Revised Code.</u>			3075
	DISTRICT ADMINISTRATION COSTS			3076
The Director of the Public Works Commission is authorized to				3077
create a District Administration Costs Program from interest				3078
earnings of the Capital Improvements Fund and Local Transportation				3079
Improvement Program Fund proceeds. The program shall be used to				3080
provide for the direct costs of district administration of the				3081

nineteen public works districts. Districts choosing to participate 3082
in the program shall only expend Capital Improvements Fund moneys 3083
for Capital Improvements Fund costs and Local Transportation 3084
Improvement Program Fund moneys for Local Transportation 3085
Improvement Program Fund costs. The account shall not exceed 3086
\$1,235,000 per fiscal year. Each public works district may be 3087
eligible for up to \$65,000 per fiscal year from its district 3088
allocation as provided in sections 164.08 and 164.14 of the 3089
Revised Code. 3090

The Director, by rule, shall define allowable and 3091
nonallowable costs for the purpose of the District Administration 3092
Costs Program. Nonallowable costs include indirect costs, elected 3093
official salaries and benefits, and project-specific costs. No 3094
district public works committee may participate in the District 3095
Administration Costs Program without the approval of those costs 3096
by the district public works committee under section 164.04 of the 3097
Revised Code. 3098

REAPPROPRIATIONS 3099

All capital appropriations from the Local Transportation 3100
Improvement Program Fund (Fund 052) in Am. Sub. H.B. 68 of the 3101
126th General Assembly remaining unencumbered as of June 30, 2007, 3102
are reappropriated for use during the period July 1, 2007, through 3103
June 30, 2008, for the same purpose. 3104

Notwithstanding division (B) of section 127.14 of the Revised 3105
Code, all capital appropriations and reappropriations from the 3106
Local Transportation Improvement Program Fund (Fund 052) in this 3107
act remaining unencumbered as of June 30, 2008, are reappropriated 3108
for use during the period July 1, 2008, through June 30, 2009, for 3109
the same purposes, subject to the availability of revenue as 3110
determined by the Director of the Public Works Commission. 3111

Section 19. That existing Section 229.10 of Am. Sub. H.B. 67 3112

of the 127th General Assembly is hereby repealed. 3113

Section 20. The amendments to section 184.02 that add the 3114
cross references to sections 184.25 and 184.26 and enactments of 3115
sections 184.23, 184.231, 184.24, 184.25, and 184.26 of the 3116
Revised Code are hereby repealed, effective June 30, 2011. 3117

Section 21. The enactment of section 164.28 of the Revised 3118
Code is hereby repealed, effective June 30, 2013. 3119

Section 22. The amendment or enactment by this act of a 3120
codified or uncodified section listed below is exempt from the 3121
referendum under Ohio Constitution, Article II, Section 1d and 3122
section 1.471 of the Revised Code and takes effect immediately 3123
when this act becomes law: 3124

Sec. 164.28, 166.01, 166.02, 166.08, 166.11, 166.25, 166.26, 3125
166.27, 166.30, 184.02, 184.174, 184.23, 184.231, 184.24, 184.25, 3126
184.26, 184.37, 1555.03, 3706.01 3127

Sections 5, 18, and 19. 3128