

**LSC 127 2030-6**

**127th General Assembly  
Regular Session  
2007-2008**

**Sub. H. B. No. 554**

—

**A BILL**

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 41  
structural components, that is located in this state and that is 42  
either individually listed on the national register of historic 43  
places under 16 U.S.C. 470a, located in a registered historic 44  
district, and certified by the state historic preservation officer 45  
as being of historic significance to the district, or is 46  
individually listed as a historic landmark designated by a local 47  
government certified under 16 U.S.C. 470a(c). 48

(2) "Qualified rehabilitation expenditures" means 49  
expenditures paid or incurred during the rehabilitation period, 50  
and before and after that period as determined under 26 U.S.C. 47, 51  
by an owner of a historic building to rehabilitate the building. 52  
"Qualified rehabilitation expenditures" includes architectural or 53

engineering fees paid or incurred in connection with the 54  
rehabilitation, and expenses incurred in the preparation of 55  
nomination forms for listing on the national register of historic 56  
places. "Qualified rehabilitation expenditures" does not include 57  
any of the following: 58

(a) The cost of acquiring, expanding, or enlarging a historic 59  
building; 60

(b) Expenditures attributable to work done to facilities 61  
related to the building, such as parking lots, sidewalks, and 62  
landscaping; 63

(c) New building construction costs. 64

(3) "Owner" of a historic building means a person holding the 65  
fee simple interest in the building. "Owner" does not include the 66  
state or a state agency, or any political subdivision as defined 67  
in section 9.23 of the Revised Code. 68

(4) "Certificate owner" means the owner of a historic 69  
building to which a rehabilitation tax credit certificate was 70  
issued under this section. 71

(5) "Registered historic district" means a historic district 72  
listed in the national register of historic places under 16 U.S.C. 73  
470a, a historic district designated by a local government 74  
certified under 16 U.S.C. 470a(c), or a local historic district 75  
certified under 36 C.F.R. 67.8 and 67.9. 76

(6) "Rehabilitation" means the process of repairing or 77  
altering a historic building or buildings, making possible an 78  
efficient use while preserving those portions and features of the 79  
building and its site and environment that are significant to its 80  
historic, architectural, and cultural values. 81

(7) "Rehabilitation period" means one of the following: 82

(a) If the rehabilitation initially was not planned to be 83

completed in stages, a period chosen by the owner not to exceed 84  
twenty-four months during which rehabilitation occurs; 85

(b) If the rehabilitation initially was planned to be 86  
completed in stages, a period chosen by the owner not to exceed 87  
sixty months during which rehabilitation occurs. 88

(8) "State historic preservation officer" or "officer" means 89  
the state historic preservation officer appointed by the governor 90  
under 16 U.S.C. 470a. 91

(9) "Application period" means ~~either~~ any of the following 92  
time periods ~~during~~ for which an application for a rehabilitation 93  
tax credit certificate may be filed under this section: 94

(a) July 1, 2007, through June 30, 2008; 95

(b) ~~July 1, 2008, through June 30, 2009~~ July 1, 2009, through 96  
June 30, 2010; 97

(c) July 1, 2010, through June 30, 2011. 98

(B) ~~On or after July 1, 2007, but before July 1, 2009~~ For any 99  
application period, the owner of a historic building may apply to 100  
the state historic preservation officer for a rehabilitation tax 101  
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 112  
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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

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(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 filed 184  
completed applications before March 21, 2008, who have not 185  
withdrawn the application, and who have not yet been approved to 186  
receive a certificate, and for whose rehabilitation the director 187  
determines meets the criteria in divisions (C)(1), (2), and (3) of 188  
this section. If the total amount of credits awarded for such 189  
applications is less than forty-five million dollars in an 190  
application period, the remainder shall be made available for 191  
other qualifying applications for that 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 project, or eligible logistics and distribution project, and project facilities that the governmental agency acting has authority to take or provide for the purpose under law, including, but not limited to, actions relating to contracts and agreements, zoning, building, permits, acquisition and disposition of property, public capital improvements, utility and transportation service, taxation, employee recruitment and training, and liaison and coordination with and among governmental agencies.

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

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

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

(K) "Innovation property" includes property and also includes software, inventory, licenses, contract rights, goodwill,

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 advanced energy research and development fund created in section 3706.27 of the Revised Code. 460  
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(W) "Advanced energy research and development taxable fund" means the advanced energy research and development taxable fund created in section 3706.27 of the Revised Code. 463  
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(X) "Eligible advanced energy project" means an eligible project that is an "advanced energy project" as defined in section 3706.25 of the Revised Code. 466  
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(Y) "Eligible logistics and distribution project" means an eligible project, including project facilities, to be acquired, established, expanded, remodeled, rehabilitated, or modernized for transportation logistics and distribution infrastructure purposes. As used in this division, "transportation logistics and distribution infrastructure purposes" means promoting, providing for, and enabling improvements to the ground, air, and water transportation infrastructure comprising the transportation system in this state, including, without limitation, highways, streets, roads, bridges, railroads carrying freight, and air and water ports and port facilities, and all related supporting facilities. 469  
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**Sec. 166.02.** (A) The general assembly finds that many local areas throughout the state are experiencing economic stagnation or decline, and that the economic development ~~program~~ programs provided for in ~~sections 166.01 to 166.11 of the Revised Code~~ this chapter will constitute a deserved, necessary reinvestment by the state in those areas, materially contribute to their economic revitalization, and result in improving the economic welfare of all the people of the state. Accordingly, it is declared to be the public policy of the state, through the operations ~~under sections 166.01 to 166.11 of the Revised Code~~ this chapter and other applicable laws adopted pursuant to Section 2p or 13 of Article 480  
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VIII, Ohio Constitution, and other authority vested in the general assembly, to assist in and facilitate the establishment or development of eligible projects or assist and cooperate with any governmental agency in achieving such purpose.

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

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

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

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

(4) Subject to release thereof by the controlling board, from moneys in the facilities establishment fund acquire or contract to acquire by gift, exchange, or purchase, including the obtaining and exercise of purchase options, property, and convey or otherwise dispose of, or provide for the conveyance or disposition of, property so acquired or contracted to be acquired by sale, exchange, lease, lease purchase, conditional or installment sale,

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

718

(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 sale, as determined in the bond proceedings.

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

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

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

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

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

(3) The rights and remedies of the holders of obligations and of the trustee, and provisions for protecting and enforcing them,

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

(1) Identifying and partnering with historically black 1211  
colleges and universities; 1212

(2) Working with all institutions of higher education in the 1213  
state to support minority faculty and students involved in 1214  
logistics and distribution fields; 1215

(3) Developing a plan to contact by telephone minority-owned 1216  
businesses and entrepreneurs and other economically disadvantaged 1217  
businesses to notify them of opportunities to participate in the 1218  
loan program for logistics and distribution projects; 1219

(4) Identifying minority professional and technical trade 1220

associations and economic development assistance organizations and 1221  
notifying them of the loan program for logistics and distribution 1222  
projects; 1223

(5) Partnering with regional councils to foster local efforts 1224  
to support minority-owned businesses or otherwise identify 1225  
networks of minority-owned businesses, entrepreneurs, and 1226  
individuals operating locally; 1227

(6) Identifying minority firms and notifying them of the 1228  
opportunities that exist within the investment community, 1229  
including the Ohio venture capital authority created under section 1230  
150.02 of the Revised Code. 1231

(C) The director shall publish an annual report that includes 1232  
all of the following: 1233

(1) Details of loans awarded for logistics and distribution 1234  
projects; 1235

(2) The status of loan recipients' projects funded in 1236  
previous years; 1237

(3) The amount of loans awarded for projects in economically 1238  
distressed areas, and if possible to ascertain, the impact of the 1239  
loans to those areas. 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 be assisted and the nature, amount, and terms of assistance to be provided for an eligible advanced energy project, the authority shall consult with appropriate governmental agencies. 1251  
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(C)(1) The authority shall submit to the development financing advisory council the terms of the proposed assistance to be provided for an eligible advanced energy project and such other relevant information as the council may request. 1255  
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(2) The council, on the basis of such information, shall make recommendations as to the appropriateness of the assistance to be provided. The recommendations may be revised to reflect any changes in the proposed assistance the authority may submit to the council. 1259  
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(3) The authority shall submit the terms of the proposed assistance to be provided, along with the recommendations, as amended, of the council as to the appropriateness of the proposed assistance, to the controlling board. 1264  
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(D) Any grant or loan made pursuant to this section shall be evidenced by an agreement, which shall contain such terms as the authority determines necessary or appropriate, including performance measures and reporting requirements. The authority may take actions necessary or appropriate to collect or otherwise deal with any assistance provided under this section, including requiring a loan or grant recipient to repay the amount of the loan or grant plus interest at a rate of three per cent above the federal short term interest rate or any other rate determined by the authority. 1268  
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**Sec. 184.02.** (A) In addition to the powers and duties under sections 184.10 to 184.20, 184.25, 184.26, and 184.37 of the Revised Code, the third frontier commission may perform any act to ensure the performance of any function necessary or appropriate to 1278  
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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

(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. 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

**Sec. 184.37.** The third frontier commission, in consultation 1469  
with the third frontier economic stimulus advisory board, shall 1470  
establish competitive processes for the purpose of awarding all of 1471  
the following: 1472

(A) Loans, loan guarantees, and grants under the Ohio 1473  
bioproducts development program pursuant to section 184.25 of the 1474  
Revised Code; 1475

(B) Loans, loan guarantees, and grants under the Ohio 1476  
biomedical development program pursuant to section 184.26 of the 1477  
Revised Code. 1478

**Sec. 1555.03.** For the purposes of this chapter, the director 1479  
of the Ohio coal development office may: 1480

(A) With the advice of the technical advisory committee 1481  
created in section 1551.35 of the Revised Code and the affirmative 1482  
vote of a majority of the members of the Ohio air quality 1483  
development authority, make loans, guarantee loans, and make 1484  
grants to persons doing business in this state or to educational 1485  
or scientific institutions located in this state for coal research 1486  
and development projects by any such person or educational or 1487  
scientific institution and adopt rules under Chapter 119. of the 1488  
Revised Code for making such loans, guarantees, and grants. 1489

(B) In making loans, loan guarantees, and grants under 1490  
division (A) of this section and section 1555.04 of the Revised 1491  
Code, the director of the office shall ensure that an adequate 1492  
portion of the total amount of those loans, loan guarantees, and 1493  
grants, as determined by the director with the advice of the 1494



technical advisory committee, is used for conducting research on 1495  
fundamental scientific problems related to the utilization of Ohio 1496  
coal and shall ensure, to the maximum feasible extent, joint 1497  
financial participation by the federal government or other 1498  
investors or interested parties in conjunction with any such loan, 1499  
loan guarantee, or grant. The director, in each grant agreement or 1500  
contract under division (A) of this section, loan contract or 1501  
agreement under this division or section 1555.04 of the Revised 1502  
Code, and contract of guarantee under section 1555.05 of the 1503  
Revised Code, shall require that the facility or project be 1504  
maintained and kept in good condition and repair by the person or 1505  
educational or scientific institution to whom the grant or loan 1506  
was made or for whom the guarantee was made. 1507

(C) From time to time, with the advice of the technical 1508  
advisory committee and the affirmative vote of a majority of the 1509  
members of the Ohio air quality development authority, request the 1510  
issuance of coal research and development general obligations 1511  
under section 151.07 of the Revised Code, for any of the purposes 1512  
set forth in Section 15 of Article VIII, Ohio Constitution, and 1513  
subject to the limitations therein upon the aggregate total amount 1514  
of obligations that may be outstanding at any time. 1515

(D) Include as a condition of any loan, loan guarantee, or 1516  
grant contract or agreement with any such person or educational or 1517  
scientific institution that the director of the office receive, in 1518  
addition to payments of principal and interest on any such loan or 1519  
service charges for any such guarantee, as appropriate, as 1520  
authorized by Section 15, Article VIII, Ohio Constitution, a 1521  
reasonable royalty or portion of the income or profits arising out 1522  
of the developments, discoveries, or inventions, including patents 1523  
or copyrights, that result in whole or in part from coal research 1524  
and development projects conducted under any such contract or 1525  
agreement, in such amounts and for such period of years as may be 1526

negotiated and provided by the contract or agreement in advance of 1527  
the making of the grant, loan, or loan guarantee. Moneys ~~so~~ 1528  
received by the director of the office ~~shall~~ under this section 1529  
may be credited to the coal research and development bond service 1530  
fund or used to make additional loans, loan guarantees, grants, or 1531  
agreements under this section. 1532

(E) Employ managers, superintendents, and other employees and 1533  
retain or contract with consulting engineers, financial 1534  
consultants, accounting experts, architects, and such other 1535  
consultants and independent contractors as are necessary in the 1536  
judgment of the director of the office to carry out this chapter, 1537  
and fix the compensation thereof. 1538

(F) Receive and accept from any federal agency, subject to 1539  
the approval of the governor, grants for or in aid of the 1540  
construction or operation of any coal research and development 1541  
project or for coal research and development, and receive and 1542  
accept aid or contributions from any source of money, property, 1543  
labor, or other things of value, to be held, used, and applied 1544  
only for the purposes for which such grants and contributions are 1545  
made. 1546

(G) Purchase fire and extended coverage and liability 1547  
insurance for any coal research and development project, insurance 1548  
protecting the office and its officers and employees against 1549  
liability for damage to property or injury to or death of persons 1550  
arising from its operations, and any other insurance the director 1551  
of the office determines necessary or proper under this chapter. 1552  
Any moneys received by the director from the proceeds of any such 1553  
insurance with respect to a coal research and development project 1554  
and any moneys received by the director from the proceeds of any 1555  
settlement, judgment, foreclosure, or other insurance with respect 1556  
to a coal research and development project or facility shall be 1557  
credited to the coal research and development bond service fund. 1558

(H) In the exercise of the powers of the director of the office under this chapter, call to the director's assistance, temporarily, from time to time, any engineers, technical experts, financial experts, and other employees in any state department, agency, or commission, or in the Ohio state university, or other educational institutions financed wholly or partially by this state for purposes of assisting the director of the office with reviewing and evaluating applications for financial assistance under this chapter, monitoring performance of coal research and development projects receiving financial assistance under this chapter, and reviewing and evaluating the progress and findings of those projects. Such engineers, experts, and employees shall not receive any additional compensation over that which they receive from the department, agency, commission, or educational institution by which they are employed, but they shall be reimbursed for their actual and necessary expenses incurred while working under the direction of the director.

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

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

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

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

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

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

(d) An institution of higher education with a certificate of

registration from the state board of career colleges and schools 1589  
under Chapter 3332. of the Revised Code. 1590

(2) "Student financial assistance supported by state funds" 1591  
includes assistance granted under sections 3315.33, 3333.12, 1592  
3333.122, 3333.21, 3333.26, 3333.27, 3333.28, 3333.372, 5910.03, 1593  
5910.032, and 5919.34 of the Revised Code ~~or~~, financed by an award 1594  
under the choose Ohio first scholarship program established under 1595  
section 3333.61 of the Revised Code, or financed by an award under 1596  
the choose Ohio first co-op/internship program established under 1597  
section 3333.72 of the Revised Code, and any other post-secondary 1598  
student financial assistance supported by state funds. 1599

(B) An individual who is convicted of, pleads guilty to, or 1601  
is adjudicated a delinquent child for one of the following 1602  
violations shall be ineligible to receive any student financial 1603  
assistance supported by state funds at an institution of higher 1604  
education for two calendar years from the time the individual 1605  
applies for assistance of that nature: 1606

(1) A violation of section 2917.02 or 2917.03 of the Revised 1607  
Code; 1608

(2) A violation of section 2917.04 of the Revised Code that 1609  
is a misdemeanor of the fourth degree; 1610

(3) A violation of section 2917.13 of the Revised Code that 1611  
is a misdemeanor of the fourth or first degree and occurs within 1612  
the proximate area where four or more others are acting in a 1613  
course of conduct in violation of section 2917.11 of the Revised 1614  
Code. 1615

(C) If an individual is convicted of, pleads guilty to, or is 1616  
adjudicated a delinquent child for committing a violation of 1617  
section 2917.02 or 2917.03 of the Revised Code, and if the 1618  
individual is enrolled in a state-supported institution of higher 1619

education, the institution in which the individual is enrolled 1620  
shall immediately dismiss the individual. No state-supported 1621  
institution of higher education shall admit an individual of that 1622  
nature for one academic year after the individual applies for 1623  
admission to a state-supported institution of higher education. 1624  
This division does not limit or affect the ability of a 1625  
state-supported institution of higher education to suspend or 1626  
otherwise discipline its students. 1627

Sec. 3333.71. As used in sections 3333.71 to 3333.81 of the 1628  
Revised Code: 1629

(A) "Cooperative education program" means a partnership 1630  
between students, institutions of higher education, and employers 1631  
that formally integrates students' academic study with work 1632  
experience in cooperating employer organizations and that meets 1633  
all of the following conditions: 1634

(1) Alternates or combines periods of academic study and work 1635  
experience in appropriate fields as an integral part of student 1636  
education; 1637

(2) Provides students with compensation from the cooperative 1638  
employer in the form of wages or salaries for work performed; 1639

(3) Evaluates each participating student's performance in the 1640  
cooperative position, both from the perspective of the student's 1641  
institution of higher education and the student's cooperative 1642  
employer; 1643

(4) Provides participating students with academic credit from 1644  
the institution of higher education upon successful completion of 1645  
their cooperative education; 1646

(5) Is part of an overall degree or certificate program for 1647  
which a percentage of the total program acceptable to the 1648  
chancellor of the Ohio board of regents involves cooperative 1649

education. 1650

(B) "Internship program" means a partnership between 1651  
students, institutions of higher education, and employers that 1652  
formally integrates students' academic study with work or 1653  
community service experience and that does both of the following: 1654

(1) Offers internships of specified and definite duration; 1655

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

An internship program may provide participating students with 1660  
academic credit upon successful completion of the internship, and 1661  
may provide students with compensation in the form of wages or 1662  
salaries, stipends, or scholarships. 1663

(C) "Nonpublic university or college" means a nonprofit 1664  
institution holding a certificate of authorization issued under 1665  
Chapter 1713. of the Revised Code. 1666

(D) "State institution of higher education" has the same 1667  
meaning as in section 3345.011 of the Revised Code. 1668

**Sec. 3333.72.** The chancellor of the Ohio board of regents 1669  
shall establish and administer the choose Ohio first 1670  
co-op/internship program to promote and encourage cooperative 1671  
education programs or internship programs at Ohio institutions of 1672  
higher education for the purpose of recruiting Ohio students to 1673  
stay in the state, and recruiting Ohio residents who left Ohio to 1674  
attend out-of-state institutions of higher education back to Ohio 1675  
institutions of higher education, to participate in high quality 1676  
academic programs that use cooperative education programs or 1677  
significant internship programs, in order to support the growth of 1678  
Ohio's businesses by providing businesses with Ohio's most 1679

talented students and providing Ohio graduates with job 1680  
opportunities with Ohio's growing companies. 1681

The chancellor, subject to approval by the controlling board, 1682  
shall make awards to state institutions of higher education for 1683  
new or existing programs and initiatives meeting the goals of the 1684  
choose Ohio first co-op/internship program. Awards may be granted 1685  
for programs and initiatives to be implemented by a state 1686  
institution of higher education alone or in collaboration with 1687  
other state institutions of higher education or nonpublic Ohio 1688  
universities and colleges. If the chancellor makes an award to a 1689  
program or initiative that is intended to be implemented by a 1690  
state institution of higher education in collaboration with other 1691  
state institutions of higher education or nonpublic Ohio 1692  
universities or colleges, the chancellor may provide that some 1693  
portion of the award be received directly by the collaborating 1694  
universities or colleges consistent with all terms of the choose 1695  
Ohio first co-op/internship program. 1696

The choose Ohio first co-op/internship program shall support 1697  
the creation and maintenance of high quality academic programs 1698  
that utilize an intensive cooperative education or internship 1699  
program for students at state institutions of higher education, or 1700  
assign a number of scholarships to institutions to recruit Ohio 1701  
residents as students in a high quality academic program, or both. 1702  
If scholarships are included in an award to an institution of 1703  
higher education, the scholarships shall be awarded to each 1704  
participating eligible student as a grant to the state institution 1705  
of higher education the student is attending and shall be 1706  
reflected on the student's tuition bill. 1707

Notwithstanding any other provision of this section or 1708  
sections 3333.73 to 3333.81 of the Revised Code, an Ohio four-year 1709  
nonpublic university or college may submit a proposal as lead 1710

applicant or co-lead applicant for an award under the choose Ohio first co-op/internship program if the proposal is to be implemented in collaboration with a state institution of higher education. If the chancellor grants a nonpublic university or college an award, the nonpublic university or college shall comply with all requirements of this section, sections 3333.73 to 3333.81 of the Revised Code, and the rules adopted under this section that apply to state institutions of higher education that receive awards under the program. 1711  
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The chancellor shall adopt rules in accordance with Chapter 119. of the Revised Code to administer the choose Ohio first co-op/internship program. 1720  
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**Sec. 3333.73.** The chancellor of the Ohio board of regents shall establish a competitive process for making awards under the choose Ohio first co-op/internship program. The chancellor, on completion of that process, shall make a recommendation to the controlling board asking for approval of each award selected by the chancellor. 1723  
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The state institution of higher education shall submit a proposal and other documentation required by the chancellor, in the form and manner prescribed by the chancellor, for each award it seeks. A proposal may propose an initiative to be implemented solely by the state institution of higher education or in collaboration with other state institutions of higher education or nonpublic Ohio universities or colleges. 1729  
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The chancellor shall determine which proposals will receive awards each fiscal year, and the amount of each award, on the basis of the merit of each proposal, which the chancellor, subject to approval by the controlling board, shall determine based on one or more of the following criteria: 1736  
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1738  
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1740

(A) The extent to which the proposal will keep Ohio students 1741



<u>in Ohio institutions of higher education;</u>	1742
<u>(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;</u>	1743 1744 1745 1746
<u>(C) The extent to which the proposal will increase the number of Ohio graduates who remain in Ohio and enter Ohio's workforce;</u>	1747 1748
<u>(D) The quality of the program that is the subject of the proposal and the extent to which additional resources will enhance its quality;</u>	1749 1750 1751
<u>(E) The extent to which the proposal is integrated with the strengths of the regional economy;</u>	1752 1753
<u>(F) The extent to which the proposal is aligned with the report submitted by the chancellor pursuant to Section 4 of Sub. H.B. 2 of the 127th general assembly, as amended;</u>	1754 1755 1756
<u>(G) The extent to which the proposal facilitates the development of high quality academic programs with a cooperative education program or a significant internship program at state institutions of higher education;</u>	1757 1758 1759 1760
<u>(H) The extent to which the proposal is integrated with supporting private companies to fill potential job growth;</u>	1761 1762
<u>(I) The amount of other institutional, public, or private resources, whether monetary or nonmonetary, the proposal pledges to leverage that are in addition to the monetary cost-sharing requirement prescribed in section 3333.74 of the Revised Code;</u>	1763 1764 1765 1766
<u>(J) The extent to which the proposal is collaborative with other Ohio institutions of higher education;</u>	1767 1768
<u>(K) The extent to which the proposal is integrated with the institution's mission;</u>	1769 1770
<u>(L) The extent to which the proposal meets a statewide</u>	1771

educational need at the undergraduate or graduate level; 1772

(M) The demonstrated productivity or future capacity of the students to be recruited; 1773  
1774

(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; 1775  
1776  
1777

(O) The extent to which the proposal will encourage students who received degrees from two-year institutions to pursue baccalaureate degrees; 1778  
1779  
1780

(P) The extent to which the proposal facilitates the completion of a baccalaureate degree in a cost-effective manner; 1781  
1782

(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; 1783  
1784  
1785  
1786  
1787

(R) The extent to which the proposal increases the likelihood that students will successfully complete their degree programs or certificate programs; 1788  
1789  
1790

(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. 1791  
1792  
1793  
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1795

**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: 1796  
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1798  
1799

(1) In the case of a program, initiative, or scholarships for undergraduate students, at least one hundred per cent of the money 1800  
1801

awarded; 1802

(2) In the case of a program, initiative, or scholarships for graduate students, at least one hundred fifty per cent of the money awarded. 1803  
1804  
1805

(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. 1806  
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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. 1812  
1813  
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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. 1817  
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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. 1826  
1827  
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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 1830  
1831

higher education in collaboration with other state institutions of 1832  
higher education or nonpublic Ohio universities or colleges, the 1833  
chancellor may enter into an agreement with the collaborating 1834  
universities or colleges that permits awards to be received 1835  
directly by the collaborating universities or colleges consistent 1836  
with the terms of the program or initiative. In that case, the 1837  
chancellor shall incorporate into the agreement terms consistent 1838  
with the requirements of this section. 1839

**Sec. 3333.76.** The chancellor of the Ohio board of regents 1840  
shall encourage state institutions of higher education, alone or 1841  
in collaboration with other state institutions of higher education 1842  
or nonpublic Ohio universities and colleges, to submit proposals 1843  
under the choose Ohio first co-op/internship program for 1844  
initiatives that recruit Ohio residents enrolled in colleges and 1845  
universities in other states or other countries to return to Ohio 1846  
and enroll in state institutions of higher education or nonpublic 1847  
Ohio universities and colleges as graduate students in a high 1848  
quality academic program that uses a cooperative education 1849  
program, a significant internship program in a private industry or 1850  
institutional laboratory, or a similar model involving a variation 1851  
of cooperative education or internship programs common to graduate 1852  
education, and is in an educational area, industry, or industry 1853  
sector of need. 1854

The chancellor may encourage state institutions of higher 1855  
education, alone or in collaboration with other state institutions 1856  
of higher education or nonpublic Ohio universities and colleges, 1857  
to submit proposals for initiatives that recruit Ohio residents 1858  
who have received baccalaureate degrees to remain in Ohio and 1859  
enroll in state institutions of higher education or nonpublic Ohio 1860  
universities and colleges as graduate students in a high quality 1861  
academic program of the type described in the preceding paragraph. 1862

Sec. 3333.77. When making an award under the choose Ohio first co-op/internship program, the chancellor of the Ohio board of regents, subject to approval by the controlling board, may commit to giving a state institution of higher education's proposal preference for future awards after the current fiscal year or fiscal biennium. A proposal's eligibility for future awards remains conditional on all of the following: 1863  
1864  
1865  
1866  
1867  
1868  
1869

(A) Future appropriations of the general assembly; 1870

(B) The institution's adherence to the agreement entered into under section 3333.75 of the Revised Code, including its fulfillment of pledges of other institutional, public, or nonpublic resources; 1871  
1872  
1873  
1874

(C) A demonstration that the students participating in the programs and initiatives or receiving scholarships financed by the awards are satisfied with the institutions selected by the chancellor to offer the programs, initiatives, or scholarships financed by the awards. 1875  
1876  
1877  
1878  
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The chancellor and the controlling board shall not commit to awarding any proposal after June 30, 2014. 1880  
1881

Sec. 3333.78. The chancellor of the Ohio board of regents shall monitor each initiative for which an award is granted under the choose Ohio first co-op/internship program to ensure the following: 1882  
1883  
1884  
1885

(A) Fiscal accountability, so that the award is used in accordance with the agreement entered into under section 3333.75 of the Revised Code; 1886  
1887  
1888

(B) Operating progress, so that the initiative is managed to achieve the goals stated in the proposal and in the agreement, and so that problems may be promptly identified and remedied; 1889  
1890  
1891

(C) Desired outcomes, so that the initiative contributes to 1892  
the program's goal of retaining Ohio's students after graduation. 1893

Sec. 3333.79. (A) As used in this section, "minority" has the 1894  
same meaning as in section 184.17 of the Revised Code. The term 1895  
also includes an individual who is economically disadvantaged. 1896  
1897

(B) The chancellor of the board of regents shall conduct 1898  
outreach activities in Ohio that seek to include minorities in the 1899  
co-op/internship program established under section 3333.72 of the 1900  
Revised Code. The outreach activities shall include the following, 1901  
when appropriate: 1902

(1) Identifying and partnering with historically black 1903  
colleges and universities; 1904

(2) Working with all institutions of higher education in the 1905  
state to support minority faculty and students involved in 1906  
cooperative and intern programs; 1907

(3) Developing a plan to contact by telephone minorities and 1908  
other economically disadvantaged individuals to notify them of 1909  
opportunities to participate in the co-op/internship program; 1910

(4) Identifying minority professional and trade associations 1911  
and economic development assistance organizations and notifying 1912  
them of the co-op/internship program; 1913

(5) Partnering with regional technology councils to foster 1914  
local efforts to support minority participation in the 1915  
co-op/internship program. 1916

(C) To the extent possible, outreach activities described in 1917  
this section shall be conducted in conjunction with the EDGE 1918  
program created in section 123.152 of the Revised Code. 1919

Sec. 3333.80. Not later than December 31, 2010, and the 1920

thirty-first day of December of each year thereafter, the 1921  
chancellor of the Ohio board of regents shall submit to the 1922  
general assembly in accordance with section 101.68 of the Revised 1923  
Code a report on the academic and economic impact of the choose 1924  
Ohio first co-op/internship program. At a minimum, the report 1925  
shall include the following: 1926

(A) Progress and performance metrics for each initiative that 1927  
received an award in the previous fiscal year; 1928

(B) Economic indicators of the impact of each initiative, and 1929  
all initiatives as a whole, on the regional economies and the 1930  
statewide economy; 1931

(C) The chancellor's strategy in allocating awards among 1932  
state institutions of higher education and how the actual awards 1933  
fit that strategy. 1934

**Sec. 3333.81.** (A) The co-op/internship program advisory 1935  
committee is hereby created. The committee shall consist of the 1936  
following members: 1937

(1) Five members appointed by the governor, two of whom shall 1938  
represent academia, two of whom shall be representatives of 1939  
private industry, and one of whom shall be a member of the public; 1940

(2) The director of development, or the director's designee; 1941

(3) Five members appointed by the president of the senate, 1942  
three of whom shall be members of the senate, but not more than 1943  
two from the same political party, one of whom shall represent 1944  
academia, and one of whom shall be a member of the public; 1945

(4) Five members appointed by the speaker of the house of 1946  
representatives, three of whom shall be members of the house of 1947  
representatives, but not more than two from the same political 1948  
party, one of whom shall represent private industry, and one of 1949

whom shall be a member of the public. 1950

(B) Members of the committee who are members of the general assembly shall serve for terms of four years or until their legislative terms end, whichever is sooner. The director of development or the director's designee shall serve as an ex-officio, voting member. Otherwise, initial members shall serve the following terms: 1951  
1952  
1953  
1954  
1955  
1956

(1) Of the initial members appointed by the governor, the member representing the public and one member representing academia shall serve for terms of one year; one member representing private industry shall serve for a term of two years; and one member representing private industry and one member representing academia shall serve for terms of three years. 1957  
1958  
1959  
1960  
1961  
1962

(2) The member representing academia and the representative of the public initially appointed by the president of the senate shall serve for terms of two years. 1963  
1964  
1965

(3) The member representing private industry initially appointed by the speaker of the house of representatives shall serve for a term of one year. 1966  
1967  
1968

(4) The representative of the public initially appointed by the speaker of the house of representatives shall serve for a term of three years. 1969  
1970  
1971

Thereafter, terms shall be for three years, with each term ending on the same day of the same month as did the term that it succeeds. Each member shall serve from the date of appointment until the end of the term for which the member was appointed. Members may be reappointed. Vacancies shall be filled in the same manner as provided for original appointments. Any member appointed to fill a vacancy occurring prior to the expiration date of the term for which the member was appointed shall hold office for the remainder of that term. A member shall continue to serve after the 1972  
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expiration date of the member's term until the member's successor 1981  
is appointed or until a period of sixty days has elapsed, 1982  
whichever occurs first. The appointing authority may remove a 1983  
member from the committee for failure to attend two consecutive 1984  
meetings without showing good cause for the absences. 1985

(C) The committee annually shall select a chairperson and a 1986  
vice-chairperson. Only the members who represent academia and 1987  
private industry may serve as chairperson and vice-chairperson. 1988  
For this purpose, any committee member appointed as a member of 1989  
the public who is a trustee, officer, employee, or student of an 1990  
institution of higher education shall be included among the 1991  
representatives of academia who may serve as chairperson or 1992  
vice-chairperson, and any committee member appointed as a member 1993  
of the public who is a director, officer, or employee of a private 1994  
business shall be included among the representatives of private 1995  
industry who may serve as chairperson or vice-chairperson. The 1996  
committee annually shall rotate the selection of the chairperson 1997  
between these two groups and shall select a member of the other 1998  
group to serve as vice-chairperson. 1999

The committee annually shall select one of its members to 2000  
serve as secretary to keep a record of the committee's 2001  
proceedings. 2002

(D) A majority vote of the members of the full committee is 2003  
necessary to take action on any matter. The committee may adopt 2004  
bylaws governing its operation, including bylaws that establish 2005  
the frequency of meetings. 2006

(E) Members of the committee shall serve without 2007  
compensation. 2008

(F) A member of the committee shall not participate in 2009  
discussions or votes concerning a proposed initiative or an actual 2010  
award under the choose Ohio first co-op/internship program that 2011

involves an institution of higher education of which the member is 2012  
a trustee, officer, employee, or student; an organization of which 2013  
the member is a trustee, director, officer, or employee; or a 2014  
business of which the member is a director, officer, or employee 2015  
or a shareholder of more than five per cent of the business' 2016  
stock. 2017

(G) The committee shall advise the chancellor of the Ohio 2018  
board of regents on growing industries well-suited for awards 2019  
under the choose Ohio first co-op/internship program. The 2020  
chancellor shall consult with the committee and request the 2021  
committee's advice at each of the following times: 2022

(1) Prior to issuing each request for applications under the 2023  
program; 2024

(2) While the chancellor is reviewing applications and before 2025  
deciding on awards to submit for the controlling board's approval; 2026

(3) After deciding on awards to submit for the controlling 2027  
board's approval and prior to submitting them. 2028

The committee shall advise the chancellor on other matters 2029  
the chancellor considers appropriate. 2030

(H) The chancellor shall provide meeting space for the 2031  
committee. The committee shall be assisted in its duties by the 2032  
chancellor's staff. 2033

(I) Sections 101.82 to 101.87 of the Revised Code do not 2034  
apply to the committee. 2035

**Sec. 3345.32.** (A) As used in this section: 2036

(1) "State university or college" means the institutions 2037  
described in section 3345.27 of the Revised Code and the 2038  
northeastern Ohio universities college of medicine. 2039

(2) "Resident" has the meaning specified by rule of the 2040

chancellor of the Ohio board of regents. 2041

(3) "Statement of selective service status" means a statement 2042  
certifying one of the following: 2043

(a) That the individual filing the statement has registered 2044  
with the selective service system in accordance with the "Military 2045  
Selective Service Act," 62 Stat. 604, 50 U.S.C. App. 453, as 2046  
amended; 2047

(b) That the individual filing the statement is not required 2048  
to register with the selective service for one of the following 2049  
reasons: 2050

(i) The individual is under eighteen or over twenty-six years 2051  
of age. 2052

(ii) The individual is on active duty with the armed forces 2053  
of the United States other than for training in a reserve or 2054  
national guard unit. 2055

(iii) The individual is a nonimmigrant alien lawfully in the 2056  
United States in accordance with section 101 (a)(15) of the 2057  
"Immigration and Nationality Act," 8 U.S.C. 1101, as amended. 2058

(iv) The individual is not a citizen of the United States and 2059  
is a permanent resident of the Trust Territory of the Pacific 2060  
Islands or the Northern Mariana Islands. 2061

(4) "Institution of higher education" means any eligible 2062  
institution approved by the United States department of education 2063  
pursuant to the "Higher Education Act of 1965," 79 Stat. 1219, as 2064  
amended, or any institution whose students are eligible for 2065  
financial assistance under any of the programs described by 2066  
division (E) of this section. 2067

(B) The chancellor shall, by rule, specify the form of 2068  
statements of selective service status to be filed in compliance 2069  
with divisions (C) to (F) of this section. Each statement of 2070

selective service status shall contain a section wherein a male 2071  
student born after December 31, 1959, certifies that the student 2072  
has registered with the selective service system in accordance 2073  
with the "Military Selective Service Act," 62 Stat. 604, 50 U.S.C. 2074  
App. 453, as amended. For those students not required to register 2075  
with the selective service, as specified in divisions (A)(2)(b)(i) 2076  
to (iv) of this section, a section shall be provided on the 2077  
statement of selective service status for the certification of 2078  
nonregistration and for an explanation of the reason for the 2079  
exemption. The chancellor may require that such statements be 2080  
accompanied by documentation specified by rule of the chancellor. 2081

(C) A state university or college that enrolls in any course, 2083  
class, or program a male student born after December 31, 1959, who 2084  
has not filed a statement of selective service status with the 2085  
university or college shall, regardless of the student's 2086  
residency, charge the student any tuition surcharge charged 2087  
students who are not residents of this state. 2088

(D) No male born after December 31, 1959, shall be eligible 2089  
to receive any loan, grant, scholarship, or other financial 2090  
assistance for educational expenses granted under section 3315.33, 2091  
3333.12, 3333.122, 3333.21, 3333.22, 3333.26, 3333.27, 5910.03, 2092  
5910.032, or 5919.34 of the Revised Code, ~~or~~ financed by an award 2093  
under the choose Ohio first scholarship program established under 2094  
section 3333.61 of the Revised Code, or financed by an award under 2095  
the choose Ohio first co-op/internship program established under 2096  
section 3333.72 of the Revised Code, unless that person has filed 2097  
a statement of selective service status with that person's 2098  
institution of higher education. 2099

(E) If an institution of higher education receives a 2100  
statement from an individual certifying that the individual has 2101  
registered with the selective service system in accordance with 2102

the "Military Selective Service Act," 62 Stat. 604, 50 U.S.C. App. 2103  
453, as amended or that the individual is exempt from registration 2104  
for a reason other than that the individual is under eighteen 2105  
years of age, the institution shall not require the individual to 2106  
file any further statements. If it receives a statement certifying 2107  
that the individual is not required to register because the 2108  
individual is under eighteen years of age, the institution shall 2109  
require the individual to file a new statement of selective 2110  
service status each time the individual seeks to enroll for a new 2111  
academic term or makes application for a new loan or loan 2112  
guarantee or for any form of financial assistance for educational 2113  
expenses, until it receives a statement certifying that the 2114  
individual has registered with the selective service system or is 2115  
exempt from registration for a reason other than that the 2116  
individual is under eighteen years of age. 2117

**Sec. 3706.01.** As used in this chapter: 2118

(A) "Governmental agency" means a department, division, or 2119  
other unit of state government, a municipal corporation, county, 2120  
township, and other political subdivision, or any other public 2121  
corporation or agency having the power to acquire, construct, or 2122  
operate air quality facilities, the United States or any agency 2123  
thereof, and any agency, commission, or authority established 2124  
pursuant to an interstate compact or agreement. 2125

(B) "Person" means any individual, firm, partnership, 2126  
association, or corporation, or any combination thereof. 2127

(C) "Air contaminant" means particulate matter, dust, fumes, 2128  
gas, mist, smoke, noise, vapor, heat, radioactivity, radiation, or 2129  
odorous substance, or any combination thereof. 2130

(D) "Air pollution" means the presence in the ambient air of 2131  
one or more air contaminants in sufficient quantity and of such 2132  
characteristics and duration as to injure human health or welfare, 2133

plant or animal life, or property, or that unreasonably interferes 2134  
with the comfortable enjoyment of life or property. 2135

(E) "Ambient air" means that portion of the atmosphere 2136  
outside of buildings and other enclosures, stacks, or ducts that 2137  
surrounds human, plant, or animal life, or property. 2138

(F) "Emission" means the release into the outdoor atmosphere 2139  
of an air contaminant. 2140

(G) "Air quality facility" means any of the following: 2141

(1) Any method, modification or replacement of property, 2142  
process, device, structure, or equipment that removes, reduces, 2143  
prevents, contains, alters, conveys, stores, disperses, or 2144  
disposes of air contaminants or substances containing air 2145  
contaminants, or that renders less noxious or reduces the 2146  
concentration of air contaminants in the ambient air, including, 2147  
without limitation, facilities and expenditures that qualify as 2148  
air pollution control facilities under section 103 (C)(4)(F) of 2149  
the Internal Revenue Code of 1954, as amended, and regulations 2150  
adopted thereunder; 2151

(2) Motor vehicle inspection stations operated in accordance 2152  
with, and any equipment used for motor vehicle inspections 2153  
conducted under, section 3704.14 of the Revised Code and rules 2154  
adopted under it; 2155

(3) Ethanol or other biofuel facilities, including any 2156  
equipment used at the ethanol or other biofuel facility for the 2157  
production of ethanol or other biofuels; 2158

(4) Any property or portion thereof used for the collection, 2159  
storage, treatment, utilization, processing, or final disposal of 2160  
a by-product or solid waste resulting from any method, process, 2161  
device, structure, or equipment that removes, reduces, prevents, 2162  
contains, alters, conveys, stores, disperses, or disposes of air 2163  
contaminants, or that renders less noxious or reduces the 2164

concentration of air contaminants in the ambient air;	2165
(5) Any property, device, or equipment that promotes the reduction of emissions of air contaminants into the ambient air through improvements in the efficiency of energy utilization or energy conservation;	2166 2167 2168 2169
(6) Any coal research and development project conducted under Chapter 1555. of the Revised Code;	2170 2171
(7) As determined by the director of the Ohio coal development office, any property or portion thereof that is used for the collection, storage, treatment, utilization, processing, or final disposal of a by-product resulting from a coal research and development project as defined in section 1555.01 of the Revised Code or from the use of clean coal technology, excluding any property or portion thereof that is used primarily for other subsequent commercial purposes;	2172 2173 2174 2175 2176 2177 2178 2179
(8) Any property or portion thereof that is part of the FutureGen project of the United States department of energy or related to the siting of the FutureGen project.	2180 2181 2182
<u>(9) Any property, device, or equipment that promotes the reduction of emissions of air contaminants into the ambient air through the generation of clean, renewable energy with renewable energy resources or advanced energy resources as defined in section 184.30 of the Revised Code.</u>	2183 2184 2185 2186 2187
<u>(10) Any property, device, structure or equipment necessary for the manufacture and production of equipment described as an air quality facility under this chapter.</u>	2188 2189 2190
"Air quality facility" further includes any property or system to be used in whole or in part for any of the purposes in divisions (G)(1) to <del>(8)</del> <u>(10)</u> of this section, whether another purpose is also served, and any property or system incidental to or that has to do with, or the end purpose of which is, any of the	2191 2192 2193 2194 2195

foregoing. Air quality facilities that are defined in this 2196  
division for industry, commerce, distribution, or research, 2197  
including public utility companies, are hereby determined to be 2198  
those that qualify as facilities for the control of air pollution 2199  
and thermal pollution related to air under Section 13 of Article 2200  
VIII, Ohio Constitution. 2201

(H) "Project" or "air quality project" means any air quality 2202  
facility, including undivided or other interests therein, acquired 2203  
or to be acquired or constructed or to be constructed by the Ohio 2204  
air quality development authority under this chapter, or acquired 2205  
or to be acquired or constructed or to be constructed by a 2206  
governmental agency or person with all or a part of the cost 2207  
thereof being paid from a loan or grant from the authority under 2208  
this chapter or otherwise paid from the proceeds of air quality 2209  
revenue bonds, including all buildings and facilities that the 2210  
authority determines necessary for the operation of the project, 2211  
together with all property, rights, easements, and interests that 2212  
may be required for the operation of the project. 2213

(I) "Cost" as applied to an air quality project means the 2214  
cost of acquisition and construction, the cost of acquisition of 2215  
all land, rights-of-way, property rights, easements, franchise 2216  
rights, and interests required for such acquisition and 2217  
construction, the cost of demolishing or removing any buildings or 2218  
structures on land so acquired, including the cost of acquiring 2219  
any lands to which such buildings or structures may be moved, the 2220  
cost of acquiring or constructing and equipping a principal office 2221  
and sub-offices of the authority, the cost of diverting highways, 2222  
interchange of highways, and access roads to private property, 2223  
including the cost of land or easements for such access roads, the 2224  
cost of public utility and common carrier relocation or 2225  
duplication, the cost of all machinery, furnishings, and 2226  
equipment, financing charges, interest prior to and during 2227



construction and for no more than eighteen months after completion 2228  
of construction, engineering, expenses of research and development 2229  
with respect to air quality facilities, the cost of any commodity 2230  
contract, including fees and expenses related thereto, legal 2231  
expenses, plans, specifications, surveys, studies, estimates of 2232  
cost and revenues, working capital, other expenses necessary or 2233  
incident to determining the feasibility or practicability of 2234  
acquiring or constructing such project, administrative expense, 2235  
and such other expense as may be necessary or incident to the 2236  
acquisition or construction of the project, the financing of such 2237  
acquisition or construction, including the amount authorized in 2238  
the resolution of the authority providing for the issuance of air 2239  
quality revenue bonds to be paid into any special funds from the 2240  
proceeds of such bonds, and the financing of the placing of such 2241  
project in operation. Any obligation, cost, or expense incurred by 2242  
any governmental agency or person for surveys, borings, 2243  
preparation of plans and specifications, and other engineering 2244  
services, or any other cost described above, in connection with 2245  
the acquisition or construction of a project may be regarded as a 2246  
part of the cost of that project and may be reimbursed out of the 2247  
proceeds of air quality revenue bonds as authorized by this 2248  
chapter. 2249

(J) "Owner" includes an individual, copartnership, 2250  
association, or corporation having any title or interest in any 2251  
property, rights, easements, or interests authorized to be 2252  
acquired by this chapter. 2253

(K) "Revenues" means all rentals and other charges received 2254  
by the authority for the use or services of any air quality 2255  
project, any gift or grant received with respect to any air 2256  
quality project, any moneys received with respect to the lease, 2257  
sublease, sale, including installment sale or conditional sale, or 2258  
other disposition of an air quality project, moneys received in 2259

repayment of and for interest on any loans made by the authority 2260  
to a person or governmental agency, whether from the United States 2261  
or any department, administration, or agency thereof, or 2262  
otherwise, proceeds of such bonds to the extent that use thereof 2263  
for payment of principal of, premium, if any, or interest on the 2264  
bonds is authorized by the authority, amounts received or 2265  
otherwise derived from a commodity contract or from the sale of 2266  
the related commodity under such a contract, proceeds from any 2267  
insurance, condemnation, or guaranty pertaining to a project or 2268  
property mortgaged to secure bonds or pertaining to the financing 2269  
of the project, and income and profit from the investment of the 2270  
proceeds of air quality revenue bonds or of any revenues. 2271

(L) "Public roads" includes all public highways, roads, and 2272  
streets in the state, whether maintained by the state, county, 2273  
city, township, or other political subdivision. 2274

(M) "Public utility facilities" includes tracks, pipes, 2275  
mains, conduits, cables, wires, towers, poles, and other equipment 2276  
and appliances of any public utility. 2277

(N) "Construction," unless the context indicates a different 2278  
meaning or intent, includes reconstruction, enlargement, 2279  
improvement, or providing furnishings or equipment. 2280

(O) "Air quality revenue bonds," unless the context indicates 2281  
a different meaning or intent, includes air quality revenue notes, 2282  
air quality revenue renewal notes, and air quality revenue 2283  
refunding bonds, except that notes issued in anticipation of the 2284  
issuance of bonds shall have a maximum maturity of five years as 2285  
provided in section 3706.05 of the Revised Code and notes or 2286  
renewal notes issued as the definitive obligation may be issued 2287  
maturing at such time or times with a maximum maturity of forty 2288  
years from the date of issuance of the original note. 2289

(P) "Solid waste" means any garbage; refuse; sludge from a 2290

waste water treatment plant, water supply treatment plant, or air 2291  
pollution control facility; and other discarded material, 2292  
including solid, liquid, semisolid, or contained gaseous material 2293  
resulting from industrial, commercial, mining, and agricultural 2294  
operations, and from community activities, but not including solid 2295  
or dissolved material in domestic sewage, or solid or dissolved 2296  
material in irrigation return flows or industrial discharges that 2297  
are point sources subject to permits under section 402 of the 2298  
"Federal Water Pollution Control Act Amendments of 1972," 86 Stat. 2299  
880, 33 U.S.C.A. 1342, as amended, or source, special nuclear, or 2300  
byproduct material as defined by the "Atomic Energy Act of 1954," 2301  
68 Stat. 921, 42 U.S.C.A. 2011, as amended. 2302

(Q) "Sludge" means any solid, semisolid, or liquid waste, 2303  
other than a recyclable by-product, generated from a municipal, 2304  
commercial, or industrial waste water treatment plant, water 2305  
supply plant, or air pollution control facility or any other such 2306  
wastes having similar characteristics and effects. 2307

(R) "Ethanol or other biofuel facility" means a plant at 2308  
which ethanol or other biofuel is produced. 2309

(S) "Ethanol" means fermentation ethyl alcohol derived from 2310  
agricultural products, including potatoes, cereal, grains, cheese 2311  
whey, and sugar beets; forest products; or other renewable or 2312  
biomass resources, including residue and waste generated from the 2313  
production, processing, and marketing of agricultural products, 2314  
forest products, and other renewable or biomass resources, that 2315  
meets all of the specifications in the American society for 2316  
testing and materials (ASTM) specification D 4806-88 and is 2317  
denatured as specified in Parts 20 and 21 of Title 27 of the Code 2318  
of Federal Regulations. 2319

(T) "Biofuel" means any fuel that is made from cellulosic 2320  
biomass resources, including renewable organic matter, crop waste 2321  
residue, wood, aquatic plants and other crops, animal waste, solid 2322

waste, or sludge, and that is used for the production of energy 2323  
for transportation or other purposes. 2324

(U) "FutureGen project" means the buildings, equipment, and 2325  
real property and functionally related buildings, equipment, and 2326  
real property, including related research projects that support 2327  
the development and operation of the buildings, equipment, and 2328  
real property, designated by the United States department of 2329  
energy and the FutureGen industrial alliance, inc., as the 2330  
coal-fueled, zero-emissions power plant designed to prove the 2331  
technical and economic feasibility of producing electricity and 2332  
hydrogen from coal and nearly eliminating carbon dioxide emissions 2333  
through capture and permanent storage. 2334

(V) "Commodity contract" means a contract or series of 2335  
contracts entered into in connection with the acquisition or 2336  
construction of air quality facilities for the purchase or sale of 2337  
a commodity that is eligible for prepayment with the proceeds of 2338  
federally tax exempt bonds under sections 103, 141, and 148 of the 2339  
Internal Revenue Code of 1986, as amended, and regulations adopted 2340  
under it. 2341

Sec. 3706.25. As used in sections 3706.25 to 3706.30 of the 2342  
Revised Code: 2343

(A) "Advanced energy project" means any technologies, 2344  
products, activities, or management practices or strategies that 2345  
facilitate the generation or use of electricity and that reduce or 2346  
support the reduction of energy consumption or support the 2347  
production of clean, renewable energy for industrial, 2348  
distribution, commercial, institutional, governmental, research, 2349  
not-for-profit, or residential energy users including, but not 2350  
limited to, advanced energy resources and renewable energy 2351  
resources. "Advanced energy project" includes any project 2352  
described in division (A), (B), or (C) of section 4928.621 of the 2353

<u>Revised Code.</u>	2354
<u>(B) "Advanced energy resource" means any of the following:</u>	2355
<u>(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;</u>	2356 2357 2358 2359 2360
<u>(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;</u>	2361 2362 2363
<u>(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;</u>	2364 2365 2366 2367
<u>(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;</u>	2368 2369 2370 2371
<u>(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).</u>	2372 2373 2374 2375 2376 2377 2378
<u>(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,</u>	2379 2380 2381 2382 2383 2384

biologically derived methane gas, or energy derived from 2385  
nontreated by-products of the pulping process or wood 2386  
manufacturing process, including bark, wood chips, sawdust, and 2387  
lignin in spent pulping liquors. "Renewable energy resource" 2388  
includes, but is not limited to, any fuel cell used in the 2389  
generation of electricity, including, but not limited to, a proton 2390  
exchange membrane fuel cell, phosphoric acid fuel cell, molten 2391  
carbonate fuel cell, or solid oxide fuel cell; wind turbine 2392  
located in the state's territorial waters of Lake Erie; storage 2393  
facility that will promote the better utilization of a renewable 2394  
energy resource that primarily generates off peak; or distributed 2395  
generation system used by a customer to generate electricity from 2396  
any such energy. As used in this division, "hydroelectric 2397  
facility" means a hydroelectric generating facility that is 2398  
located at a dam on a river, or on any water discharged to a 2399  
river, that is within or bordering this state or within or 2400  
bordering an adjoining state and meets all of the following 2401  
standards: 2402

(1) The facility provides for river flows that are not 2403  
detrimental for fish, wildlife, and water quality, including 2404  
seasonal flow fluctuations as defined by the applicable licensing 2405  
agency for the facility. 2406

(2) The facility demonstrates that it complies with the water 2407  
quality standards of this state, which compliance may consist of 2408  
certification under Section 401 of the "Clean Water Act of 1977," 2409  
91 Stat. 1598, 1599, 33 U.S.C. 1341, and demonstrates that it has 2410  
not contributed to a finding by this state that the river has 2411  
impaired water quality under Section 303(d) of the "Clean Water 2412  
Act of 1977," 114 Stat. 870, 33 U.S.C. 1313. 2413  
2414

(3) The facility complies with mandatory prescriptions 2415  
regarding fish passage as required by the federal energy 2416

regulatory commission license issued for the project, regarding 2417  
fish protection for riverine, anadromous, and catadromus fish. 2418

(4) The facility complies with the recommendations of the 2419  
Ohio environmental protection agency and with the terms of its 2420  
federal energy regulatory commission license regarding watershed 2421  
protection, mitigation, or enhancement, to the extent of each 2422  
agency's respective jurisdiction over the facility. 2423

(5) The facility complies with provisions of the "Endangered 2424  
Species Act of 1973," 87 Stat. 884, 16 U.S.C. 1531 to 1544, as 2425  
amended. 2426

(6) The facility does not harm cultural resources of the 2427  
area. This can be shown through compliance with the terms of its 2428  
federal energy regulatory commission license or, if the facility 2429  
is not regulated by that commission, through development of a plan 2430  
approved by the Ohio historic preservation office, to the extent 2431  
it has jurisdiction over the facility. 2432

(7) The facility complies with the terms of its federal 2433  
energy regulatory commission license or exemption that are related 2434  
to recreational access, accommodation, and facilities or, if the 2435  
facility is not regulated by that commission, the facility 2436  
complies with similar requirements as are recommended by resource 2437  
agencies, to the extent they have jurisdiction over the facility; 2438  
and the facility provides access to water to the public without 2439  
fee or charge. 2440

(8) The facility is not recommended for removal by any 2441  
federal agency or agency of any state, to the extent the 2442  
particular agency has jurisdiction over the facility. 2443

**Sec. 3706.26.** (A) The Ohio air quality development authority 2444  
may, with the approval of its executive director and the 2445  
affirmative vote of a majority of its members, request the 2446

issuance of bonds under section 166.08 of the Revised Code for the 2447  
purpose of providing loans and grants for acquiring, 2448  
manufacturing, constructing, reconstructing, expanding, improving, 2449  
or equipping facilities or facility components by business and 2450  
industry in this state, entities and agencies of state and local 2451  
government, educational institutions, research organizations and 2452  
institutions, or any combination thereof, for energy production, 2453  
delivery, storage, conservation, and efficiency through advanced 2454  
energy projects. The authority may, with the approval of its 2455  
executive director and the affirmative vote of a majority of its 2456  
members, make such loans and provide such grants in the manner 2457  
provided for in section 166.30 of the Revised Code. 2458

(B) The issuance of bonds for the purpose described in this 2459  
section is subject to the limitation established in division (A) 2460  
of section 166.11 of the Revised Code. 2461

**Sec. 3706.27.** (A) There is hereby created in the state 2462  
treasury the advanced energy research and development fund to 2463  
provide grants for advanced energy projects. There is hereby 2464  
created in the state treasury the advanced energy research and 2465  
development taxable fund to provide loans for advanced energy 2466  
projects. 2467

(B)(1) The advanced energy research and development fund and 2468  
the advanced energy research and development taxable fund shall 2469  
consist of the proceeds of obligations issued under section 166.08 2470  
of the Revised Code. Money shall be credited to the respective 2471  
funds in the proportion that the executive director of the Ohio 2472  
air quality development authority, with the affirmative vote of a 2473  
majority of the members of the authority, determines appropriate. 2474

(2) Any investment earnings from the money in the advanced 2475  
energy research and development fund and in the advanced energy 2476



research and development taxable fund shall be credited to those 2477  
funds, respectively. Any repayment of loans made from money in the 2478  
advanced energy research and development taxable fund shall be 2479  
credited to the facilities establishment fund created in section 2480  
166.03 of the Revised Code. 2481

(C) The director of budget and management shall establish and 2482  
maintain records or accounts for or within these funds in such a 2483  
manner as to show the amount credited to the funds pursuant to 2484  
section 166.08 of the Revised Code and that the amounts so 2485  
credited have been expended for the purposes set forth in Section 2486  
2p or 13 of Article VIII, Ohio Constitution, and sections 166.08, 2487  
166.30, and 3706.26 of the Revised Code. 2488

**Sec. 3706.28.** (A) Determinations made by the executive 2489  
director of the Ohio air quality development authority, with the 2490  
affirmative vote of a majority of the members of the authority, 2491  
that a particular project is an advanced energy project and is 2492  
consistent with Chapter 166. of the Revised Code and Section 2p or 2493  
13 of Article VIII, Ohio Constitution, shall be conclusive as to 2494  
the validity and enforceability of the obligations issued to 2495  
finance such a project and of the authorizations, trust agreements 2496  
or indentures, loan agreements, or grant agreements, and other 2497  
agreements made in connection therewith, all in accordance with 2498  
their terms. 2499

(B) Advanced energy facilities for industry, commerce, 2500  
distribution, or research are hereby deemed to qualify as 2501  
facilities for the control of air pollution and thermal pollution 2502  
related to air under Section 2p or 13 of Article VIII, Ohio 2503  
Constitution. 2504

**Sec. 3706.29.** The Ohio air quality development authority 2505  
shall, in accordance with Chapter 119. of the Revised Code, adopt 2506

any rules necessary to implement section 166.30 and sections 2507  
3706.25 to 3706.28 of the Revised Code. 2508

Sec. 3706.30. (A) As used in this section, "minority" has the 2509  
same meaning as in section 184.17 of the Revised Code, except that 2510  
the individual must be a resident of this state. The term also 2511  
includes an economically disadvantaged individual who is a 2512  
resident of this state. 2513

(B) The Ohio air quality development authority shall conduct 2514  
outreach activities in Ohio that seek to include minorities in the 2515  
grant and loan program for advanced energy projects established 2516  
under section 166.30 of the Revised Code. The outreach activities 2517  
shall include the following, when appropriate: 2518

(1) Identifying and partnering with historically black 2520  
colleges and universities; 2521

(2) Working with all institutions of higher education in the 2522  
state to support minority faculty and students involved in science 2523  
and engineering fields that address advanced energy projects; 2524

(3) Developing a plan to contact by telephone minority-owned 2525  
businesses and entrepreneurs and other economically disadvantaged 2526  
businesses to notify them of opportunities to participate in the 2527  
grant and loan program for advanced energy projects; 2528

(4) Identifying minority professional and technical trade 2529  
associations and economic development assistance organizations and 2530  
notifying them of the grant and loan program for advanced energy 2531  
projects; 2532

(5) Partnering with regional technology councils to foster 2533  
local efforts to support minority-owned technology businesses or 2534  
otherwise identify networks of minority-owned technology 2535  
businesses, entrepreneurs, and individuals operating locally; 2536

(6) Identifying minority technology firms and notifying them 2537  
of the opportunities that exist within the investment community, 2538  
including the Ohio venture capital authority created under section 2539  
150.02 of the Revised Code. 2540

(C) The authority shall publish an annual report that 2541  
includes all of the following: 2542

(1) Details of grants and loans awarded for advanced energy 2543  
projects; 2544

(2) The status of grant or loan recipients' projects funded 2545  
in previous years; 2546

(3) The amount of grants and loans awarded for projects in 2547  
economically distressed areas, and if possible to ascertain, the 2548  
impact of the grants or loans to those areas. 2549

(D) To the extent possible, outreach activities described in 2550  
this section shall be conducted in conjunction with the EDGE 2551  
program created in section 123.152 of the Revised Code. 2552

**Sec. 5725.151.** (A) As used in this section, "certificate 2553  
owner" has the same meaning as in section 149.311 of the Revised 2554  
Code. 2555

(B) There is allowed a ~~refundable~~ credit against the tax 2556  
imposed by section 5707.03 and assessed under section 5725.15 of 2557  
the Revised Code for a dealer in intangibles subject to that tax 2558  
that is a certificate owner of a rehabilitation tax credit 2559  
certificate issued under section 149.311 of the Revised Code. The 2560  
credit shall equal twenty-five per cent of the dollar amount 2561  
indicated on the certificate, but the amount of the credit allowed 2562  
for any dealer for any year shall not exceed five million dollars. 2563  
The credit shall be claimed in the calendar year specified in the 2564  
certificate. If the credit exceeds the amount of tax otherwise due 2565  
in that year, the excess shall be refunded to the dealer but, if 2566

any amount of the credit is refunded, the sum of the amount 2567  
refunded and the amount applied to reduce the tax otherwise due in 2568  
that year shall not exceed three million dollars. The dealer may 2569  
carry forward any balance of the credit in excess of the amount 2570  
claimed in that year for not more than five ensuing years, and 2571  
shall deduct any amount claimed in any such year from the amount 2572  
claimed in an ensuing year. 2573

(C) A dealer in intangibles claiming a credit under this 2574  
section shall retain the rehabilitation tax credit certificate for 2575  
four years following the end of the year in which the credit was 2576  
claimed, and shall make the certificate available for inspection 2577  
by the tax commissioner upon the request of the tax commissioner 2578  
during that period. 2579

(D) For the purpose of division (C) of section 5725.24 of the 2580  
Revised Code, reductions in the amount of taxes collected on 2581  
account of credits allowed under this section shall be applied to 2582  
reduce the amount credited to the general revenue fund and shall 2583  
not be applied to reduce the amount to be credited to the 2584  
undivided local government funds of the counties in which such 2585  
taxes originate. 2586

**Sec. 5733.47.** (A) As used in this section, "certificate 2587  
owner" has the same meaning as in section 149.311 of the Revised 2588  
Code. 2589

(B) There is allowed a refundable credit against the tax 2590  
imposed under section 5733.06 of the Revised Code for a taxpayer 2591  
that is a certificate owner of a rehabilitation tax credit 2592  
certificate issued under section 149.311 of the Revised Code. The 2593  
credit shall equal twenty-five per cent of the dollar amount 2594  
indicated on the certificate, but shall not exceed five million 2595  
dollars. The credit shall be claimed for the tax year specified in 2596  
the certificate and in the order required under section 5733.98 of 2597

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

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

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

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

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

year. 2629

(C) Nothing in this section limits or disallows pass-through 2630  
treatment of the credit if the certificate owner is a pass-through 2631  
entity. If the certificate owner is a pass-through entity, the 2632  
amount of the credit allowed for the pass-through entity shall not 2633  
exceed five million dollars. 2634

(D) If the credit allowed for any taxable year exceeds the 2635  
tax otherwise due under section 5747.02 of the Revised Code, after 2636  
allowing for any other credits preceding the credit in the order 2637  
prescribed by section 5747.98 of the Revised Code, the excess 2638  
shall be refunded to the taxpayer but, if any amount of the credit 2639  
is refunded, the sum of the amount refunded and the amount applied 2640  
to reduce the tax otherwise due for that year shall not exceed 2641  
three million dollars or, if the certificate owner is a 2642  
pass-through entity, shall not exceed the taxpayer's distributive 2643  
or proportionate share of three million dollars. The taxpayer may 2644  
carry forward any balance of the credit in excess of the amount 2645  
claimed for that year for not more than five ensuing taxable 2646  
years, and shall deduct any amount claimed for any such year from 2647  
the amount claimed in an ensuing year. 2648

(E) A taxpayer claiming a credit under this section shall 2649  
retain the rehabilitation tax credit certificate for four years 2650  
following the end of the taxable year to which the credit was 2651  
applied, and shall make the certificate available for inspection 2652  
by the tax commissioner upon the request of the tax commissioner 2653  
during that period. 2654

**Sec. 5747.98.** (A) To provide a uniform procedure for 2655  
calculating the amount of tax due under section 5747.02 of the 2656  
Revised Code, a taxpayer shall claim any credits to which the 2657  
taxpayer is entitled in the following order: 2658

(1) The retirement income credit under division (B) of 2659

section 5747.055 of the Revised Code;	2660
(2) The senior citizen credit under division (C) of section 5747.05 of the Revised Code;	2661 2662
(3) The lump sum distribution credit under division (D) of section 5747.05 of the Revised Code;	2663 2664
(4) The dependent care credit under section 5747.054 of the Revised Code;	2665 2666
(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	2667 2668
(6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	2669 2670
(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	2671 2672
(8) The low-income credit under section 5747.056 of the Revised Code;	2673 2674
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	2675 2676
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	2677 2678
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	2679 2680
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	2681 2682
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	2683 2684
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	2685 2686
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	2687 2688

(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	2689 2690
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	2691 2692
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	2693 2694
(19) The job retention credit under division (B) of section 5747.058 of the Revised Code;	2695 2696
(20) The credit for selling alternative fuel under section 5747.77 of the Revised Code;	2697 2698
(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;	2699 2700 2701
(22) The job training credit under section 5747.39 of the Revised Code;	2702 2703
(23) The enterprise zone credit under section 5709.66 of the Revised Code;	2704 2705
(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	2706 2707
(25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	2708 2709
(26) The ethanol plant investment credit under section 5747.75 of the Revised Code;	2710 2711
(27) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	2712 2713
(28) The export sales credit under section 5747.057 of the Revised Code;	2714 2715
(29) The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	2716 2717



(30) The enterprise zone credits under section 5709.65 of the Revised Code;	2718 2719
(31) The research and development credit under section 5747.331 of the Revised Code;	2720 2721
(32) <u>The credit for rehabilitating a historic building under section 5747.76 of the Revised Code;</u>	2722 2723
<u>(33)</u> The refundable credit for rehabilitating a historic building under section 5747.76 of the Revised Code;	2724 2725
<del>(33)</del> <u>(34)</u> The refundable jobs creation credit under division (A) of section 5747.058 of the Revised Code;	2726 2727
<del>(34)</del> <u>(35)</u> The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	2728 2729
<del>(35)</del> <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;	2730 2731 2732
<del>(36)</del> <u>(37)</u> The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code;	2733 2734
<del>(37)</del> <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.	2735 2736 2737
(B) For any credit, except the credits enumerated in divisions (A) <del>(32)</del> <u>(33)</u> to <del>(37)</del> <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.	2738 2739 2740 2741 2742 2743 2744 2745 2746 2747

2748

**Section 2.** That existing sections 149.311, 166.01, 166.02, 2749  
166.08, 166.11, 184.02, 1555.03, 3333.38, 3345.32, 3706.01, 2750  
5725.151, 5733.47, 5747.76, and 5747.98 of the Revised Code are 2751  
hereby repealed. 2752

**Section 3.** (A) Except as provided in division (B) of this 2753  
section, the amendment by this act of sections 149.311, 5725.151, 2754  
5733.47, 5747.76, and 5747.98 of the Revised Code applies only to 2755  
the application periods beginning July 1, 2009, and July 1, 2010, 2756  
and to tax credits allowed under rehabilitation tax credit 2757  
certificates issued for applications filed for those application 2758  
periods. Those sections as they existed before their amendment by 2759  
this act apply to the application period beginning July 1, 2007, 2760  
and ending June 30, 2008, and to tax credits allowed under 2761  
rehabilitation tax credit certificates issued for applications 2762  
filed for that application period. 2763

(B) The amendment by this act of division (A)(9) of section 2764  
149.311 of the Revised Code, eliminating the application period 2765  
beginning July 1, 2008, and ending June 30, 2009, takes effect 2766  
when this act becomes law. The State Historic Preservation Officer 2767  
shall not accept applications for that period, and the Director of 2768  
Development shall not issue any rehabilitation tax credit 2769  
certificates for that period. 2770

(C) Nothing in this section precludes the approval of 2771  
applications for tax credit certificates as prescribed in division 2772  
(D)(3) of section 149.311 of the Revised Code, as amended by this 2773  
act, from among the \$45 million reserved for that purpose from the 2774  
\$60 million in credits allowed for each of the application periods 2775  
July 1, 2009, through June 30, 2010, and July 1, 2010, through 2776  
June 30, 2011. The Director of Development shall approve such 2777

applications and issue tax credit certificates as prescribed in 2778  
that section as amended by this act, may accept from such 2779  
applicants the amount of qualified rehabilitation expenditures the 2780  
applicant estimates will be paid or incurred if such estimates 2781  
have not yet been provided to the Director, may notify such 2782  
applicants whether the application was approved or denied on or 2783  
after the effective date of this section, and may adopt any rules 2784  
necessary to administer such applications. 2785

**Section 4.** The amendment by this act of sections 149.311, 2786  
5725.151, 5733.47, 5747.76, and 5747.98 of the Revised Code and 2787  
the enactment of Section 3 of this act provide for or are 2788  
essential to the implementation of a tax levy. Therefore, under 2789  
Ohio Constitution, Article II, Section 1d, the amendment and 2790  
enactment are not subject to the referendum and go into immediate 2791  
effect when this act becomes law. 2792

**Section 5.** All items in this section are hereby appropriated 2793  
as designated out of any moneys in the state treasury to the 2794  
credit of the designated fund that are not otherwise appropriated. 2795  
For all appropriations made in this section, those in the first 2796  
column are for fiscal year 2008 and those in the second column are 2797  
for fiscal year 2009. The appropriations made in this section are 2798  
in addition to any other appropriations made for the FY 2008-FY 2799  
2009 biennium. 2800

AIR AIR QUALITY DEVELOPMENT AUTHORITY 2801

Appropriations

Coal Research/Development Fund Group					2802
7046 898604 Coal	\$	0	\$	66,000,000	2803
Research/Development					
Fund					
TOTAL 7046 Coal	\$	0	\$	66,000,000	2804

Research/Development Fund Group

TOTAL ALL BUDGET FUND GROUPS	\$	0	\$	66,000,000	2805
DEV DEPARTMENT OF DEVELOPMENT					2806

Appropriations

State Special Revenue Fund Group					2807
5Z30 195694 JF Bioproducts	\$	0	\$	20,000,000	2808
5Z30 195695 JF Biomedical	\$	0	\$	40,000,000	2809
TOTAL SSR State Special Revenue	\$	0	\$	60,000,000	2810

Fund Group

Logistics and Distribution Infrastructure Fund Group					2811
7008 195698 Logistics and	\$	0	\$	50,000,000	2812
Distribution					
Infrastructure					

TOTAL 7008 Logistics and	\$	0	\$	50,000,000	2813
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Distribution Infrastructure Fund Group

TOTAL ALL BUDGET FUND GROUPS	\$	0	\$	110,000,000	2814
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JF BIOPRODUCTS 2815

The foregoing appropriation item 195694, JF Bioproducts, 2816  
shall be used for the Ohio Bioproducts Development Program 2817  
established in section 184.25 of the Revised Code. 2818

JF BIOMEDICAL 2819

The foregoing appropriation item 195695, JF Biomedical, shall 2820  
be used for the Ohio Biomedical Development Program established in 2821  
section 184.26 of the Revised Code. 2822

LOGISTICS AND DISTRIBUTION INFRASTRUCTURE 2823

The foregoing appropriation item 195698, Logistics and 2824  
Distribution Infrastructure, shall be used for eligible logistics 2825  
and distribution projects as defined in section 166.01 of the 2826  
Revised Code. 2827

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

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

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

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

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

**Section 9.** The Governor has informed the General Assembly of the Governor's intent to propose appropriations, and it is the

intent of the General Assembly to appropriate \$25,000,000 for 2857  
fiscal year 2010 and \$25,000,000 for fiscal year 2011 for eligible 2858  
logistics and distribution infrastructure projects as defined in 2859  
section 166.01 of the Revised Code. 2860

**Section 10.** The Ohio Public Facilities Commission, upon the 2861  
request of the Director of the Ohio Coal Development Office of the 2862  
Ohio Air Quality Development Authority with the advice of the 2863  
Technical Advisory Committee created in section 1551.35 of the 2864  
Revised Code and the affirmative vote of a majority of the members 2865  
of the Ohio Air Quality Development Authority is hereby authorized 2866  
to issue and sell, in accordance with Section 15 of Article VIII, 2867  
Ohio Constitution, and Chapter 151. and particularly sections 2868  
151.01 and 151.07 of the Revised Code, bonds and other obligations 2869  
of the State of Ohio in an aggregate principal amount not to 2870  
exceed \$66,000,000 in addition to the issuance of obligations 2871  
heretofore authorized by prior acts of the General Assembly. The 2872  
obligations shall be dated, issued, and sold from time to time in 2873  
such amounts as may be necessary to provide sufficient moneys to 2874  
the credit of the Coal Research and Development Fund created in 2875  
section 1555.15 of the Revised Code to pay costs charged to the 2876  
fund when due. 2877

**Section 11.** (A) All items set forth in this division are 2879  
hereby appropriated out of any moneys in the state treasury, for 2880  
the biennium ending on June 30, 2010, to the credit of the 2881  
Advanced Energy Research and Development Taxable Fund (Fund 7004) 2882  
that are not otherwise appropriated: 2883

AIR AIR QUALITY DEVELOPMENT AUTHORITY			2884
C89800	Advanced Energy R&D Taxable	\$ 9,000,000	2885
Total Air Quality Development Authority		\$ 9,000,000	2886

TOTAL Advanced Energy Research and Development 2887

Taxable Fund \$ 9,000,000 2888

(B) All items set forth in this division are hereby 2889  
appropriated out of any moneys in the state treasury, for the 2890  
biennium ending on June 30, 2010, to the credit of the Advanced 2891  
Energy Research and Development Fund (Fund 7005) that are not 2892  
otherwise appropriated: 2893

AIR AIR QUALITY DEVELOPMENT AUTHORITY 2894

C89801 Advanced Energy R&D \$ 19,000,000 2895

Total Air Quality Development Authority \$ 19,000,000 2896

TOTAL Advanced Energy Research and Development 2897

Fund \$ 19,000,000 2898

(C) The foregoing appropriation items C89800, Advanced Energy 2899  
R&D Taxable, and C89801, Advanced Energy R&D, shall be used for 2900  
advanced energy projects in the manner provided in sections 2901  
3706.25 to 3706.30 of the Revised Code. The Executive Director of 2902  
the Air Quality Development Authority may certify to the Director 2903  
of Budget and Management that a need exists to appropriate 2904  
investment earnings of funds 7004 and 7005 to be so used. If the 2905  
Director of Budget and Management, pursuant to sections 3706.25 to 2906  
3706.30 of the Revised Code, determines that investment earnings 2907  
are available to support additional appropriations, such amounts 2908  
are hereby appropriated. 2909

(D) Upon the request of the Executive Director of the Air 2910  
Quality Development Authority, the Director of Budget and 2911  
Management may transfer cash between funds 7004 and 7005. Amounts 2912  
transferred are hereby appropriated. 2913

(E) Expenditures from appropriations contained in this 2914  
section may be accounted as though made in the main capital 2915  
appropriations act of the FY 2009-FY 2010 biennium of the 127th 2916  
General Assembly. The appropriations made in this section are 2917  
subject to all provisions of the FY 2009-FY 2010 biennial capital 2918

appropriations act of the 127th General Assembly that are 2919  
generally applicable to such appropriations. 2920

**Section 12.** The Governor has informed the General Assembly of 2921  
the Governor's intent to propose appropriations, and it is the 2922  
intent of the General Assembly to appropriate amounts not to 2923  
exceed \$56 million for the biennium ending on June 30, 2012, from 2924  
bond proceeds deposited in the state treasury to the credit of the 2925  
Advanced Energy Research and Development Taxable Fund (Fund 7004) 2926  
and the Advanced Energy Research and Development Fund (Fund 7005) 2927  
for advanced energy projects as provided in sections 3706.25 to 2928  
3706.30 of the Revised Code. 2929

**Section 13.** All items set forth in this section are hereby 2930  
appropriated out of any moneys in the state treasury, for the 2931  
biennium ending on June 30, 2010, to the credit of the Local 2932  
Infrastructure Development Fund (Fund 7039) that are not otherwise 2933  
appropriated: 2934

	Appropriations	
PWC PUBLIC WORKS COMMISSION		2935
C15061 Local Infrastructure Development	\$ 80,000,000	2936
Total Public Works Commission	\$ 80,000,000	2937
TOTAL Local Infrastructure Development Fund	\$ 80,000,000	2938

(A) On July 1, 2009, or as soon as possible thereafter, the 2939  
Director of Budget and Management shall transfer \$80,000,000 in 2940  
cash from the Jobs Fund created in the state treasury by Section 4 2941  
of Sub. H.B. 544 of the 127th General Assembly to the Local 2942  
Infrastructure Development Fund (Fund 7039) created in section 2943  
164.28 of the Revised Code. 2944

(B) The foregoing appropriation item C15061, Local 2945  
Infrastructure Development, shall be used by the Public Works 2946  
Commission for capital improvement projects under Chapter 164. of 2947



the Revised Code. The Director of the Public Works Commission may 2948  
certify to the Director of Budget and Management that a need 2949  
exists to appropriate investment earnings of the Local 2950  
Infrastructure Development Fund (Fund 7039) to be so used. If the 2951  
Director of Budget and Management determines pursuant to division 2952  
(D) of section 164.08 and section 164.12 of the Revised Code that 2953  
investment earnings are available to support additional 2954  
appropriations, such amounts are hereby appropriated. 2955

Expenditures from appropriations contained in this section 2956  
may be accounted as though made in the main capital appropriations 2957  
act of the FY 2009-FY 2010 biennium of the 127th General Assembly. 2958  
Subject to division (C) of this section, the appropriations made 2959  
in this section are subject to all provisions of the FY 2009-FY 2960  
2010 biennial capital appropriations act of the 127th General 2961  
Assembly that are generally applicable to such appropriations. 2962

(C) Notwithstanding any applicable limitations in the main 2963  
capital appropriations act of the 127th General Assembly on the 2964  
use of capital appropriations, the foregoing appropriation item 2965  
C15061, Local Infrastructure Development, may also be used for 2966  
broadband initiatives. 2967

(D) It is the intent of the General Assembly not to compete 2968  
with the private sector in providing broadband access in this 2969  
state. Notwithstanding any other law to the contrary, the Public 2970  
Works Commission, in conjunction with the public-private 2971  
partnership known as Connect Ohio, shall adopt rules that 2972  
prescribe the manner in which the moneys specified in division (C) 2973  
of this section shall be distributed to the district public works 2974  
integrating committees as those districts are defined in section 2975  
164.03 of the Revised Code. 2976

(E) On or before June 30, 2011, or as soon as possible 2977  
thereafter, the Director of the Public Works Commission shall 2978  
notify the Director of Budget and Management that all projects 2979

funded by the Local Infrastructure Development Fund (Fund 7039) 2980  
created in section 164.28 of the Revised Code have been completed 2981  
and the Director of Budget and Management shall transfer the cash 2982  
balance remaining in the Local Infrastructure Development Fund 2983  
(Fund 7039) to the General Revenue Fund. Upon completion of the 2984  
transfer, the Local Infrastructure Development Fund (Fund 7039) is 2985  
abolished. 2986

**Section 14.** All items set forth in this section are hereby 2987  
appropriated out of any moneys in the state treasury, for the 2988  
biennium ending on June 30, 2010, to the credit of the State 2989  
Capital Improvements Fund (Fund 7038) that are not otherwise 2990  
appropriated. 2991

	Appropriations	
PWC PUBLIC WORKS COMMISSION		2992
C15000 Local Public Infrastructure	\$ 120,000,000	2993
Total Public Works Commission	\$ 120,000,000	2994
TOTAL State Capital Improvements Fund	\$ 120,000,000	2995

The foregoing appropriation item C15000, Local Public 2996  
Infrastructure, shall be used in accordance with sections 164.01 2997  
to 164.12 of the Revised Code. The Director of the Public Works 2998  
Commission may certify to the Director of Budget and Management 2999  
that a need exists to appropriate investment earnings of Fund 7038 3000  
to be used in accordance with sections 164.01 to 164.12 of the 3001  
Revised Code. If the Director of Budget and Management, pursuant 3002  
to division (D) of section 164.08 and section 164.12 of the 3003  
Revised Code, determines that investment earnings are available to 3004  
support additional appropriations, such amounts are hereby 3005  
appropriated. 3006

Expenditures from appropriations contained in this section 3007  
may be accounted as though made in the main capital appropriations 3008  
act of the FY 2009-FY 2010 biennium of the 127th General Assembly. 3009

The appropriations made in this section are subject to all 3010  
provisions of the FY 2009-FY 2010 biennial capital appropriations 3011  
act of the 127th General Assembly that are generally applicable to 3012  
such appropriations. 3013

**Section 15.** The Ohio Public Facilities Commission is hereby 3014  
authorized to issue and sell, in accordance with Section 2p of 3015  
Article VIII, Ohio Constitution, and pursuant to sections 151.01 3016  
and 151.08 of the Revised Code, original obligations of the state, 3017  
in an aggregate principal amount not to exceed \$120,000,000, in 3018  
addition to the original obligations heretofore authorized by 3019  
prior acts of the General Assembly. These authorized obligations 3020  
shall be issued and sold from time to time, subject to applicable 3021  
constitutional and statutory limitations, as needed to ensure 3022  
sufficient moneys to the credit of the State Capital Improvements 3023  
Fund (Fund 7038) to pay costs of the state in financing or 3024  
assisting in the financing of local subdivision capital 3025  
improvement projects. 3026

**Section 16.** Notwithstanding section 126.14 of the Revised 3027  
Code, appropriations from the State Capital Improvement Fund (Fund 3028  
7038) shall be released upon presentation of a request to release 3029  
the funds by the Director of the Public Works Commission to the 3030  
Director of Budget and Management. 3031

**Section 17.** The Governor has informed the General Assembly of 3032  
the Governor's intent to propose appropriations, and it is the 3033  
intent of the General Assembly to appropriate, for the Choose Ohio 3034  
First Co-op/Internship Program established under section 3333.72 3035  
of the Revised Code a minimum of \$50,000,000 each fiscal year from 3036  
fiscal year 2010 through fiscal year 2014. 3037

**Section 18.** That Section 229.10 of Am. Sub. H.B. 67 of the 3038

127th General Assembly be amended to read as follows: 3039

**Sec. 229.10. PWC PUBLIC WORKS COMMISSION** 3040

Local Transportation Improvements Fund Group 3041

052 150-402 Local Transportation \$ 291,537 \$ 306,178 3042

Improvement Program -  
Operating

052 150-701 Local Transportation \$ 67,500,000 \$ ~~67,500,000~~ 3043

Improvement Program 267,500,000

TOTAL 052 Local Transportation 3044

Improvements Fund Group \$ 67,791,537 \$ ~~67,806,178~~ 3045

267,806,178

Local Infrastructure Improvements Fund Group 3046

038 150-321 State Capital \$ 879,237 \$ 918,912 3047

Improvements Program -  
Operating Expenses

TOTAL LIF Local Infrastructure 3048

Improvements Fund Group \$ 879,237 \$ 918,912 3049

TOTAL ALL BUDGET FUND GROUPS \$ 68,670,774 \$ ~~68,725,090~~ 3050

268,725,090

CASH TRANSFER FROM THE BUDGET STABILIZATION FUND 3051

Notwithstanding any other law to the contrary, on July 1, 3052

2008, or as soon as possible thereafter, the Director of Budget 3053

and Management shall transfer \$200,000,000 in cash from the Budget 3054

Stabilization Fund to the Local Transportation Improvement Program 3055

Fund created in section 164.14 of the Revised Code. 3056

DISTRICT ADMINISTRATION COSTS 3057

The Director of the Public Works Commission is authorized to 3058

create a District Administration Costs Program from interest 3059

earnings of the Capital Improvements Fund and Local Transportation 3060

Improvement Program Fund proceeds. The program shall be used to 3061

provide for the direct costs of district administration of the 3062  
nineteen public works districts. Districts choosing to participate 3063  
in the program shall only expend Capital Improvements Fund moneys 3064  
for Capital Improvements Fund costs and Local Transportation 3065  
Improvement Program Fund moneys for Local Transportation 3066  
Improvement Program Fund costs. The account shall not exceed 3067  
\$1,235,000 per fiscal year. Each public works district may be 3068  
eligible for up to \$65,000 per fiscal year from its district 3069  
allocation as provided in sections 164.08 and 164.14 of the 3070  
Revised Code. 3071

The Director, by rule, shall define allowable and 3072  
nonallowable costs for the purpose of the District Administration 3073  
Costs Program. Nonallowable costs include indirect costs, elected 3074  
official salaries and benefits, and project-specific costs. No 3075  
district public works committee may participate in the District 3076  
Administration Costs Program without the approval of those costs 3077  
by the district public works committee under section 164.04 of the 3078  
Revised Code. 3079

REAPPROPRIATIONS 3080

All capital appropriations from the Local Transportation 3081  
Improvement Program Fund (Fund 052) in Am. Sub. H.B. 68 of the 3082  
126th General Assembly remaining unencumbered as of June 30, 2007, 3083  
are reappropriated for use during the period July 1, 2007, through 3084  
June 30, 2008, for the same purpose. 3085

Notwithstanding division (B) of section 127.14 of the Revised 3086  
Code, all capital appropriations and reappropriations from the 3087  
Local Transportation Improvement Program Fund (Fund 052) in this 3088  
act remaining unencumbered as of June 30, 2008, are reappropriated 3089  
for use during the period July 1, 2008, through June 30, 2009, for 3090  
the same purposes, subject to the availability of revenue as 3091  
determined by the Director of the Public Works Commission. 3092

**Section 19.** That existing Section 229.10 of Am. Sub. H.B. 67 3093  
of the 127th General Assembly is hereby repealed. 3094

**Section 20.** The amendments to section 184.02 that add the 3095  
cross references to sections 184.25 and 184.26 and enactments of 3096  
sections 184.23, 184.231, 184.24, 184.25, and 184.26 of the 3097  
Revised Code are hereby repealed, effective June 30, 2011. 3098

**Section 21.** The enactment of section 164.28 of the Revised 3099  
Code is hereby repealed, effective June 30, 2013. 3100

**Section 22.** The amendment or enactment by this act of a 3101  
codified or uncodified section listed below is exempt from the 3102  
referendum under Ohio Constitution, Article II, Section 1d and 3103  
section 1.471 of the Revised Code and takes effect immediately 3104  
when this act becomes law: 3105

Sec. 164.28, 166.01, 166.02, 166.08, 166.11, 166.25, 166.26, 3106  
166.27, 166.30, 184.02, 184.174, 184.23, 184.231, 184.24, 184.25, 3107  
184.26, 184.37, 1555.03, 3706.01 3108

Sections 5, 18, and 19. 3109