

AN ACT

To enact section 122.176 of the Revised Code to authorize grants to an employer that moves operations into a previously vacant facility and increases payroll by hiring and employing employees at the facility.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That section 122.176 of the Revised Code be enacted to read as follows:

Sec. 122.176. (A) For purposes of this section:

(1) "Vacant commercial space" means space that has been unoccupied and available for use in a trade or business for the twelve months immediately preceding the lease or purchase date described in division (B) of this section, located in either of the following:

(a) A building, seventy-five per cent or more of the square footage of which has been unoccupied and available for use in a trade or business for the twelve months immediately preceding the initial lease or purchase date described in division (B) of this section;

(b) A business park, seventy-five per cent or more of the square footage of which has been unoccupied and available for use in a trade or business for the twelve months immediately preceding the initial lease or purchase date described in division (B) of this section.

For the purpose of determining whether a building, the construction of which is not complete, has been unoccupied for the required length of time, the building first becomes "unoccupied" when its construction discontinues as determined by the person who owned the property at that time.

(2) "Business park" means two or more buildings located on the same or adjacent parcels held under common ownership.

(3) "Building" means a building as defined in section 3781.06 of the Revised Code the construction of which is at least eighty-five per cent complete and that may be lawfully occupied.

(4) "Qualifying employee" means an employee employed by an employer, provided the employee is employed at the vacant commercial space for a minimum of forty hours per week and has been so employed for

at least one year, the employer pays the employee at a wage rate equal to or greater than the minimum wage rate applicable under Chapter 4111. of the Revised Code, employment of the employee increases the employer's payroll above the employer's base employment threshold, and the employee had not been employed by the employer within sixty days before the date the employer purchases or enters into a lease for a vacant commercial space.

(5) "Base employment threshold" means the total payroll of the employer on the date the employer purchases or enters into a lease for a vacant commercial space.

(B) This section does not apply to the federal government, the state, the state's political subdivisions, or nonprofit organizations.

An employer required to deduct and withhold income tax from an employee's compensation under section 5747.06 and remit such amounts under section 5747.07 of the Revised Code may apply to the director of development for a grant from the vacant facilities grant fund, provided that, on or after the effective date of this section as enacted by H.B. 18 of the 129th general assembly, the employer occupies under a lease or purchases vacant commercial space at which the employer employs at least fifty employees or at least fifty per cent of its employees who are employed in this state. An employer may qualify for the grant only once. The amount of the grant awarded under this section shall be five hundred dollars for each qualifying employee. No grant application shall be accepted by the director three years or later after the effective date of this section.

An employer does not qualify for a grant under this section if, during the year of the employer's application, the employer is eligible to claim a tax credit or other incentive under an agreement with the tax credit authority.

The director shall prescribe application materials and explanations. An employer applying for a grant under this section shall submit the following with the employer's application to the director:

(1) An affidavit from the person who, in the case of a lease of vacant commercial space, owns the property or, in the case of a purchase, is the most recent owner of the property indicating that the building meets the requirements of a vacant commercial space;

(2) Payroll records indicating, for each qualifying employee, that the employee was employed for one year or longer at the vacant commercial space;

(3) Quarterly reports of wage information submitted by the employer to the department of job and family services pursuant to section 4141.20 of the Revised Code indicating the employer's qualifying employees and the employer's base employment threshold;

(4) A statement that the employer agrees to provide to the director any receipts, invoices, or similar documents demonstrating that the employer used the grant for the activities described in division (C) of this section.

Upon receipt of an application, the director shall review the application and attached materials and approve the application if, to the director's satisfaction, the employer fulfills all the grant requirements of this section, and if, in the judgment of the director, the unencumbered balance in the vacant facilities grant fund is sufficient to fund the amount of the grant. Upon approval of a grant application, the director shall authorize the award of the grant from the vacant facilities grant fund to the employer.

(C) An employer receiving a grant under this section from the vacant facilities grant fund must use the grant for the acquisition, construction, enlargement, improvement, or equipment of property, structures, equipment, and facilities used by the employer in business at the vacant commercial space occupied by the employer.

(D) An employer may claim a grant under this section with respect to a building, the construction of which is not complete, only if the employer submits both of the following with the employer's application:

(1) A copy of a certificate of occupancy from the appropriate building authority indicating that the building may lawfully be occupied pursuant to chapters 3781. and 3791. of the Revised Code;

(2) An affidavit from the person who owned the property at the time construction discontinued indicating the date construction discontinued.

(E) There is hereby created in the state treasury the vacant facilities grant fund, which shall consist of money appropriated to the fund by the general assembly. Money in the fund shall be used solely for the purposes of this section.

SECTION 2. On July 1, 2012, or as soon as possible thereafter, the Director of Budget and Management, in consultation with the Director of Development, shall identify within the Department of Development's budget up to \$2,000,000 in unexpended, unencumbered cash to be used to capitalize the Vacant Facilities Grant Fund established in section 122.176 of the Revised Code. When such funds have been identified, the Director of Budget and Management shall transfer up to \$2,000,000 cash from the identified sources to the Vacant Facilities Grant Fund. The amount transferred is hereby appropriated for fiscal year 2013.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Sub. H. B. No. 18

129th G.A.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ___ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____