

AN ACT

To amend sections 9.981, 102.03, 121.02, 121.03, 121.22, 122.01, 122.011, 122.07, 122.071, 122.17, 122.171, 122.174, 122.175, 122.39, 122.41, 122.42, 122.43, 122.44, 122.48, 122.49, 122.50, 122.51, 122.52, 122.53, 122.561, 122.57, 122.60, 122.601, 122.602, 122.603, 122.61, 122.62, 122.64, 122.76, 122.80, 122.86, 149.311, 149.43, 164.05, 164.06, 164.08, 166.01, 166.04, 166.05, 166.11, 166.13, 166.14, 166.18, 166.19, 166.25, 166.30, 174.01, 184.01, 187.01, 187.03, 187.04, 187.05, 929.03, 1551.01, 3735.672, 3746.35, 5117.22, 5709.68, 5709.882, 6103.052, and 6117.062, to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 122.07 (122.073) and 122.071 (122.072), to enact new sections 122.07 and 122.071 and sections 122.942, 122.97, 184.011, 187.061, 3735.01, and 5701.15, and to repeal sections 122.40, 1525.11, 1525.12, 1525.13, and 6111.034 of the Revised Code to rename the Department of Development the "Development Services Agency"; to establish the Office of TourismOhio within the Development Services Agency, create the TourismOhio Advisory Board, and establish a pilot program to test a new funding mechanism for the state's travel and tourism marketing; to modify the operation of JobsOhio, including by requiring annual ethics training, ethical conduct statements, and the development of a gift policy; to makes changes to the Capital Access Loan Program Fund and to allow transfers to the Capital Access Loan Program Fund from the Minority Business

Enterprise Loan Fund; to provide for projects that were started prior to receiving a tax credit from the Ohio Tax Credit Authority; to modify reporting requirements under the Voluntary Action Program; to require the Director of Development Services to administer federal funds received for Brownfields revitalization purposes; to terminate the Water and Sewer Commission; to terminate the Development Financing Advisory Council; to require the Director of Development Services to make certain information available to the public with respect to each project for which state-funded financial assistance is awarded by the Development Services Agency; to expand eligibility for the historic rehabilitation tax credit; to establish an annual debt service limitation on project financing obligations issued for certain economic development programs; and to increase the membership of the Third Frontier Commission.

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

SECTION 1. That sections 9.981, 102.03, 121.02, 121.03, 121.22, 122.01, 122.011, 122.07, 122.071, 122.17, 122.171, 122.174, 122.175, 122.39, 122.41, 122.42, 122.43, 122.44, 122.48, 122.49, 122.50, 122.51, 122.52, 122.53, 122.561, 122.57, 122.60, 122.601, 122.602, 122.603, 122.61, 122.62, 122.64, 122.76, 122.80, 122.86, 149.311, 149.43, 164.05, 164.06, 164.08, 166.01, 166.04, 166.05, 166.11, 166.13, 166.14, 166.18, 166.19, 166.25, 166.30, 174.01, 184.01, 187.01, 187.03, 187.04, 187.05, 929.03, 1551.01, 3735.672, 3746.35, 5117.22, 5709.68, 5709.882, 6103.052, and 6117.062 be amended, sections 122.07 (122.073) and 122.071 (122.072) be amended for the purpose of adopting new section numbers as indicated in parentheses, and new sections 122.07 and 122.071 and sections 122.942, 122.97, 184.011, 187.061, 3735.01, and 5701.15 of the Revised Code be enacted to read as follows:

Sec. 9.981. (A) Sections 9.98 to 9.983 of the Revised Code are applicable to bonds:

(1) The payment of the debt service on which is to be provided for directly or indirectly by payments contracted to be made in the bond proceedings by the absolute obligors, being persons other than the issuer; and

(2) Which are authorized to be issued under sections 122.39 and 122.41 to 122.62, Chapter 165., 902., 3377., 3706., division (A)(4) of section 4582.06, division (A)(8) of section 4582.31, section 4582.48, or Chapter 6121. or 6123. of the Revised Code, notwithstanding other provisions therein.

(B) Sections 9.98 to 9.983 of the Revised Code are applicable to bonds issued under sections 306.37 and 6119.12 of the Revised Code and Chapters 140., 152., 154., 175., and 349. of the Revised Code, and to any bonds authorized under laws which expressly make those sections applicable.

(C) Subject to division (A) of this section, the authority provided in sections 9.98 to 9.983 of the Revised Code is supplemental to and not in derogation of any similar authority provided by, derived from, or implied by, any law, the Ohio Constitution, or any charter, resolution, or ordinance, and no inference shall be drawn to negate the authority thereunder by reason of the express provisions of sections 9.98 to 9.983 of the Revised Code.

(D) Sections 9.98 to 9.983 of the Revised Code shall be liberally construed to permit flexibility in the arrangements therein provided to enhance the issuance of such bonds and provide for terms most beneficial and satisfactory to the persons which undertake to provide for their payment, security, and liquidity.

Sec. 102.03. (A)(1) No present or former public official or employee shall, during public employment or service or for twelve months thereafter, represent a client or act in a representative capacity for any person on any matter in which the public official or employee personally participated as a public official or employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of administrative discretion.

(2) For twenty-four months after the conclusion of service, no former commissioner or attorney examiner of the public utilities commission shall represent a public utility, as defined in section 4905.02 of the Revised Code, or act in a representative capacity on behalf of such a utility before any state board, commission, or agency.

(3) For twenty-four months after the conclusion of employment or service, no former public official or employee who personally participated as a public official or employee through decision, approval, disapproval, recommendation, the rendering of advice, the development or adoption of

solid waste management plans, investigation, inspection, or other substantial exercise of administrative discretion under Chapter 343. or 3734. of the Revised Code shall represent a person who is the owner or operator of a facility, as defined in section 3734.01 of the Revised Code, or who is an applicant for a permit or license for a facility under that chapter, on any matter in which the public official or employee personally participated as a public official or employee.

(4) For a period of one year after the conclusion of employment or service as a member or employee of the general assembly, no former member or employee of the general assembly shall represent, or act in a representative capacity for, any person on any matter before the general assembly, any committee of the general assembly, or the controlling board. Division (A)(4) of this section does not apply to or affect a person who separates from service with the general assembly on or before December 31, 1995. As used in division (A)(4) of this section "person" does not include any state agency or political subdivision of the state.

(5) As used in divisions (A)(1), (2), and (3) of this section, "matter" includes any case, proceeding, application, determination, issue, or question, but does not include the proposal, consideration, or enactment of statutes, rules, ordinances, resolutions, or charter or constitutional amendments. As used in division (A)(4) of this section, "matter" includes the proposal, consideration, or enactment of statutes, resolutions, or constitutional amendments. As used in division (A) of this section, "represent" includes any formal or informal appearance before, or any written or oral communication with, any public agency on behalf of any person.

(6) Nothing contained in division (A) of this section shall prohibit, during such period, a former public official or employee from being retained or employed to represent, assist, or act in a representative capacity for the public agency by which the public official or employee was employed or on which the public official or employee served.

(7) Division (A) of this section shall not be construed to prohibit the performance of ministerial functions, including, but not limited to, the filing or amendment of tax returns, applications for permits and licenses, incorporation papers, and other similar documents.

(8) Division (A) of this section does not prohibit a nonelected public official or employee of a state agency, as defined in section 1.60 of the Revised Code, from becoming a public official or employee of another state agency. Division (A) of this section does not prohibit such an official or employee from representing or acting in a representative capacity for the official's or employee's new state agency on any matter in which the public

official or employee personally participated as a public official or employee at the official's or employee's former state agency. However, no public official or employee of a state agency shall, during public employment or for twelve months thereafter, represent or act in a representative capacity for the official's or employee's new state agency on any audit or investigation pertaining to the official's or employee's new state agency in which the public official or employee personally participated at the official's or employee's former state agency through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of administrative discretion.

(9) Division (A) of this section does not prohibit a nonelected public official or employee of a political subdivision from becoming a public official or employee of a different department, division, agency, office, or unit of the same political subdivision. Division (A) of this section does not prohibit such an official or employee from representing or acting in a representative capacity for the official's or employee's new department, division, agency, office, or unit on any matter in which the public official or employee personally participated as a public official or employee at the official's or employee's former department, division, agency, office, or unit of the same political subdivision. As used in this division, "political subdivision" means a county, township, municipal corporation, or any other body corporate and politic that is responsible for government activities in a geographic area smaller than that of the state.

(10) No present or former Ohio casino control commission official shall, during public service or for two years thereafter, represent a client, be employed or compensated by a person regulated by the commission, or act in a representative capacity for any person on any matter before or concerning the commission.

No present or former commission employee shall, during public employment or for two years thereafter, represent a client or act in a representative capacity on any matter in which the employee personally participated as a commission employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of administrative discretion.

(B) No present or former public official or employee shall disclose or use, without appropriate authorization, any information acquired by the public official or employee in the course of the public official's or employee's official duties that is confidential because of statutory provisions, or that has been clearly designated to the public official or employee as confidential when that confidential designation is warranted

because of the status of the proceedings or the circumstances under which the information was received and preserving its confidentiality is necessary to the proper conduct of government business.

(C) No public official or employee shall participate within the scope of duties as a public official or employee, except through ministerial functions as defined in division (A) of this section, in any license or rate-making proceeding that directly affects the license or rates of any person, partnership, trust, business trust, corporation, or association in which the public official or employee or immediate family owns or controls more than five per cent. No public official or employee shall participate within the scope of duties as a public official or employee, except through ministerial functions as defined in division (A) of this section, in any license or rate-making proceeding that directly affects the license or rates of any person to whom the public official or employee or immediate family, or a partnership, trust, business trust, corporation, or association of which the public official or employee or the public official's or employee's immediate family owns or controls more than five per cent, has sold goods or services totaling more than one thousand dollars during the preceding year, unless the public official or employee has filed a written statement acknowledging that sale with the clerk or secretary of the public agency and the statement is entered in any public record of the agency's proceedings. This division shall not be construed to require the disclosure of clients of attorneys or persons licensed under section 4732.12 or 4732.15 of the Revised Code, or patients of persons certified under section 4731.14 of the Revised Code.

(D) No public official or employee shall use or authorize the use of the authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(E) No public official or employee shall solicit or accept anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(F) No person shall promise or give to a public official or employee anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(G) In the absence of bribery or another offense under the Revised Code or a purpose to defraud, contributions made to a campaign committee, political party, legislative campaign fund, political action committee, or

political contributing entity on behalf of an elected public officer or other public official or employee who seeks elective office shall be considered to accrue ordinarily to the public official or employee for the purposes of divisions (D), (E), and (F) of this section.

As used in this division, "contributions," "campaign committee," "political party," "legislative campaign fund," "political action committee," and "political contributing entity" have the same meanings as in section 3517.01 of the Revised Code.

(H)(1) No public official or employee, except for the president or other chief administrative officer of or a member of a board of trustees of a state institution of higher education as defined in section 3345.011 of the Revised Code, who is required to file a financial disclosure statement under section 102.02 of the Revised Code shall solicit or accept, and no person shall give to that public official or employee, an honorarium. Except as provided in division (H)(2) of this section, this division and divisions (D), (E), and (F) of this section do not prohibit a public official or employee who is required to file a financial disclosure statement under section 102.02 of the Revised Code from accepting and do not prohibit a person from giving to that public official or employee the payment of actual travel expenses, including any expenses incurred in connection with the travel for lodging, and meals, food, and beverages provided to the public official or employee at a meeting at which the public official or employee participates in a panel, seminar, or speaking engagement or provided to the public official or employee at a meeting or convention of a national organization to which any state agency, including, but not limited to, any state legislative agency or state institution of higher education as defined in section 3345.011 of the Revised Code, pays membership dues. Except as provided in division (H)(2) of this section, this division and divisions (D), (E), and (F) of this section do not prohibit a public official or employee who is not required to file a financial disclosure statement under section 102.02 of the Revised Code from accepting and do not prohibit a person from promising or giving to that public official or employee an honorarium or the payment of travel, meal, and lodging expenses if the honorarium, expenses, or both were paid in recognition of demonstrable business, professional, or esthetic interests of the public official or employee that exist apart from public office or employment, including, but not limited to, such a demonstrable interest in public speaking and were not paid by any person or other entity, or by any representative or association of those persons or entities, that is regulated by, doing business with, or seeking to do business with the department, division, institution, board, commission, authority, bureau, or other instrumentality of the

governmental entity with which the public official or employee serves.

(2) No person who is a member of the board of a state retirement system, a state retirement system investment officer, or an employee of a state retirement system whose position involves substantial and material exercise of discretion in the investment of retirement system funds shall solicit or accept, and no person shall give to that board member, officer, or employee, payment of actual travel expenses, including expenses incurred with the travel for lodging, meals, food, and beverages.

(I) A public official or employee may accept travel, meals, and lodging or expenses or reimbursement of expenses for travel, meals, and lodging in connection with conferences, seminars, and similar events related to official duties if the travel, meals, and lodging, expenses, or reimbursement is not of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties. The house of representatives and senate, in their code of ethics, and the Ohio ethics commission, under section 111.15 of the Revised Code, may adopt rules setting standards and conditions for the furnishing and acceptance of such travel, meals, and lodging, expenses, or reimbursement.

A person who acts in compliance with this division and any applicable rules adopted under it, or any applicable, similar rules adopted by the supreme court governing judicial officers and employees, does not violate division (D), (E), or (F) of this section. This division does not preclude any person from seeking an advisory opinion from the appropriate ethics commission under section 102.08 of the Revised Code.

(J) For purposes of divisions (D), (E), and (F) of this section, the membership of a public official or employee in an organization shall not be considered, in and of itself, to be of such a character as to manifest a substantial and improper influence on the public official or employee with respect to that person's duties. As used in this division, "organization" means a church or a religious, benevolent, fraternal, or professional organization that is tax exempt under subsection 501(a) and described in subsection 501(c)(3), (4), (8), (10), or (19) of the "Internal Revenue Code of 1986." This division does not apply to a public official or employee who is an employee of an organization, serves as a trustee, director, or officer of an organization, or otherwise holds a fiduciary relationship with an organization. This division does not allow a public official or employee who is a member of an organization to participate, formally or informally, in deliberations, discussions, or voting on a matter or to use ~~his~~ the public official's or employee's official position with regard to the interests of the organization on the matter if the public official or employee has assumed a

particular responsibility in the organization with respect to the matter or if the matter would affect that person's personal, pecuniary interests.

(K) It is not a violation of this section for a prosecuting attorney to appoint assistants and employees in accordance with division (B) of section 309.06 and section 2921.421 of the Revised Code, for a chief legal officer of a municipal corporation or an official designated as prosecutor in a municipal corporation to appoint assistants and employees in accordance with sections 733.621 and 2921.421 of the Revised Code, for a township law director appointed under section 504.15 of the Revised Code to appoint assistants and employees in accordance with sections 504.151 and 2921.421 of the Revised Code, or for a coroner to appoint assistants and employees in accordance with division (B) of section 313.05 of the Revised Code.

As used in this division, "chief legal officer" has the same meaning as in section 733.621 of the Revised Code.

(L) No present public official or employee with a casino gaming regulatory function shall indirectly invest, by way of an entity the public official or employee has an ownership interest or control in, or directly invest in a casino operator, management company, holding company, casino facility, or gaming-related vendor. No present public official or employee with a casino gaming regulatory function shall directly or indirectly have a financial interest in, have an ownership interest in, be the creditor or hold a debt instrument issued by, or have an interest in a contractual or service relationship with a casino operator, management company, holding company, casino facility, or gaming-related vendor. This section does not prohibit or limit permitted passive investing by the public official or employee.

As used in this division, "passive investing" means investment by the public official or employee by means of a mutual fund in which the public official or employee has no control of the investments or investment decisions. "Casino operator," "holding company," "management company," "casino facility," and "gaming-related vendor" have the same meanings as in section 3772.01 of the Revised Code.

(M) A member of the Ohio casino control commission, the executive director of the commission, or an employee of the commission shall not:

(1) Accept anything of value, including but not limited to a gift, gratuity, emolument, or employment from a casino operator, management company, or other person subject to the jurisdiction of the commission, or from an officer, attorney, agent, or employee of a casino operator, management company, or other person subject to the jurisdiction of the commission;

(2) Solicit, suggest, request, or recommend, directly or indirectly, to a casino operator, management company, or other person subject to the jurisdiction of the commission, or to an officer, attorney, agent, or employee of a casino operator, management company, or other person subject to the jurisdiction of the commission, the appointment of a person to an office, place, position, or employment;

(3) Participate in casino gaming or any other amusement or activity at a casino facility in this state or at an affiliate gaming facility of a licensed casino operator, wherever located.

In addition to the penalty provided in section 102.99 of the Revised Code, whoever violates division (M)(1), (2), or (3) of this section forfeits the individual's office or employment.

Sec. 121.02. The following administrative departments and their respective directors are hereby created:

(A) The office of budget and management, which shall be administered by the director of budget and management;

(B) The department of commerce, which shall be administered by the director of commerce;

(C) The department of administrative services, which shall be administered by the director of administrative services;

(D) The department of transportation, which shall be administered by the director of transportation;

(E) The department of agriculture, which shall be administered by the director of agriculture;

(F) The department of natural resources, which shall be administered by the director of natural resources;

(G) The department of health, which shall be administered by the director of health;

(H) The department of job and family services, which shall be administered by the director of job and family services;

(I) Until July 1, 1997, the department of liquor control, which shall be administered by the director of liquor control;

(J) The department of public safety, which shall be administered by the director of public safety;

(K) The department of mental health, which shall be administered by the director of mental health;

(L) The department of developmental disabilities, which shall be administered by the director of developmental disabilities;

(M) The department of insurance, which shall be administered by the superintendent of insurance as director thereof;

(N) The ~~department of~~ development services agency, which shall be administered by the director of development services;

(O) The department of youth services, which shall be administered by the director of youth services;

(P) The department of rehabilitation and correction, which shall be administered by the director of rehabilitation and correction;

(Q) The environmental protection agency, which shall be administered by the director of environmental protection;

(R) The department of aging, which shall be administered by the director of aging;

(S) The department of alcohol and drug addiction services, which shall be administered by the director of alcohol and drug addiction services;

(T) The department of veterans services, which shall be administered by the director of veterans services.

The director of each department shall exercise the powers and perform the duties vested by law in such department.

Sec. 121.03. The following administrative department heads shall be appointed by the governor, with the advice and consent of the senate, and shall hold their offices during the term of the appointing governor, and are subject to removal at the pleasure of the governor.

- (A) The director of budget and management;
- (B) The director of commerce;
- (C) The director of transportation;
- (D) The director of agriculture;
- (E) The director of job and family services;
- (F) Until July 1, 1997, the director of liquor control;
- (G) The director of public safety;
- (H) The superintendent of insurance;
- (I) The director of development services;
- (J) The tax commissioner;
- (K) The director of administrative services;
- (L) The director of natural resources;
- (M) The director of mental health;
- (N) The director of developmental disabilities;
- (O) The director of health;
- (P) The director of youth services;
- (Q) The director of rehabilitation and correction;
- (R) The director of environmental protection;
- (S) The director of aging;
- (T) The director of alcohol and drug addiction services;

(U) The administrator of workers' compensation who meets the qualifications required under division (A) of section 4121.121 of the Revised Code;

(V) The director of veterans services who meets the qualifications required under section 5902.01 of the Revised Code;

(W) The chancellor of the Ohio board of regents.

Sec. 121.22. (A) This section shall be liberally construed to require public officials to take official action and to conduct all deliberations upon official business only in open meetings unless the subject matter is specifically excepted by law.

(B) As used in this section:

(1) "Public body" means any of the following:

(a) Any board, commission, committee, council, or similar decision-making body of a state agency, institution, or authority, and any legislative authority or board, commission, committee, council, agency, authority, or similar decision-making body of any county, township, municipal corporation, school district, or other political subdivision or local public institution;

(b) Any committee or subcommittee of a body described in division (B)(1)(a) of this section;

(c) A court of jurisdiction of a sanitary district organized wholly for the purpose of providing a water supply for domestic, municipal, and public use when meeting for the purpose of the appointment, removal, or reappointment of a member of the board of directors of such a district pursuant to section 6115.10 of the Revised Code, if applicable, or for any other matter related to such a district other than litigation involving the district. As used in division (B)(1)(c) of this section, "court of jurisdiction" has the same meaning as "court" in section 6115.01 of the Revised Code.

(2) "Meeting" means any prearranged discussion of the public business of the public body by a majority of its members.

(3) "Regulated individual" means either of the following:

(a) A student in a state or local public educational institution;

(b) A person who is, voluntarily or involuntarily, an inmate, patient, or resident of a state or local institution because of criminal behavior, mental illness or retardation, disease, disability, age, or other condition requiring custodial care.

(4) "Public office" has the same meaning as in section 149.011 of the Revised Code.

(C) All meetings of any public body are declared to be public meetings open to the public at all times. A member of a public body shall be present

in person at a meeting open to the public to be considered present or to vote at the meeting and for purposes of determining whether a quorum is present at the meeting.

The minutes of a regular or special meeting of any public body shall be promptly prepared, filed, and maintained and shall be open to public inspection. The minutes need only reflect the general subject matter of discussions in executive sessions authorized under division (G) or (J) of this section.

(D) This section does not apply to any of the following:

(1) A grand jury;

(2) An audit conference conducted by the auditor of state or independent certified public accountants with officials of the public office that is the subject of the audit;

(3) The adult parole authority when its hearings are conducted at a correctional institution for the sole purpose of interviewing inmates to determine parole or pardon;

(4) The organized crime investigations commission established under section 177.01 of the Revised Code;

(5) Meetings of a child fatality review board established under section 307.621 of the Revised Code and meetings conducted pursuant to sections 5153.171 to 5153.173 of the Revised Code;

(6) The state medical board when determining whether to suspend a certificate without a prior hearing pursuant to division (G) of either section 4730.25 or 4731.22 of the Revised Code;

(7) The board of nursing when determining whether to suspend a license or certificate without a prior hearing pursuant to division (B) of section 4723.281 of the Revised Code;

(8) The state board of pharmacy when determining whether to suspend a license without a prior hearing pursuant to division (D) of section 4729.16 of the Revised Code;

(9) The state chiropractic board when determining whether to suspend a license without a hearing pursuant to section 4734.37 of the Revised Code;

(10) The executive committee of the emergency response commission when determining whether to issue an enforcement order or request that a civil action, civil penalty action, or criminal action be brought to enforce Chapter 3750. of the Revised Code;

(11) The board of directors of the nonprofit corporation formed under section 187.01 of the Revised Code or any committee thereof, and the board of directors of any subsidiary of that corporation or a committee thereof;

(12) An audit conference conducted by the audit staff of the department

of job and family services with officials of the public office that is the subject of that audit under section 5101.37 of the Revised Code.

(E) The controlling board, the ~~development financing advisory council,~~ the industrial technology and enterprise advisory council, the tax credit authority, or the minority development financing advisory board, when meeting to consider granting assistance pursuant to Chapter 122. or 166. of the Revised Code, in order to protect the interest of the applicant or the possible investment of public funds, by unanimous vote of all board, council, or authority members present, may close the meeting during consideration of the following information confidentially received by the authority, council, or board from the applicant:

- (1) Marketing plans;
- (2) Specific business strategy;
- (3) Production techniques and trade secrets;
- (4) Financial projections;

(5) Personal financial statements of the applicant or members of the applicant's immediate family, including, but not limited to, tax records or other similar information not open to public inspection.

The vote by the authority, council, or board to accept or reject the application, as well as all proceedings of the authority, council, or board not subject to this division, shall be open to the public and governed by this section.

(F) Every public body, by rule, shall establish a reasonable method whereby any person may determine the time and place of all regularly scheduled meetings and the time, place, and purpose of all special meetings. A public body shall not hold a special meeting unless it gives at least twenty-four hours' advance notice to the news media that have requested notification, except in the event of an emergency requiring immediate official action. In the event of an emergency, the member or members calling the meeting shall notify the news media that have requested notification immediately of the time, place, and purpose of the meeting.

The rule shall provide that any person, upon request and payment of a reasonable fee, may obtain reasonable advance notification of all meetings at which any specific type of public business is to be discussed. Provisions for advance notification may include, but are not limited to, mailing the agenda of meetings to all subscribers on a mailing list or mailing notices in self-addressed, stamped envelopes provided by the person.

(G) Except as provided in division (J) of this section, the members of a public body may hold an executive session only after a majority of a quorum of the public body determines, by a roll call vote, to hold an executive

session and only at a regular or special meeting for the sole purpose of the consideration of any of the following matters:

(1) To consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official, or the investigation of charges or complaints against a public employee, official, licensee, or regulated individual, unless the public employee, official, licensee, or regulated individual requests a public hearing. Except as otherwise provided by law, no public body shall hold an executive session for the discipline of an elected official for conduct related to the performance of the elected official's official duties or for the elected official's removal from office. If a public body holds an executive session pursuant to division (G)(1) of this section, the motion and vote to hold that executive session shall state which one or more of the approved purposes listed in division (G)(1) of this section are the purposes for which the executive session is to be held, but need not include the name of any person to be considered at the meeting.

(2) To consider the purchase of property for public purposes, or for the sale of property at competitive bidding, if premature disclosure of information would give an unfair competitive or bargaining advantage to a person whose personal, private interest is adverse to the general public interest. No member of a public body shall use division (G)(2) of this section as a subterfuge for providing covert information to prospective buyers or sellers. A purchase or sale of public property is void if the seller or buyer of the public property has received covert information from a member of a public body that has not been disclosed to the general public in sufficient time for other prospective buyers and sellers to prepare and submit offers.

If the minutes of the public body show that all meetings and deliberations of the public body have been conducted in compliance with this section, any instrument executed by the public body purporting to convey, lease, or otherwise dispose of any right, title, or interest in any public property shall be conclusively presumed to have been executed in compliance with this section insofar as title or other interest of any bona fide purchasers, lessees, or transferees of the property is concerned.

(3) Conferences with an attorney for the public body concerning disputes involving the public body that are the subject of pending or imminent court action;

(4) Preparing for, conducting, or reviewing negotiations or bargaining sessions with public employees concerning their compensation or other terms and conditions of their employment;

(5) Matters required to be kept confidential by federal law or regulations or state statutes;

(6) Details relative to the security arrangements and emergency response protocols for a public body or a public office, if disclosure of the matters discussed could reasonably be expected to jeopardize the security of the public body or public office;

(7) In the case of a county hospital operated pursuant to Chapter 339. of the Revised Code, a joint township hospital operated pursuant to Chapter 513. of the Revised Code, or a municipal hospital operated pursuant to Chapter 749. of the Revised Code, to consider trade secrets, as defined in section 1333.61 of the Revised Code.

If a public body holds an executive session to consider any of the matters listed in divisions (G)(2) to (7) of this section, the motion and vote to hold that executive session shall state which one or more of the approved matters listed in those divisions are to be considered at the executive session.

A public body specified in division (B)(1)(c) of this section shall not hold an executive session when meeting for the purposes specified in that division.

(H) A resolution, rule, or formal action of any kind is invalid unless adopted in an open meeting of the public body. A resolution, rule, or formal action adopted in an open meeting that results from deliberations in a meeting not open to the public is invalid unless the deliberations were for a purpose specifically authorized in division (G) or (J) of this section and conducted at an executive session held in compliance with this section. A resolution, rule, or formal action adopted in an open meeting is invalid if the public body that adopted the resolution, rule, or formal action violated division (F) of this section.

(I)(1) Any person may bring an action to enforce this section. An action under division (I)(1) of this section shall be brought within two years after the date of the alleged violation or threatened violation. Upon proof of a violation or threatened violation of this section in an action brought by any person, the court of common pleas shall issue an injunction to compel the members of the public body to comply with its provisions.

(2)(a) If the court of common pleas issues an injunction pursuant to division (I)(1) of this section, the court shall order the public body that it enjoins to pay a civil forfeiture of five hundred dollars to the party that sought the injunction and shall award to that party all court costs and, subject to reduction as described in division (I)(2) of this section, reasonable attorney's fees. The court, in its discretion, may reduce an award of

attorney's fees to the party that sought the injunction or not award attorney's fees to that party if the court determines both of the following:

(i) That, based on the ordinary application of statutory law and case law as it existed at the time of violation or threatened violation that was the basis of the injunction, a well-informed public body reasonably would believe that the public body was not violating or threatening to violate this section;

(ii) That a well-informed public body reasonably would believe that the conduct or threatened conduct that was the basis of the injunction would serve the public policy that underlies the authority that is asserted as permitting that conduct or threatened conduct.

(b) If the court of common pleas does not issue an injunction pursuant to division (I)(1) of this section and the court determines at that time that the bringing of the action was frivolous conduct, as defined in division (A) of section 2323.51 of the Revised Code, the court shall award to the public body all court costs and reasonable attorney's fees, as determined by the court.

(3) Irreparable harm and prejudice to the party that sought the injunction shall be conclusively and irrebuttably presumed upon proof of a violation or threatened violation of this section.

(4) A member of a public body who knowingly violates an injunction issued pursuant to division (I)(1) of this section may be removed from office by an action brought in the court of common pleas for that purpose by the prosecuting attorney or the attorney general.

(J)(1) Pursuant to division (C) of section 5901.09 of the Revised Code, a veterans service commission shall hold an executive session for one or more of the following purposes unless an applicant requests a public hearing:

(a) Interviewing an applicant for financial assistance under sections 5901.01 to 5901.15 of the Revised Code;

(b) Discussing applications, statements, and other documents described in division (B) of section 5901.09 of the Revised Code;

(c) Reviewing matters relating to an applicant's request for financial assistance under sections 5901.01 to 5901.15 of the Revised Code.

(2) A veterans service commission shall not exclude an applicant for, recipient of, or former recipient of financial assistance under sections 5901.01 to 5901.15 of the Revised Code, and shall not exclude representatives selected by the applicant, recipient, or former recipient, from a meeting that the commission conducts as an executive session that pertains to the applicant's, recipient's, or former recipient's application for financial assistance.

(3) A veterans service commission shall vote on the grant or denial of

financial assistance under sections 5901.01 to 5901.15 of the Revised Code only in an open meeting of the commission. The minutes of the meeting shall indicate the name, address, and occupation of the applicant, whether the assistance was granted or denied, the amount of the assistance if assistance is granted, and the votes for and against the granting of assistance.

Sec. 122.01. (A) As used in the Revised Code, the "department of development" means the development services agency and the "director of development" means the director of development services. Whenever the department or director of development is referred to or designated in any statute, rule, contract, grant, or other document, the reference or designation shall be deemed to refer to the development services agency or director of development services, as the case may be.

(B) As used in this chapter:

~~(A)~~(1) "Community problems" includes, but is not limited to, taxation, fiscal administration, governmental structure and organization, intergovernmental cooperation, education and training, employment needs, community planning and development, air and water pollution, public safety and the administration of justice, housing, mass transportation, community facilities and services, health, welfare, recreation, open space, and the development of human resources.

~~(B)~~(2) "Professional personnel" means either of the following:

~~(1)~~(a) Personnel who have earned a bachelor's degree from a college or university;

~~(2)~~(b) Personnel who serve as or have the working title of director, assistant director, deputy director, assistant deputy director, manager, office chief, assistant office chief, or program director.

~~(C)~~(3) "Technical personnel" means any of the following:

~~(1)~~(a) Personnel who provide technical assistance according to their job description or in accordance with the Revised Code;

~~(2)~~(b) Personnel employed in the director of ~~development's~~ development services' office or the legal office, communications office, finance office, legislative affairs office, or human resources office of the ~~department of~~ development services agency;

~~(3)~~(c) Personnel employed in the technology division of the ~~department~~ agency.

Sec. 122.011. (A) The ~~department of~~ development services agency shall develop and promote plans and programs designed to assure that state resources are efficiently used, economic growth is properly balanced, community growth is developed in an orderly manner, and local

governments are coordinated with each other and the state, and for such purposes may do all of the following:

(1) Serve as a clearinghouse for information, data, and other materials that may be helpful or necessary to persons or local governments, as provided in section ~~122.07~~ 122.073 of the Revised Code;

(2) Prepare and activate plans for the retention, development, expansion, and use of the resources and commerce of the state, as provided in section 122.04 of the Revised Code;

(3) Assist and cooperate with federal, state, and local governments and agencies of federal, state, and local governments in the coordination of programs to carry out the functions and duties of the ~~department~~ agency;

(4) Encourage and foster research and development activities, conduct studies related to the solution of community problems, and develop recommendations for administrative or legislative actions, as provided in section 122.03 of the Revised Code;

(5) Serve as the economic and community development planning agency, which shall prepare and recommend plans and programs for the orderly growth and development of this state and which shall provide planning assistance, as provided in section 122.06 of the Revised Code;

(6) Cooperate with and provide technical assistance to state departments, political subdivisions, regional and local planning commissions, tourist associations, councils of government, community development groups, community action agencies, and other appropriate organizations for carrying out the functions and duties of the ~~department~~ development services agency or for the solution of community problems;

(7) Coordinate the activities of state agencies that have an impact on carrying out the functions and duties of the ~~department~~ development services agency;

(8) Encourage and assist the efforts of and cooperate with local governments to develop mutual and cooperative solutions to their common problems that relate to carrying out the purposes of this section;

(9) Study existing structure, operations, and financing of regional or local government and those state activities that involve significant relations with regional or local governmental units, recommend to the governor and to the general assembly such changes in these provisions and activities as will improve the operations of regional or local government, and conduct other studies of legal provisions that affect problems related to carrying out the purposes of this section;

(10) Create and operate a division of community development to develop and administer programs and activities that are authorized by

federal statute or the Revised Code;

(11) Until October 15, 2007, establish fees and charges, in consultation with the director of agriculture, for purchasing loans from financial institutions and providing loan guarantees under the family farm loan program created under sections 901.80 to 901.83 of the Revised Code;

(12) Provide loan servicing for the loans purchased and loan guarantees provided under section 901.80 of the Revised Code as that section existed prior to October 15, 2007;

(13) Until October 15, 2007, and upon approval by the controlling board under division (A)(3) of section 901.82 of the Revised Code of the release of money to be used for purchasing a loan or providing a loan guarantee, request the release of that money in accordance with division (B) of section 166.03 of the Revised Code for use for the purposes of the fund created by section 166.031 of the Revised Code.

(14) Allocate that portion of the national recovery zone economic development bond limitation and that portion of the national recovery zone facility bond limitation that has been allocated to the state under section 1400U-1 of the Internal Revenue Code, 26 U.S.C. 1400U-1. If any county or municipal corporation waives any portion of an allocation it receives under division (A)(14) of this section, the ~~department~~ agency may reallocate that amount. Any allocation or reallocation shall be made in accordance with this section and section 1400U-1 of the Internal Revenue Code.

(B) The director of development services may request the attorney general to, and the attorney general, in accordance with section 109.02 of the Revised Code, shall bring a civil action in any court of competent jurisdiction. The director may be sued in the director's official capacity, in connection with this chapter, in accordance with Chapter 2743. of the Revised Code.

(C) The director ~~of development~~ shall execute a contract pursuant to section 187.04 of the Revised Code with the nonprofit corporation formed under section 187.01 of the Revised Code, and may execute any additional contracts with the corporation providing for the corporation to assist the director or ~~department~~ agency in carrying out any duties of the director or ~~department~~ agency under this chapter, under any other provision of the Revised Code dealing with economic development, or under a contract with the director, subject to section 187.04 of the Revised Code.

Sec. 122.07. (A) There is hereby created within the development services agency an office to be known as the office of TourismOhio. The office shall be under the supervision of a director who shall be of equivalent rank of deputy director of the agency and shall serve at the pleasure of the

director of development services.

(B) The office shall do both of the following:

(1) Promote the state as a travel destination and provide related services or otherwise carry out the promotional functions or duties of the agency, as necessary;

(2) Perform an annual return-on-investment study analyzing the office's success in promoting Ohio tourism. A report containing the findings of the study shall be submitted to the governor, the speaker and minority leader of the house of representatives, and the president and minority leader of the senate. The report shall also be made available to the public.

Sec. 122.071. (A) The TourismOhio advisory board is hereby established to advise the director of development services and the director of the office of TourismOhio on strategies for promoting tourism in this state. The board shall consist of the chief investment officer of the nonprofit corporation formed under section 187.01 of the Revised Code, the director of the office of TourismOhio, and nine members to be appointed by the governor as provided in division (B) of this section. All members of the board, except the director of the office of TourismOhio, shall be voting members.

(B)(1) The governor shall, within sixty days after the effective date of this section, appoint to the TourismOhio advisory board one individual who is a representative of convention and visitors' bureaus, one individual who is a representative of the lodging industry, one individual who is a representative of the restaurant industry, one individual who is a representative of attractions, one individual who is a representative of special events and festivals, one individual who is a representative of agritourism, and three individuals who are representatives of the tourism industry. Of the initial appointments, two individuals shall serve a term of one year, three individuals shall serve a term of two years, and the remainder shall serve a term of three years. Thereafter, terms of office shall be for three years. Each individual appointed to the board shall be a United States citizen.

(2) For purposes of division (B)(1) of this section, an individual is a "representative of the tourism industry" if the individual possesses five years or more executive-level experience in the attractions, lodging, restaurant, transportation, or retail industry or five years or more executive-level experience with a destination marketing organization.

(C)(1) Each member of the TourismOhio advisory board shall hold office from the date of the member's appointment until the end of the term for which the member is appointed. Vacancies that occur on the board shall

be filled in the manner prescribed for regular appointments to the board. A member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of that predecessor's term. A member shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office or until sixty days have elapsed, whichever occurs first. Any member appointed to the board is eligible for reappointment.

(2) The governor shall designate one member of the board as chairperson.

(3) Members appointed to the board may be reimbursed for actual and necessary expenses incurred in connection with their official duties.

Sec. ~~122.071~~ 122.072. There is hereby created in the state treasury the ~~travel and tourism cooperative projects~~ fund consisting of ~~all~~ money credited or transferred to it and grants, gifts, and contributions made directly to the ~~director of development for marketing and promotion of travel and tourism within~~ it. Money in the fund shall be used to defray costs incurred by the office of TourismOhio in promoting this state pursuant to ~~division (F) of section 122.04 and section 122.07 of the Revised Code~~ as a travel destination.

Sec. ~~122.07~~ 122.073. (A) The ~~department of development services~~ agency may do ~~either~~ any of the following:

(1) Disseminate information concerning the industrial, commercial, governmental, educational, cultural, recreational, agricultural, and other advantages and attractions of the state;

(2) Provide technical assistance to public and private agencies in the preparation of promotional programs designed to attract business, industry, and tourists to the state;

(3) Enter into cooperative or contractual agreements, through the director of development services, with any individual, organization, or business to create, administer, or otherwise be involved with Ohio tourism-related promotional programs. Compensation under such agreements shall be determined by the director and may include deferred compensation. This compensation is payable from the tourism fund created in section 122.072 of the Revised Code. Any excess revenue generated under such a cooperative or contractual agreement shall be remitted to the fund to be reinvested in ongoing tourism marketing initiatives as authorized by law.

(B) Records related to tourism market research submitted to or generated by the ~~research~~ office of the ~~division of travel and tourism of the department of development~~ TourismOhio, and any information taken for

any purpose from such research, are not public records for the purposes of section 149.43 of the Revised Code. The ~~department~~ agency may use, however, such tourism market research in a public report if the director ~~of the department~~ determines that issuing and distributing the report would promote or market the state's travel and tourism industry or otherwise advance the purposes of this section.

Sec. 122.17. (A) As used in this section:

(1) "Income tax revenue" means the total amount withheld under section 5747.06 of the Revised Code by the taxpayer during the taxable year, or during the calendar year that includes the tax period, from the compensation of each employee employed in the project to the extent the employee's withholdings are not used to determine the credit under section 122.171 of the Revised Code. "Income tax revenue" excludes amounts withheld before the day the taxpayer becomes eligible for the credit.

(2) "Baseline income tax revenue" means income tax revenue except that the applicable withholding period is the twelve months immediately preceding the date the tax credit authority approves the taxpayer's application or the date the tax credit authority receives the recommendation described in division (C)(2)(a) of this section, whichever occurs first, multiplied by the sum of one plus an annual pay increase factor to be determined by the tax credit authority. If the taxpayer becomes eligible for the credit after the first day of the taxpayer's taxable year or after the first day of the calendar year that includes the tax period, the taxpayer's baseline income tax revenue for the first such taxable or calendar year of credit eligibility shall be reduced in proportion to the number of days during the taxable or calendar year for which the taxpayer was not eligible for the credit. For subsequent taxable or calendar years, "baseline income tax revenue" equals the unreduced baseline income tax revenue for the preceding taxable or calendar year multiplied by the sum of one plus the pay increase factor.

(3) "Excess income tax revenue" means income tax revenue minus baseline income tax revenue.

(B) The tax credit authority may make grants under this section to foster job creation in this state. Such a grant shall take the form of a refundable credit allowed against the tax imposed by section 5725.18, 5729.03, 5733.06, or 5747.02 or levied under Chapter 5751. of the Revised Code. The credit shall be claimed for the taxable years or tax periods specified in the taxpayer's agreement with the tax credit authority under division (D) of this section. With respect to taxes imposed under section 5733.06 or 5747.02 or Chapter 5751. of the Revised Code, the credit shall be claimed in the order

required under section 5733.98, 5747.98, or 5751.98 of the Revised Code. The amount of the credit available for a taxable year or for a calendar year that includes a tax period equals the excess income tax revenue for that year multiplied by the percentage specified in the agreement with the tax credit authority. Any credit granted under this section against the tax imposed by section 5733.06 or 5747.02 of the Revised Code, to the extent not fully utilized against such tax for taxable years ending prior to 2008, shall automatically be converted without any action taken by the tax credit authority to a credit against the tax levied under Chapter 5751. of the Revised Code for tax periods beginning on or after July 1, 2008, provided that the person to whom the credit was granted is subject to such tax. The converted credit shall apply to those calendar years in which the remaining taxable years specified in the agreement end.

(C)(1) A taxpayer or potential taxpayer who proposes a project to create new jobs in this state may apply to the tax credit authority to enter into an agreement for a tax credit under this section. The director of development services shall prescribe the form of the application. After receipt of an application, the authority may enter into an agreement with the taxpayer for a credit under this section if it determines all of the following:

~~(1)~~(a) The taxpayer's project will increase payroll and income tax revenue;

~~(2)~~(b) The taxpayer's project is economically sound and will benefit the people of this state by increasing opportunities for employment and strengthening the economy of this state;

~~(3)~~(c) Receiving the tax credit is a major factor in the taxpayer's decision to go forward with the project.

(2)(a) A taxpayer that chooses to begin the project prior to receiving the determination of the authority may, upon submitting the taxpayer's application to the authority, request that the chief investment officer of the nonprofit corporation formed under section 187.01 of the Revised Code and the director review the taxpayer's application and recommend to the authority that the taxpayer's application be considered. As soon as possible after receiving such a request, the chief investment officer and the director shall review the taxpayer's application and, if they determine that the application warrants consideration by the authority, make that recommendation to the authority not later than six months after the application is received by the authority.

(b) The authority shall consider any taxpayer's application for which it receives a recommendation under division (C)(2)(a) of this section. If the authority determines that the taxpayer does not meet all of the criteria set

forth in division (C)(1) of this section, the authority and the development services agency shall proceed in accordance with rules adopted by the director pursuant to division (I) of this section.

(D) An agreement under this section shall include all of the following:

(1) A detailed description of the project that is the subject of the agreement;

(2) The term of the tax credit, which shall not exceed fifteen years, and the first taxable year, or first calendar year that includes a tax period, for which the credit may be claimed;

(3) A requirement that the taxpayer shall maintain operations at the project location for at least the greater of seven years or the term of the credit plus three years;

(4) The percentage, as determined by the tax credit authority, of excess income tax revenue that will be allowed as the amount of the credit for each taxable year or for each calendar year that includes a tax period;

(5) The pay increase factor to be applied to the taxpayer's baseline income tax revenue;

(6) A requirement that the taxpayer annually shall report to the director of development services employment, tax withholding, investment, and other information the director needs to perform the director's duties under this section;

(7) A requirement that the director of development services annually review the information reported under division (D)(6) of this section and verify compliance with the agreement; if the taxpayer is in compliance, a requirement that the director issue a certificate to the taxpayer stating that the information has been verified and identifying the amount of the credit that may be claimed for the taxable or calendar year;

(8) A provision providing that the taxpayer may not relocate a substantial number of employment positions from elsewhere in this state to the project location unless the director of development services determines that the legislative authority of the county, township, or municipal corporation from which the employment positions would be relocated has been notified by the taxpayer of the relocation.

For purposes of this section, the movement of an employment position from one political subdivision to another political subdivision shall be considered a relocation of an employment position unless the employment position in the first political subdivision is replaced.

(E) If a taxpayer fails to meet or comply with any condition or requirement set forth in a tax credit agreement, the tax credit authority may amend the agreement to reduce the percentage or term of the tax credit. The

reduction of the percentage or term may take effect in the current taxable or calendar year.

(F) Projects that consist solely of point-of-final-purchase retail facilities are not eligible for a tax credit under this section. If a project consists of both point-of-final-purchase retail facilities and nonretail facilities, only the portion of the project consisting of the nonretail facilities is eligible for a tax credit and only the excess income tax revenue from the nonretail facilities shall be considered when computing the amount of the tax credit. If a warehouse facility is part of a point-of-final-purchase retail facility and supplies only that facility, the warehouse facility is not eligible for a tax credit. Catalog distribution centers are not considered point-of-final-purchase retail facilities for the purposes of this division, and are eligible for tax credits under this section.

(G) Financial statements and other information submitted to the ~~department of development~~ services agency or the tax credit authority by an applicant or recipient of a tax credit under this section, and any information taken for any purpose from such statements or information, are not public records subject to section 149.43 of the Revised Code. However, the chairperson of the authority may make use of the statements and other information for purposes of issuing public reports or in connection with court proceedings concerning tax credit agreements under this section. Upon the request of the tax commissioner or, if the applicant or recipient is an insurance company, upon the request of the superintendent of insurance, the chairperson of the authority shall provide to the commissioner or superintendent any statement or information submitted by an applicant or recipient of a tax credit in connection with the credit. The commissioner or superintendent shall preserve the confidentiality of the statement or information.

(H) A taxpayer claiming a credit under this section shall submit to the tax commissioner or, if the taxpayer is an insurance company, to the superintendent of insurance, a copy of the director of ~~development's~~ development services' certificate of verification under division (D)(7) of this section with the taxpayer's tax report or return for the taxable year or for the calendar year that includes the tax period. Failure to submit a copy of the certificate with the report or return does not invalidate a claim for a credit if the taxpayer submits a copy of the certificate to the commissioner or superintendent within sixty days after the commissioner or superintendent requests it.

(I) The director of development services, after consultation with the tax commissioner and the superintendent of insurance and in accordance with

Chapter 119. of the Revised Code, shall adopt rules necessary to implement this section, including rules that establish a procedure to be followed by the tax credit authority and the development services agency in the event the authority considers a taxpayer's application for which it receives a recommendation under division (C)(2)(a) of this section but does not approve it. The rules may provide for recipients of tax credits under this section to be charged fees to cover administrative costs of the tax credit program. The fees collected shall be credited to the ~~tax incentive programs~~ operating business assistance fund created in section 122.174 of the Revised Code. At the time the director gives public notice under division (A) of section 119.03 of the Revised Code of the adoption of the rules, the director shall submit copies of the proposed rules to the chairpersons of the standing committees on economic development in the senate and the house of representatives.

(J) For the purposes of this section, a taxpayer may include a partnership, a corporation that has made an election under subchapter S of chapter one of subtitle A of the Internal Revenue Code, or any other business entity through which income flows as a distributive share to its owners. A partnership, S-corporation, or other such business entity may elect to pass the credit received under this section through to the persons to whom the income or profit of the partnership, S-corporation, or other entity is distributed. The election shall be made on the annual report required under division (D)(6) of this section. The election applies to and is irrevocable for the credit for which the report is submitted. If the election is made, the credit shall be apportioned among those persons in the same proportions as those in which the income or profit is distributed.

(K) If the director of development services determines that a taxpayer who has received a credit under this section is not complying with the requirement under division (D)(3) of this section, the director shall notify the tax credit authority of the noncompliance. After receiving such a notice, and after giving the taxpayer an opportunity to explain the noncompliance, the tax credit authority may require the taxpayer to refund to this state a portion of the credit in accordance with the following:

(1) If the taxpayer maintained operations at the project location for a period less than or equal to the term of the credit, an amount not exceeding one hundred per cent of the sum of any credits allowed and received under this section;

(2) If the taxpayer maintained operations at the project location for a period longer than the term of the credit, but less than the greater of seven years or the term of the credit plus three years, an amount not exceeding

seventy-five per cent of the sum of any credits allowed and received under this section.

In determining the portion of the tax credit to be refunded to this state, the tax credit authority shall consider the effect of market conditions on the taxpayer's project and whether the taxpayer continues to maintain other operations in this state. After making the determination, the authority shall certify the amount to be refunded to the tax commissioner or superintendent of insurance, as appropriate. If the amount is certified to the commissioner, the commissioner shall make an assessment for that amount against the taxpayer under Chapter 5733., 5747., or 5751. of the Revised Code. If the amount is certified to the superintendent, the superintendent shall make an assessment for that amount against the taxpayer under Chapter 5725. or 5729. of the Revised Code. The time limitations on assessments under those chapters do not apply to an assessment under this division, but the commissioner or superintendent, as appropriate, shall make the assessment within one year after the date the authority certifies to the commissioner or superintendent the amount to be refunded.

(L) On or before the first day of August each year, the director of development services shall submit a report to the governor, the president of the senate, and the speaker of the house of representatives on the tax credit program under this section. The report shall include information on the number of agreements that were entered into under this section during the preceding calendar year, a description of the project that is the subject of each such agreement, and an update on the status of projects under agreements entered into before the preceding calendar year.

(M) There is hereby created the tax credit authority, which consists of the director of development services and four other members appointed as follows: the governor, the president of the senate, and the speaker of the house of representatives each shall appoint one member who shall be a specialist in economic development; the governor also shall appoint a member who is a specialist in taxation. Of the initial appointees, the members appointed by the governor shall serve a term of two years; the members appointed by the president of the senate and the speaker of the house of representatives shall serve a term of four years. Thereafter, terms of office shall be for four years. Initial appointments to the authority shall be made within thirty days after January 13, 1993. Each member shall serve on the authority until the end of the term for which the member was appointed. Vacancies shall be filled in the same manner provided for original appointments. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was

appointed shall hold office for the remainder of that term. Members may be reappointed to the authority. Members of the authority shall receive their necessary and actual expenses while engaged in the business of the authority. The director of development services shall serve as chairperson of the authority, and the members annually shall elect a vice-chairperson from among themselves. Three members of the authority constitute a quorum to transact and vote on the business of the authority. The majority vote of the membership of the authority is necessary to approve any such business, including the election of the vice-chairperson.

The director of development services may appoint a professional employee of the ~~department of development~~ services agency to serve as the director's substitute at a meeting of the authority. The director shall make the appointment in writing. In the absence of the director from a meeting of the authority, the appointed substitute shall serve as chairperson. In the absence of both the director and the director's substitute from a meeting, the vice-chairperson shall serve as chairperson.

(N) For purposes of the credits granted by this section against the taxes imposed under sections 5725.18 and 5729.03 of the Revised Code, "taxable year" means the period covered by the taxpayer's annual statement to the superintendent of insurance.

Sec. 122.171. (A) As used in this section:

(1) "Capital investment project" means a plan of investment at a project site for the acquisition, construction, renovation, or repair of buildings, machinery, or equipment, or for capitalized costs of basic research and new product development determined in accordance with generally accepted accounting principles, but does not include any of the following:

(a) Payments made for the acquisition of personal property through operating leases;

(b) Project costs paid before January 1, 2002;

(c) Payments made to a related member as defined in section 5733.042 of the Revised Code or to a consolidated elected taxpayer or a combined taxpayer as defined in section 5751.01 of the Revised Code.

(2) "Eligible business" means a taxpayer and its related members with Ohio operations satisfying all of the following:

(a) The taxpayer employs at least five hundred full-time equivalent employees or has an annual payroll of at least thirty-five million dollars at the time the tax credit authority grants the tax credit under this section;

(b) The taxpayer makes or causes to be made payments for the capital investment project of one of the following:

(i) If the taxpayer is engaged at the project site primarily as a

manufacturer, at least fifty million dollars in the aggregate at the project site during a period of three consecutive calendar years, including the calendar year that includes a day of the taxpayer's taxable year or tax period with respect to which the credit is granted;

(ii) If the taxpayer is engaged at the project site primarily in significant corporate administrative functions, as defined by the director of development services by rule, at least twenty million dollars in the aggregate at the project site during a period of three consecutive calendar years including the calendar year that includes a day of the taxpayer's taxable year or tax period with respect to which the credit is granted;

(iii) If the taxpayer is applying to enter into an agreement for a tax credit authorized under division (B)(3) of this section, at least five million dollars in the aggregate at the project site during a period of three consecutive calendar years, including the calendar year that includes a day of the taxpayer's taxable year or tax period with respect to which the credit is granted.

(c) The taxpayer had a capital investment project reviewed and approved by the tax credit authority as provided in divisions (C), (D), and (E) of this section.

(3) "Full-time equivalent employees" means the quotient obtained by dividing the total number of hours for which employees were compensated for employment in the project by two thousand eighty. "Full-time equivalent employees" shall exclude hours that are counted for a credit under section 122.17 of the Revised Code.

(4) "Income tax revenue" means the total amount withheld under section 5747.06 of the Revised Code by the taxpayer during the taxable year, or during the calendar year that includes the tax period, from the compensation of all employees employed in the project whose hours of compensation are included in calculating the number of full-time equivalent employees.

(5) "Manufacturer" has the same meaning as in section 5739.011 of the Revised Code.

(6) "Project site" means an integrated complex of facilities in this state, as specified by the tax credit authority under this section, within a fifteen-mile radius where a taxpayer is primarily operating as an eligible business.

(7) "Related member" has the same meaning as in section 5733.042 of the Revised Code as that section existed on the effective date of its amendment by Am. Sub. H.B. 215 of the 122nd general assembly, September 29, 1997.

(8) "Taxable year" includes, in the case of a domestic or foreign

insurance company, the calendar year ending on the thirty-first day of December preceding the day the superintendent of insurance is required to certify to the treasurer of state under section 5725.20 or 5729.05 of the Revised Code the amount of taxes due from insurance companies.

(B) The tax credit authority created under section 122.17 of the Revised Code may grant tax credits under this section for the purpose of fostering job retention in this state. Upon application by an eligible business and upon consideration of the recommendation of the director of budget and management, tax commissioner, the superintendent of insurance in the case of an insurance company, and director of development services under division (C) of this section, the tax credit authority may grant the following credits against the tax imposed by section 5725.18, 5729.03, 5733.06, 5747.02, or 5751.02 of the Revised Code:

(1) A nonrefundable credit to an eligible business;

(2) A refundable credit to an eligible business meeting the following conditions, provided that the director of budget and management, tax commissioner, superintendent of insurance in the case of an insurance company, and director of development services have recommended the granting of the credit to the tax credit authority before July 1, 2011:

(a) The business retains at least one thousand full-time equivalent employees at the project site.

(b) The business makes or causes to be made payments for a capital investment project of at least twenty-five million dollars in the aggregate at the project site during a period of three consecutive calendar years, including the calendar year that includes a day of the business' taxable year or tax period with respect to which the credit is granted.

(c) In 2010, the business received a written offer of financial incentives from another state of the United States that the director determines to be sufficient inducement for the business to relocate the business' operations from this state to that state.

(3) A refundable credit to an eligible business with a total annual payroll of at least twenty million dollars, provided that the tax credit authority grants the tax credit on or after July 1, 2011, and before January 1, 2014.

The credits authorized in divisions (B)(1), (2), and (3) of this section may be granted for a period up to fifteen taxable years or, in the case of the tax levied by section 5751.02 of the Revised Code, for a period of up to fifteen calendar years. The credit amount for a taxable year or a calendar year that includes the tax period for which a credit may be claimed equals the income tax revenue for that year multiplied by the percentage specified in the agreement with the tax credit authority. The percentage may not

exceed seventy-five per cent. The credit shall be claimed in the order required under section 5725.98, 5729.98, 5733.98, 5747.98, or 5751.98 of the Revised Code. In determining the percentage and term of the credit, the tax credit authority shall consider both the number of full-time equivalent employees and the value of the capital investment project. The credit amount may not be based on the income tax revenue for a calendar year before the calendar year in which the tax credit authority specifies the tax credit is to begin, and the credit shall be claimed only for the taxable years or tax periods specified in the eligible business' agreement with the tax credit authority. In no event shall the credit be claimed for a taxable year or tax period terminating before the date specified in the agreement. Any credit granted under this section against the tax imposed by section 5733.06 or 5747.02 of the Revised Code, to the extent not fully utilized against such tax for taxable years ending prior to 2008, shall automatically be converted without any action taken by the tax credit authority to a credit against the tax levied under Chapter 5751. of the Revised Code for tax periods beginning on or after July 1, 2008, provided that the person to whom the credit was granted is subject to such tax. The converted credit shall apply to those calendar years in which the remaining taxable years specified in the agreement end.

If a nonrefundable credit allowed under division (B)(1) of this section for a taxable year or tax period exceeds the taxpayer's tax liability for that year or period, the excess may be carried forward for the three succeeding taxable or calendar years, but the amount of any excess credit allowed in any taxable year or tax period shall be deducted from the balance carried forward to the succeeding year or period.

(C) A taxpayer that proposes a capital investment project to retain jobs in this state may apply to the tax credit authority to enter into an agreement for a tax credit under this section. The director of development services shall prescribe the form of the application. After receipt of an application, the authority shall forward copies of the application to the director of budget and management, the tax commissioner, the superintendent of insurance in the case of an insurance company, and the director of development services, each of whom shall review the application to determine the economic impact the proposed project would have on the state and the affected political subdivisions and shall submit a summary of their determinations and recommendations to the authority.

(D) Upon review and consideration of the determinations and recommendations described in division (C) of this section, the tax credit authority may enter into an agreement with the taxpayer for a credit under

this section if the authority determines all of the following:

(1) The taxpayer's capital investment project will result in the retention of employment in this state.

(2) The taxpayer is economically sound and has the ability to complete the proposed capital investment project.

(3) The taxpayer intends to and has the ability to maintain operations at the project site for at least the greater of (a) the term of the credit plus three years, or (b) seven years.

(4) Receiving the credit is a major factor in the taxpayer's decision to begin, continue with, or complete the project.

(5) If the taxpayer is applying to enter into an agreement for a tax credit authorized under division (B)(3) of this section, the taxpayer's capital investment project will be located in the political subdivision in which the taxpayer maintains its principal place of business.

(E) An agreement under this section shall include all of the following:

(1) A detailed description of the project that is the subject of the agreement, including the amount of the investment, the period over which the investment has been or is being made, the number of full-time equivalent employees at the project site, and the anticipated income tax revenue to be generated.

(2) The term of the credit, the percentage of the tax credit, the maximum annual value of tax credits that may be allowed each year, and the first year for which the credit may be claimed.

(3) A requirement that the taxpayer maintain operations at the project site for at least the greater of (a) the term of the credit plus three years, or (b) seven years.

(4)(a) In the case of a credit granted under division (B)(1) of this section, a requirement that the taxpayer retain at least five hundred full-time equivalent employees at the project site and within this state for the entire term of the credit, or a requirement that the taxpayer maintain an annual payroll of at least thirty-five million dollars for the entire term of the credit;

(b) In the case of a credit granted under division (B)(2) of this section, a requirement that the taxpayer retain at least one thousand full-time equivalent employees at the project site and within this state for the entire term of the credit;

(c) In the case of a credit granted under division (B)(3) of this section, either of the following:

(i) A requirement that the taxpayer retain at least five hundred full-time equivalent employees at the project site and within this state for the entire term of the credit and a requirement that the taxpayer maintain an annual

payroll of at least twenty million dollars for the entire term of the credit;

(ii) A requirement that the taxpayer maintain an annual payroll of at least thirty-five million dollars for the entire term of the credit.

(5) A requirement that the taxpayer annually report to the director of development services employment, tax withholding, capital investment, and other information the director needs to perform the director's duties under this section.

(6) A requirement that the director of development services annually review the annual reports of the taxpayer to verify the information reported under division (E)(5) of this section and compliance with the agreement. Upon verification, the director shall issue a certificate to the taxpayer stating that the information has been verified and identifying the amount of the credit for the taxable year or calendar year that includes the tax period. In determining the number of full-time equivalent employees, no position shall be counted that is filled by an employee who is included in the calculation of a tax credit under section 122.17 of the Revised Code.

(7) A provision providing that the taxpayer may not relocate a substantial number of employment positions from elsewhere in this state to the project site unless the director of development services determines that the taxpayer notified the legislative authority of the county, township, or municipal corporation from which the employment positions would be relocated.

For purposes of this section, the movement of an employment position from one political subdivision to another political subdivision shall be considered a relocation of an employment position unless the movement is confined to the project site. The transfer of an employment position from one political subdivision to another political subdivision shall not be considered a relocation of an employment position if the employment position in the first political subdivision is replaced by another employment position.

(8) A waiver by the taxpayer of any limitations periods relating to assessments or adjustments resulting from the taxpayer's failure to comply with the agreement.

(F) If a taxpayer fails to meet or comply with any condition or requirement set forth in a tax credit agreement, the tax credit authority may amend the agreement to reduce the percentage or term of the credit. The reduction of the percentage or term may take effect in the current taxable or calendar year.

(G) Financial statements and other information submitted to the department of development services or the tax credit authority by an

applicant for or recipient of a tax credit under this section, and any information taken for any purpose from such statements or information, are not public records subject to section 149.43 of the Revised Code. However, the chairperson of the authority may make use of the statements and other information for purposes of issuing public reports or in connection with court proceedings concerning tax credit agreements under this section. Upon the request of the tax commissioner, or the superintendent of insurance in the case of an insurance company, the chairperson of the authority shall provide to the commissioner or superintendent any statement or other information submitted by an applicant for or recipient of a tax credit in connection with the credit. The commissioner or superintendent shall preserve the confidentiality of the statement or other information.

(H) A taxpayer claiming a tax credit under this section shall submit to the tax commissioner or, in the case of an insurance company, to the superintendent of insurance, a copy of the director of ~~development's~~ development services' certificate of verification under division (E)(6) of this section with the taxpayer's tax report or return for the taxable year or for the calendar year that includes the tax period. Failure to submit a copy of the certificate with the report or return does not invalidate a claim for a credit if the taxpayer submits a copy of the certificate to the commissioner or superintendent within sixty days after the commissioner or superintendent requests it.

(I) For the purposes of this section, a taxpayer may include a partnership, a corporation that has made an election under subchapter S of chapter one of subtitle A of the Internal Revenue Code, or any other business entity through which income flows as a distributive share to its owners. A partnership, S-corporation, or other such business entity may elect to pass the credit received under this section through to the persons to whom the income or profit of the partnership, S-corporation, or other entity is distributed. The election shall be made on the annual report required under division (E)(5) of this section. The election applies to and is irrevocable for the credit for which the report is submitted. If the election is made, the credit shall be apportioned among those persons in the same proportions as those in which the income or profit is distributed.

(J) If the director of development services determines that a taxpayer that received a tax credit under this section is not complying with the requirement under division (E)(3) of this section, the director shall notify the tax credit authority of the noncompliance. After receiving such a notice, and after giving the taxpayer an opportunity to explain the noncompliance, the authority may terminate the agreement and require the taxpayer to refund to

the state all or a portion of the credit claimed in previous years, as follows:

(1) If the taxpayer maintained operations at the project site for less than or equal to the term of the credit, an amount not to exceed one hundred per cent of the sum of any tax credits allowed and received under this section.

(2) If the taxpayer maintained operations at the project site longer than the term of the credit, but less than the greater of (a) the term of the credit plus three years, or (b) seven years, the amount required to be refunded shall not exceed seventy-five per cent of the sum of any tax credits allowed and received under this section.

In determining the portion of the credit to be refunded to this state, the authority shall consider the effect of market conditions on the taxpayer's project and whether the taxpayer continues to maintain other operations in this state. After making the determination, the authority shall certify the amount to be refunded to the tax commissioner or the superintendent of insurance. If the taxpayer is not an insurance company, the commissioner shall make an assessment for that amount against the taxpayer under Chapter 5733., 5747., or 5751. of the Revised Code. If the taxpayer is an insurance company, the superintendent of insurance shall make an assessment under section 5725.222 or 5729.102 of the Revised Code. The time limitations on assessments under those chapters and sections do not apply to an assessment under this division, but the commissioner or superintendent shall make the assessment within one year after the date the authority certifies to the commissioner or superintendent the amount to be refunded.

(K) The director of development services, after consultation with the tax commissioner and the superintendent of insurance and in accordance with Chapter 119. of the Revised Code, shall adopt rules necessary to implement this section. The rules may provide for recipients of tax credits under this section to be charged fees to cover administrative costs of the tax credit program. The fees collected shall be credited to the ~~tax incentive programs~~ operating business assistance fund created in section 122.174 of the Revised Code. At the time the director gives public notice under division (A) of section 119.03 of the Revised Code of the adoption of the rules, the director shall submit copies of the proposed rules to the chairpersons of the standing committees on economic development in the senate and the house of representatives.

(L) On or before the first day of August of each year, the director of development services shall submit a report to the governor, the president of the senate, and the speaker of the house of representatives on the tax credit program under this section. The report shall include information on the

number of agreements that were entered into under this section during the preceding calendar year, a description of the project that is the subject of each such agreement, and an update on the status of projects under agreements entered into before the preceding calendar year.

(M)(1) The aggregate amount of tax credits issued under division (B)(1) of this section during any calendar year for capital investment projects reviewed and approved by the tax credit authority may not exceed the following amounts:

(a) For 2010, thirteen million dollars;

(b) For 2011 through 2023, the amount of the limit for the preceding calendar year plus thirteen million dollars;

(c) For 2024 and each year thereafter, one hundred ninety-five million dollars.

(2) The aggregate amount of tax credits authorized under divisions (B)(2) and (3) of this section and allowed to be claimed by taxpayers in any calendar year for capital improvement projects reviewed and approved by the tax credit authority in 2011, 2012, and 2013 combined shall not exceed twenty-five million dollars. An amount equal to the aggregate amount of credits first authorized in calendar year 2011, 2012, and 2013 may be claimed over the ensuing period up to fifteen years, subject to the terms of individual tax credit agreements.

The limitations in division (M) of this section do not apply to credits for capital investment projects approved by the tax credit authority before July 1, 2009.

Sec. 122.174. There is hereby created in the state treasury the ~~tax incentive programs operating~~ business assistance fund. ~~Money collected~~ The fund shall consist of any amounts appropriated to it and money credited to the fund pursuant to division (I) of section 121.17, division (K) of section 122.171, division (K) of section 122.175, division (C) of section 3735.672, and division (C) of section 5709.68 of the Revised Code ~~shall be credited to the fund~~. The director of development services shall use money in the fund to pay expenses related to the administration of the ~~tax credit programs authorized by sections 122.17, 122.171, 3735.672, and 5709.68 of the Revised Code~~ business services division of the development services agency.

Sec. 122.175. (A) As used in this section:

(1) "Capital investment project" means a plan of investment at a project site for the acquisition, construction, renovation, expansion, replacement, or repair of a computer data center or of computer data center equipment, but does not include any of the following:

(a) Project costs paid before a date determined by the tax credit authority for each capital investment project;

(b) Payments made to a related member as defined in section 5733.042 of the Revised Code or to a consolidated elected taxpayer or a combined taxpayer as defined in section 5751.01 of the Revised Code.

(2) "Computer data center" means a facility used or to be used primarily to house computer data center equipment used or to be used in conducting a computer data center business, as determined by the tax credit authority.

(3) "Computer data center business" means, as may be further determined by the tax credit authority, a business that provides electronic information services as defined in division (Y)(1)(c) of section 5739.01 of the Revised Code. "Computer data center business" does not include providing electronic publishing as defined in division (LLL) of that section.

(4) "Computer data center equipment" means tangible personal property used or to be used for any of the following:

(a) To conduct a computer data center business, including equipment cooling systems to manage the performance of computer data center equipment;

(b) To generate, transform, transmit, distribute, or manage electricity necessary to operate the tangible personal property used or to be used in conducting a computer data center business;

(c) As building and construction materials sold to construction contractors for incorporation into a computer data center.

(5) "Eligible computer data center" means a computer data center that satisfies all of the following requirements:

(a) The taxpayer will make payments for a capital investment project of at least one hundred million dollars in the aggregate at the project site during a period of three consecutive calendar years;

(b) The taxpayer will pay annual compensation that is subject to the withholding obligation imposed under section 5747.06 of the Revised Code of at least five million dollars to employees employed at the project site for the term of the agreement.

(6) "Person" has the same meaning as in section 5701.01 of the Revised Code.

(7) "Project site," "related member," and "tax credit authority" have the same meanings as in sections 122.17 and 122.171 of the Revised Code.

(8) "Taxpayer" means any person subject to the taxes imposed under Chapters 5739. and 5741. of the Revised Code.

(B) The tax credit authority may completely or partially exempt from the taxes levied under Chapters 5739. and 5741. of the Revised Code the

sale, storage, use, or other consumption of computer data center equipment used or to be used at an eligible computer data center. Any such exemption shall extend to charges for the delivery, installation, or repair of the computer data center equipment subject to the exemption under this section.

(C) A taxpayer that proposes a capital improvement project for an eligible computer data center in this state may apply to the tax credit authority to enter into an agreement under this section for a complete or partial exemption from the taxes imposed under Chapters 5739. and 5741. of the Revised Code on computer data center equipment used or to be used at the eligible computer data center. The director of development services shall prescribe the form of the application. After receipt of an application, the authority shall forward copies of the application to the director of budget and management, the tax commissioner, and the director of development services, each of whom shall review the application to determine the economic impact that the proposed eligible computer data center would have on the state and any affected political subdivisions and submit to the authority a summary of their determinations and recommendations.

(D) Upon review and consideration of such determinations and recommendations, the tax credit authority may enter into an agreement with the taxpayer for a complete or partial exemption from the taxes imposed under Chapters 5739. and 5741. of the Revised Code on computer data center equipment used or to be used at an eligible computer data center if the authority determines all of the following:

(1) The taxpayer's capital investment project for the eligible computer data center will increase payroll and the amount of income taxes to be withheld from employee compensation pursuant to section 5747.06 of the Revised Code.

(2) The taxpayer is economically sound and has the ability to complete the proposed capital investment project.

(3) The taxpayer intends to and has the ability to maintain operations at the project site for the term of the agreement.

(4) Receiving the exemption is a major factor in the taxpayer's decision to begin, continue with, or complete the capital investment project.

(E) An agreement entered into under this section shall include all of the following:

(1) A detailed description of the capital investment project that is the subject of the agreement, including the amount of the investment, the period over which the investment has been or is being made, the annual compensation to be paid by the taxpayer to its employees at the project site, and the anticipated amount of income taxes to be withheld from employee

compensation pursuant to section 5747.06 of the Revised Code.

(2) The percentage of the exemption from the taxes imposed under Chapters 5739. and 5741. of the Revised Code for the computer data center equipment used or to be used at the eligible computer data center, the length of time the computer data center equipment will be exempted, and the first date on which the exemption applies.

(3) A requirement that the taxpayer maintain the computer data center as an eligible computer data center during the term of the agreement and that the taxpayer maintain operations at the eligible computer data center during that term.

(4) A requirement that during each year of the term of the agreement the taxpayer pay annual compensation that is subject to the withholding obligation imposed under section 5747.06 of the Revised Code of at least five million dollars to its employees at the eligible computer data center.

(5) A requirement that the taxpayer annually report to the director of development services employment, tax withholding, capital investment, and other information required by the director to perform the director's duties under this section.

(6) A requirement that the director of development services annually review the annual reports of the taxpayer to verify the information reported under division (E)(5) of this section and compliance with the agreement. Upon verification, the director shall issue a certificate to the taxpayer stating that the information has been verified and that the taxpayer remains eligible for the exemption specified in the agreement.

(7) A provision providing that the taxpayer may not relocate a substantial number of employment positions from elsewhere in this state to the project site unless the director of development services determines that the taxpayer notified the legislative authority of the county, township, or municipal corporation from which the employment positions would be relocated. For purposes of this paragraph, the movement of an employment position from one political subdivision to another political subdivision shall be considered a relocation of an employment position unless the movement is confined to the project site. The transfer of an employment position from one political subdivision to another political subdivision shall not be considered a relocation of an employment position if the employment position in the first political subdivision is replaced by another employment position.

(8) A waiver by the taxpayer of any limitations periods relating to assessments or adjustments resulting from the taxpayer's failure to comply with the agreement.

(F) The term of an agreement under this section shall be determined by the tax credit authority, and the amount of the exemption shall not exceed one hundred per cent of such taxes that would otherwise be owed in respect to the exempted computer data center equipment.

(G) If a taxpayer fails to meet or comply with any condition or requirement set forth in an agreement under this section, the tax credit authority may amend the agreement to reduce the percentage of the exemption or term during which the exemption applies to the computer data center equipment used or to be used at an eligible computer data center. The reduction of the percentage or term may take effect in the current calendar year.

(H) Financial statements and other information submitted to the department of development services or the tax credit authority by an applicant for or recipient of an exemption under this section, and any information taken for any purpose from such statements or information, are not public records subject to section 149.43 of the Revised Code. However, the chairperson of the authority may make use of the statements and other information for purposes of issuing public reports or in connection with court proceedings concerning tax exemption agreements under this section. Upon the request of the tax commissioner, the chairperson of the authority shall provide to the tax commissioner any statement or other information submitted by an applicant for or recipient of an exemption under this section. The tax commissioner shall preserve the confidentiality of the statement or other information.

(I) The tax commissioner shall issue a direct payment permit under section 5739.031 of the Revised Code to a taxpayer that enters into an agreement under this section. Such direct payment permit shall authorize the taxpayer to pay any sales and use taxes due on purchases of computer data center equipment used or to be used in an eligible computer data center and to pay any sales and use taxes due on purchases of tangible personal property or taxable services other than computer data center equipment used or to be used in an eligible computer data center directly to the tax commissioner. Each taxpayer shall pay pursuant to such direct payment permit all sales tax levied on such purchases under sections 5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code and all use tax levied on such purchases under sections 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code, consistent with the terms of the agreement entered into under this section.

During the term of an agreement under this section the taxpayer shall submit to the tax commissioner a return that shows the amount of computer

data center equipment purchased for use at the eligible computer data center, the amount of tangible personal property and taxable services other than computer data center equipment purchased for use at the eligible computer data center, the amount of tax under Chapter 5739. or 5741. of the Revised Code that would be due in the absence of the agreement under this section, the exemption percentage for computer data center equipment specified in the agreement, and the amount of tax due under Chapter 5739. or 5741. of the Revised Code as a result of the agreement under this section. The taxpayer shall pay the tax shown on the return to be due in the manner and at the times as may be further prescribed by the tax commissioner. The taxpayer shall include a copy of the director of ~~development's~~ development services' certificate of verification issued under division (E)(6) of this section. Failure to submit a copy of the certificate with the return does not invalidate the claim for exemption if the taxpayer submits a copy of the certificate to the tax commissioner within sixty days after the tax commissioner requests it.

(J) If the director of development services determines that a taxpayer that received an exemption under this section is not complying with the requirement under division (E)(3) of this section, the director shall notify the tax credit authority of the noncompliance. After receiving such a notice, and after giving the taxpayer an opportunity to explain the noncompliance, the authority may terminate the agreement and require the taxpayer to pay to the state all or a portion of the taxes that would have been owed in regards to the exempt equipment in previous years, all as determined under rules adopted pursuant to division (K) of this section. In determining the portion of the taxes that would have been owed on the previously exempted equipment to be paid to this state by the taxpayer, the authority shall consider the effect of market conditions on the taxpayer's eligible computer data center and whether the taxpayer continues to maintain other operations in this state. After making the determination, the authority shall certify to the tax commissioner the amount to be paid by the taxpayer. The tax commissioner shall make an assessment for that amount against the taxpayer under Chapter 5739. or 5741. of the Revised Code. The time limitations on assessments under those chapters do not apply to an assessment under this division, but the tax commissioner shall make the assessment within one year after the date the authority certifies to the tax commissioner the amount to be paid by the taxpayer.

(K) The director of development services, after consultation with the tax commissioner and in accordance with Chapter 119. of the Revised Code, shall adopt rules necessary to implement this section. The rules may provide

for recipients of tax exemptions under this section to be charged fees to cover administrative costs incurred in the administration of this section. The fees collected shall be credited to the ~~tax incentive programs operating~~ business assistance fund created in section 122.174 of the Revised Code. At the time the director gives public notice under division (A) of section 119.03 of the Revised Code of the adoption of the rules, the director shall submit copies of the proposed rules to the chairpersons of the standing committees on economic development in the senate and the house of representatives.

(L) On or before the first day of August of each year, the director of development services shall submit a report to the governor, the president of the senate, and the speaker of the house of representatives on the tax exemption authorized under this section. The report shall include information on the number of agreements that were entered into under this section during the preceding calendar year, a description of the eligible computer data center that is the subject of each such agreement, and an update on the status of eligible computer data centers under agreements entered into before the preceding calendar year.

Sec. 122.39. As used in sections 122.39 and 122.41 to 122.62 of the Revised Code:

(A) "Financial institution" means any banking corporation, trust company, insurance company, savings and loan association, building and loan association, or corporation, partnership, federal lending agency, foundation, or other institution engaged in lending or investing funds for industrial or business purposes.

(B) "Project" means any real or personal property connected with or being a part of an industrial, distribution, commercial, or research facility to be acquired, constructed, reconstructed, enlarged, improved, furnished, or equipped, or any combination thereof, with aid furnished pursuant to Chapter 122. of the Revised Code, for industrial, commercial, distribution, and research development of the state.

(C) "Community improvement corporation" means a corporation organized under Chapter 1724. of the Revised Code.

(D) "Ohio development corporation" means a corporation organized under Chapter 1726. of the Revised Code.

(E) "Mortgage" means the lien imposed on a project by a mortgage on real property, or by financing statements on personal property, or by a combination of a mortgage and financing statements when a project consists of both real and personal property.

(F) "Mortgagor" means the principal user of a project or the person, corporation, partnership, or association unconditionally guaranteeing

performance by such principal user of its obligations under the mortgage.

Sec. 122.41. ~~(A) The development financing advisory council and the~~ director of development ~~are~~ services is invested with the powers and duties provided in Chapter 122. of the Revised Code, in order to promote the welfare of the people of the state, to stabilize the economy, to provide employment, to assist in the development within the state of industrial, commercial, distribution, and research activities required for the people of the state, and for their gainful employment, or otherwise to create or preserve jobs and employment opportunities, or improve the economic welfare of the people of the state, and also to assist in the financing of air, water, or thermal pollution control facilities and solid waste disposal facilities by mortgage insurance as provided in section 122.451 of the Revised Code. It is hereby determined that the accomplishment of such purposes is essential so that the people of the state may maintain their present high standards in comparison with the people of other states and so that opportunities for employment and for favorable markets for the products of the state's natural resources, agriculture, and manufacturing shall be improved and that it is necessary for the state to establish the programs authorized pursuant to Chapter 122. of the Revised Code, ~~to establish the development financing advisory council,~~ and ~~to invest it and~~ the director of development services with the powers and duties provided in Chapter 122. of the Revised Code. The powers granted to the director of ~~development~~ by Chapter 165. of the Revised Code are independent of and in addition and alternate to, and are not limited or restricted by, Chapter 122. of the Revised Code.

~~(B) The development financing advisory council shall:~~

~~(1) Make recommendations to the director of development as to applications for assistance pursuant to sections 122.39 to 122.62 or Chapter 166. of the Revised Code. The council may revise its recommendations to reflect any changes in the proposed assistance made by the director.~~

~~(2) Advise the director in the administration of sections 122.39 to 122.62 and Chapter 166. of the Revised Code;~~

~~(3) Adopt bylaws to govern the conduct of the council's business.~~

Sec. 122.42. (A) The director of development services shall do all of the following:

(1) Receive applications for assistance under sections 122.39 and 122.41 to 122.62 of the Revised Code, ~~and, after processing, forward them to the development financing advisory board together with necessary supporting information;~~

(2) ~~Receive the recommendations of the board and make~~ Make a final

determination whether to approve the application for assistance;

(3) Transmit determinations to approve assistance to the controlling board together with any information the controlling board requires for the board's review and decision as to whether to approve the assistance;

(4) Issue revenue bonds of the state through the treasurer of state, as necessary, payable solely from revenues and other sources as provided in sections 122.39 and 122.41 to 122.62 of the Revised Code.

(B) The director may do all of the following:

(1) Fix the rate of interest and charges to be made upon or with respect to moneys loaned by the director and the terms upon which mortgages and lease rentals may be guaranteed and the rates of charges to be made for the loans and guarantees and to make provisions for the operation of the funds established by the director in accordance with this section and sections 122.54, 122.55, 122.56, and 122.57 of the Revised Code;

(2) Loan moneys from the fund established in accordance with section 122.54 of the Revised Code pursuant to and in compliance with sections 122.39 and 122.41 to 122.62 of the Revised Code;

(3) Acquire in the name of the director any property of any kind or character in accordance with sections 122.39 and 122.41 to 122.62 of the Revised Code, by purchase, purchase at foreclosure, or exchange on such terms and in such manner as the director considers proper;

(4) Make and enter into all contracts and agreements necessary or incidental to the performance of the director's duties and the exercise of the director's powers under sections 122.39 and 122.41 to 122.62 of the Revised Code;

(5) Maintain, protect, repair, improve, and insure any property which the director has acquired and dispose of the same by sale, exchange, or lease for the consideration and on the terms and in the manner as the director considers proper, but is not authorized to operate any such property as a business except as the lessor of the property;

(6)(a) When the cost of any contract for the maintenance, protection, repair, or improvement of any property held by the director other than compensation for personal services involves an expenditure of more than one thousand dollars, the director shall make a written contract with the lowest responsive and responsible bidder in accordance with section 9.312 of the Revised Code after advertisement for not less than two consecutive weeks in a newspaper of general circulation in the county where such contract, or some substantial part of it, is to be performed, and in such other publications as the director determines, which notice shall state the general character of the work and the general character of the materials to be

furnished, the place where plans and specifications may be examined, and the time and place of receiving bids.

(b) Each bid for a contract for the construction, demolition, alteration, repair, or reconstruction of an improvement shall contain the full name of every person interested in it and meet the requirements of section 153.54 of the Revised Code.

(c) Each bid for a contract, except as provided in division (B)(6)(b) of this section, shall contain the full name of every person interested in it and shall be accompanied by bond or certified check on a solvent bank, in such amount as the director considers sufficient, that if the bid is accepted a contract will be entered into and the performance of the proposal secured.

(d) The director may reject any and all bids.

(e) A bond with good and sufficient surety, approved by the director, shall be required of every contractor awarded a contract except as provided in division (B)(6)(b) of this section, in an amount equal to at least fifty per cent of the contract price, conditioned upon faithful performance of the contract.

(7) Employ financial consultants, appraisers, consulting engineers, superintendents, managers, construction and accounting experts, attorneys, and other employees and agents as are necessary in the director's judgment and fix their compensation;

(8) Assist qualified persons in the coordination and formation of a small business development company, having a statewide area of operation, conditional upon the company's agreeing to seek to obtain certification from the federal small business administration as a certified statewide development company and participation in the guaranteed loan program administered by the small business administration pursuant to the Act of July 2, 1980, 94 Stat. 837, 15 U.S.C.A. 697. During the initial period of formation of the statewide small business development company, the director shall provide technical and financial expertise, legal and managerial assistance, and other services as are necessary and proper to enable the company to obtain and maintain federal certification and participation in the federal guaranteed loan program. The director may charge a fee, in such amount and on such terms and conditions as the director determines necessary and proper, for assistance and services provided pursuant to division (B)(8) of this section.

Persons chosen by the director to receive assistance in the formation of a statewide small business development company pursuant to division (B)(8) of this section shall make a special effort to use their participation in the federal guaranteed loan program to assist small businesses which are

minority business enterprises as defined in division (E) of section 122.71 of the Revised Code. The director, with the assistance of the minority business development division of the department of development, shall provide technical and financial expertise, legal and managerial assistance, and other services in such a manner to enable the development company to provide assistance to small businesses which are minority business enterprises, and shall make available to the development company information pertaining to assistance available to minority business enterprises under programs established pursuant to sections 122.71 to 122.83, 122.87 to 122.89, 122.92 to 122.94, 123.151, and 125.081 of the Revised Code.

(9) Receive and accept grants, gifts, and contributions of money, property, labor, and other things of value to be held, used, and applied only for the purpose for which such grants, gifts, and contributions are made, from individuals, private and public corporations, from the United States or any agency of the United States, from the state or any agency of the state, and from any political subdivision of the state, and may agree to repay any contribution of money or to return any property contributed or the value of the property at such times, in such amounts, and on such terms and conditions, excluding the payment of interest, as the director determines at the time such contribution is made, and may evidence such obligations by notes, bonds, or other written instruments;

(10) Establish with the treasurer of state the funds provided in sections 122.54, 122.55, 122.56, and 122.57 of the Revised Code, in addition to such funds as the director determines are necessary or proper;

(11) Do all acts and things necessary or proper to carry out the powers expressly granted and the duties imposed in sections 122.39 and 122.41 to 122.62 and Chapter 163. of the Revised Code.

(C) All expenses and obligations incurred by the director in carrying out the director's powers and in exercising the director's duties under sections 122.39 and 122.41 to 122.62 of the Revised Code, shall be payable solely from the proceeds of revenue bonds issued pursuant to those sections, from revenues or other receipts or income of the director, from grants, gifts, and contributions, or funds established in accordance with those sections. Those sections do not authorize the director to incur indebtedness or to impose liability on the state or any political subdivision of the state.

(D) Financial statements and financial data submitted to the director by any corporation, partnership, or person in connection with a loan application, or any information taken from such statements or data for any purpose, shall not be open to public inspection.

Sec. 122.43. The director of development services, with controlling

board approval, may lend funds which are obtained from the sale of revenue bonds issued by the treasurer of state pursuant to sections 122.39 and 122.41 to 122.62 of the Revised Code, from revenues or other receipts or income of the director, or funds established in accordance with sections 122.39 and 122.41 to 122.62 of the Revised Code, and from grants, gifts, and contributions subject to any provisions of resolutions authorizing the revenue bonds or of trust agreements securing such bonds, to community improvement corporations and Ohio development corporations and other corporations, partnerships, and persons for the purpose of procuring or improving real or personal property, or both, for the establishment, location, or expansion of industrial, distribution, commercial, or research facilities in the state, and to community improvement corporations and Ohio development corporations for the purpose of loaning funds to other corporations, partnerships, and persons for the purpose of procuring or improving real or personal property, or both, for the establishment, location, or expansion of industrial, distribution, commercial, or research facilities in the state, if the director finds that:

(A) The project is economically sound and will benefit the people of the state by increasing opportunities for employment and strengthening the economy of the state;

(B) The proposed borrower, if other than a community improvement corporation or an Ohio development corporation, is unable to finance the proposed project through ordinary financial channels upon reasonable terms and at comparable interest rates, or the borrower, if a community improvement corporation or an Ohio development corporation, should not, in the opinion of the director, be required to finance the proposed project without a loan from the director;

(C) The value of the project is, or upon completion thereof will be, at least equal to the total amount of the money expended in such procurement or improvement of which amount one or more financial institutions have loaned or invested not less than forty per cent;

(D) The amount to be loaned by the director will not exceed fifty per cent of the total amount expended in the procurement or improvement of the project;

(E) The amount to be loaned by the director will be adequately secured by a first or second mortgage upon the project, and by mortgages, leases, liens, assignments, or pledges on or of such other property or contracts as the director shall require and that such mortgage will not be subordinate to any other liens or mortgages except the liens securing loans or investments made by financial institutions referred to in division (C) of this section, and

the liens securing loans previously made by any financial institution in connection with the procurement or expansion of all or part of a project.

In no event may the ~~director~~ **DIRECTOR** director lend funds under the authority of this section for the purpose of procuring or improving motor vehicles, power driven vehicles, office equipment, raw materials, small tools, supplies, inventories, or accounts receivable.

Sec. 122.44. Fees, charges, rates of interest, times of payment of interest and principal, and other terms, conditions, and provisions of the loans made by the director of development services pursuant to sections 122.39 and 122.41 to 122.62 of the Revised Code shall be such as the director determines to be appropriate and in furtherance of the purpose for which the loans are made, but the mortgage lien securing any money loaned by the director may be subordinate to the mortgage lien securing any money loaned or invested by a financial institution, but shall be superior to that securing any money loaned or expended by any other corporation or person. The funds used in making such loans shall be disbursed upon order of the director.

Sec. 122.48. Each issue of revenue bonds issued by the treasurer of state pursuant to sections 122.39 and 122.41 to 122.62 of the Revised Code, shall be dated, shall bear interest at a rate or rates or at a variable rate, as provided in or authorized by the proceedings authorizing or providing for the terms and conditions of the revenue bonds, shall mature at such time or times, not to exceed forty years from date, as determined by the director of development services and may be made redeemable before maturity at the option of the director at such price or prices and under such terms and conditions as are fixed by the director prior to the issuance of the bonds. The director shall determine the form of the bonds, including any interest coupons to be attached thereto, and the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state.

The bonds shall be executed by the signature or facsimile signature of the treasurer of state, the official seal or a facsimile thereof of the state shall be affixed thereto and attested by the treasurer of state or designated treasurer of state, and any coupons attached thereto shall bear the facsimile signature of the treasurer of state. In case the person whose signature, or a facsimile of whose signature, appears on any bonds or coupons ceases to be such officer before delivery of bonds or in case such person was not at the date of such bonds or coupons such officer but at the actual date of execution of such bonds or coupons was the proper officer, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same

as if ~~he~~ the person had remained in office until such delivery.

All revenue bonds issued under sections 122.39 and 122.41 to 122.62 of the Revised Code, shall be negotiable instruments. The bonds may be issued in coupon or in registered form or both, as the treasurer determines. Provision may be made for the registration of any coupon bonds as to the principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The treasurer of state may sell such bonds in the manner and for the price ~~he~~ the treasurer of state determines to be for the best interest of the state.

Prior to the preparation of definitive bonds, the treasurer of state may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. The treasurer of state may also provide for the replacement of any bonds which become mutilated or are destroyed, stolen, or lost. Bonds may be issued under sections 122.39 to 122.62 of the Revised Code, without obtaining the consent of any department, division, commission, board, bureau, or agency of the state, and without any other proceeding or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by such sections.

Sec. 122.49. The proceeds of each issue of revenue bonds issued pursuant to sections 122.39 and 122.41 to 122.62 of the Revised Code shall be used for the making of loans authorized in sections 122.43 and 122.45 of the Revised Code, for the purchase and improvement of property authorized in section 122.46 of the Revised Code, for insuring mortgage payments authorized in section 122.451 of the Revised Code, and for the crediting into and among the funds established in accordance with sections 122.35, 122.54, 122.55, 122.56, 122.561, and 122.57 of the Revised Code, but subject to such conditions, limitations, and covenants with the purchasers and holders of the bonds as shall be provided for in the bond authorization proceedings and in the trust agreement securing the same.

Provision shall be made by the director of development services for the payment of the expenses of the director in operating the assistance programs authorized under this chapter in such manner and to such extent as shall be determined by the director.

Sec. 122.50. Revenue bonds issued under sections 122.39 and 122.41 to 122.62, inclusive, of the Revised Code, do not constitute a debt, or a pledge of the faith and credit, of the state or of any political subdivision thereof, but such bonds shall be payable solely from the funds pledged for their payment

as authorized by such sections, or by funds derived from the issuance of refunding bonds as authorized in section 122.52 of the Revised Code, which refunding bonds shall be payable solely from funds pledged for their payment as authorized by such section. All such revenue bonds shall contain on the face thereof a statement to the effect that the bonds, as to both principal and interest, are not an obligation of the state or of any political subdivision thereof, but are payable solely from revenues pledged for their payment.

Sec. 122.51. All revenue bonds issued under sections 122.39 and 122.41 to 122.62, inclusive, of the Revised Code, are lawful investments of banks, building and loan and savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, trustees or other officers having charge of sinking or bond retirement funds of municipal corporations and other subdivisions of this state, and of domestic insurance companies notwithstanding sections 3907.14 and 3925.08 of the Revised Code, and are acceptable as security for the deposit of public moneys.

Sec. 122.52. The director of development services may provide for the issuance of revenue refunding bonds of the state by the treasurer of state, payable solely from the sinking funds established in accordance with section 122.51 of the Revised Code at the times and in the order and manner provided by the director and in any trust agreement securing such bonds and shall also be secured by moneys in the other funds established pursuant to sections 122.39 and 122.41 to 122.62 of the Revised Code to the extent and on the terms specified by the director, for the purpose of refunding any revenue bonds then outstanding which have been issued under sections 122.39 and 122.41 to 122.62 of the Revised Code, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties, and obligations of the director and treasurer of state in respect to such bonds shall be governed by such sections insofar as they are applicable.

Sec. 122.53. In the discretion of the treasurer of state, any bonds issued under sections 122.39 and 122.41 to 122.62 of the Revised Code, may be secured by a trust agreement between the treasurer of state and a corporate trustee, which trustee may be any trust company or bank having the powers of a trust company within or without the state.

Any such trust agreement may pledge or assign payments of principal of and interest on loans, charges, fees, and other revenue to be received by the director of development services, all rentals received under leases made by

the director, and all proceeds of the sale or other disposition of property held by the director, and may provide for the holding in trust by the trustee to the extent provided for in the proceedings authorizing such bonds, of all such moneys and moneys otherwise payable into the mortgage guarantee fund created by section 122.56 of the Revised Code, and all moneys otherwise payable into the mortgage insurance fund created by section 122.561 of the Revised Code, and of moneys payable into the sinking fund or funds referred to in section 122.57 of the Revised Code, but shall not convey or mortgage any of the real or personal property held by the director or any part thereof. Any such trust agreement, or any proceedings providing for the issuance of such bonds, may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as are reasonable and proper and not in violation of law, including covenants setting forth the duties of the director in relation to the acquisition of property, and the construction, improvement, maintenance, repair, operation, and insurance of facilities, the making of loans and leases and the terms and provisions thereof, and the custody, safeguarding, investment, and application of all moneys, and provisions for the employment of consulting engineers or other consultants in connection with the making of loans and leases and the construction or operation of any facility. Any bank or trust company incorporated under the laws of this state which may act as trustee or as depository of the proceeds of bonds or of revenue may furnish such indemnifying bonds or may pledge such securities as are required by the treasurer of state. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders as is customary in trust agreements or trust indentures securing bonds or debentures of corporations. Such trust agreement may contain such other provisions as the treasurer of state deems reasonable and proper for the security of the bondholders. All expenses incurred by the treasurer of state in carrying out the provisions of any such trust agreement shall be treated as a part of the cost of the operation of the assistance programs authorized pursuant to Chapter 122. of the Revised Code. Any such trust agreement may provide the method whereby general administrative overhead expense of the director with respect to those assistance programs shall be allocated among the funds established pursuant to Chapter 122. of the Revised Code with respect to the operating expenses of the director payable out of the income of the assistance programs.

Sec. 122.561. The mortgage insurance fund of the director of development services is hereby created to consist of all money allocated by the director from the proceeds of the sale of any issue of revenue bonds, to

the extent and subject to the conditions provided in the proceedings authorizing such bonds or in the trust agreements securing such bonds, for the purpose of insuring mortgage payments pursuant to section 122.451 of the Revised Code, all grants and contributions made to the director for such purpose, all moneys deposited or credited to the mortgage insurance fund pursuant to section 169.05 of the Revised Code, all other moneys and property designated by the director and by law for such purpose, all mortgage insurance premiums charged and collected as provided in this section, and all receipts and proceeds from the sale, disposal, lease, or rental of real or personal property which the director may hold as a result of a default in an insured mortgage. The director shall fix mortgage insurance premiums for the insurance of mortgage payments pursuant to section 122.451 of the Revised Code, to be computed as a percentage of the principal obligation of the mortgage outstanding at the beginning of each mortgage year. Such insurance premiums shall not be more than three per cent per annum of the outstanding principal obligation, and shall be calculated on the basis of all pertinent available data. Such premiums shall be payable by the mortgagors or the mortgagees in such manner as is prescribed by the director. The amount of premium need not be uniform among the various mortgages insured. The director may provide for the custody, investment, and use of the unclaimed funds trust fund created by section 169.05 of the Revised Code and all mortgage insurance premiums, including the payment therefrom of the expenses and costs of the director in insuring mortgage payments pursuant to section 122.451 of the Revised Code. Any financial statements or financial data submitted to the director; ~~the development financing advisory council~~, or the controlling board in connection with any application for the insurance of mortgage payments, or any information taken from such statements or data, is not open to public inspection.

Sec. 122.57. All payments of principal of and interest on the loans made by the director of development services, all rentals received under leases made by ~~him~~ the director, and all proceeds of the sale or other disposition of property held by ~~him~~ the director shall be placed in separate sinking funds to the extent provided in the proceedings authorizing revenue bonds which are hereby pledged to and charged with the payment of interest on, principal of and redemption premium on, the revenue bonds issued pursuant to sections 122.39 and 122.41 to 122.62 of the Revised Code to the extent provided in the proceedings authorizing and the trust agreements securing such bonds. The moneys therein in excess of the amounts required by the bond proceedings and trust agreements and all payments not so required to be

paid into such sinking funds shall be retained or placed in such fund or in the other funds provided for by sections 122.35, 122.54, 122.42, 122.55, 122.56, 122.561, and 122.57 of the Revised Code as the director shall determine, and shall be available for the uses for which such funds are established.

Sec. 122.60. As used in sections 122.60 to 122.605 of the Revised Code:

(A) "Capital access loan" means a loan made by a participating financial institution to an eligible business that may be secured by a deposit of money from the fund into the participating financial institution's program reserve account.

(B) "Department of development" means the ~~department~~ of development services agency.

(C) "Eligible business" means a for-profit business entity, or a nonprofit entity, that had total annual sales in its most recently completed fiscal year of less than ten million dollars and that has a principal place of for-profit business or nonprofit entity activity within the state, the operation of which, alone or in conjunction with other facilities, will create new jobs or preserve existing jobs and employment opportunities and will improve the economic welfare of the people of the state. As used in this division, "new jobs" does not include existing jobs transferred from another facility within the state, and "existing jobs" means only existing jobs at facilities within the same municipal corporation or township in which the project, activity, or enterprise that is the subject of a capital access loan is located.

(D) "Financial institution" means any bank, trust company, savings bank, or savings and loan association that is chartered by and has a significant presence in the state, or any national bank, federal savings and loan association, or federal savings bank that has a significant presence in the state.

(E) "Fund" means the capital access loan program fund.

(F) "Minority business supplier development council" has the same meaning as in section 122.71 of the Revised Code.

(G) "Participating financial institution" means a financial institution that has a valid, current participation agreement with the ~~department~~ development services agency.

~~(G)~~(H) "Participation agreement" means the agreement between a financial institution and the ~~department~~ agency under which a financial institution may participate in the program.

~~(H)~~(I) "Passive real estate ownership" means the ownership of real estate for the sole purpose of deriving income from it by speculation, trade, or rental.

~~(I)~~(J) "Program" means the capital access loan program created under section 122.602 of the Revised Code.

~~(J)~~(K) "Program reserve account" means a dedicated account at each participating financial institution that is the property of the state and may be used by the participating financial institution only for the purpose of recovering a claim under section 122.604 of the Revised Code arising from a default on a loan made by the participating financial institution under the program.

Sec. 122.601. There is hereby created in the state treasury the capital access loan program fund. The fund shall consist of money deposited into it from the minority business enterprise loan fund pursuant to section 122.80 of the Revised Code and the facilities establishment fund pursuant to section 166.03 of the Revised Code and all money deposited into it pursuant to section 122.602 of the Revised Code. The total amount of money deposited into the fund from the minority business enterprise loan fund or the facilities establishment fund shall not exceed three million dollars during any particular fiscal year of the department development services agency.

The department agency shall disburse money from the fund only to pay the operating costs of the program, including the administrative costs incurred by the department agency in connection with the program, and only in keeping with the purposes specified in sections 122.60 to 122.605 of the Revised Code.

Sec. 122.602. (A) There is hereby created in the department of development the capital access loan program to assist participating financial institutions in making program loans to eligible businesses that face barriers in accessing working capital and obtaining fixed asset financing. In administering the program, the director of development may do any of the following:

(1) Receive and accept grants, gifts, and contributions of money, property, labor, and other things of value to be held, used, and applied only for the purpose for which the grants, gifts, and contributions are made, from individuals, private and public corporations, the United States or any agency of the United States, the state or any agency of the state, or any political subdivision of the state;

(2) Agree to repay any contribution of money or return any property contributed or the value of that property at the times, in the amounts, and on the terms and conditions, excluding the payment of interest, that the director consents to at the time a contribution is made; and evidence obligations by notes, bonds, or other written instruments;

(3) Adopt rules under Chapter 119. of the Revised Code to carry out the

purposes of the program specified in sections 122.60 to 122.605 of the Revised Code;

(4) Engage in all other acts, and enter into contracts and execute all instruments, necessary or appropriate to carry out the purposes specified in sections 122.60 to 122.605 of the Revised Code.

(B) The director shall determine the eligibility of a financial institution to participate in the program and may set a limit on the number of financial institutions that may participate in the program.

(C) To be considered eligible by the director to participate in the program, a financial institution shall enter into a participation agreement with the department that sets out the terms and conditions under which the department will deposit moneys from the fund into the financial institution's program reserve account, specifies the criteria for loan qualification under the program, and contains any additional terms the director considers necessary.

(D) After receiving the certification required under division (C) of section 122.603 of the Revised Code, the director may disburse moneys from the fund to a participating financial institution for deposit in its program reserve account if the director determines that the capital access loan involved meets all of the following criteria:

(1) It will be made to an eligible business.

(2) It will be used by the eligible business for a project, activity, or enterprise that fosters economic development.

(3) It will not be made in order to enroll in the program prior debt that is not covered under the program and that is owed or was previously owed by an eligible business to the financial institution.

(4) It will not be utilized for a project or development related to the on-site construction or purchase of residential housing.

(5) It will not be used to finance passive real estate ownership.

(6) It conforms to the requirements of divisions (E), (F), (G), (H), and (I) of this section, and to the rules adopted by the director under division (A)(3) of this section.

(E) The director shall not approve a deposit amount from the fund for a capital access loan to an eligible business that exceeds two hundred fifty thousand dollars for working capital or five hundred thousand dollars for the purchase of fixed assets. An eligible business may apply for the maximum deposit amount ~~of~~ for both working capital and the purchase of fixed assets in the same capital access loan enrollment.

(F) A financial institution may apply to the director for the approval of a capital access loan to any business that is owned or operated by a person

that has previously defaulted under any state financial assistance program.

(G) Eligible businesses that apply for a capital access loan shall comply with section 9.66 of the Revised Code.

(H) A financial institution may apply to the director for the approval of a capital access loan that refinances a nonprogram loan made by another financial institution.

(I) The director shall not approve a capital access loan that refinances a nonprogram loan made by the same financial institution, unless the amount of the refinanced loan exceeds the existing debt, in which case only the amount exceeding the existing debt is eligible for a loan under the program.

Sec. 122.603. (A)(1) Upon approval by the director of development services and after entering into a participation agreement with the ~~department~~ of development services agency, a participating financial institution making a capital access loan shall establish a program reserve account. The account shall be an interest-bearing account and shall contain only moneys deposited into it under the program and the interest payable on the moneys in the account.

(2) All interest payable on the moneys in the program reserve account shall be added to the moneys and held as an additional loss reserve. The director may require that a portion or all of the accrued interest so held in the account be released to the ~~department~~ agency. If the director causes a release of accrued interest, the director shall deposit the released amount into the capital access loan program fund created in section 122.601 of the Revised Code. The director shall not require the release of that accrued interest more than twice in a fiscal year.

(B) When a participating financial institution makes a capital access loan, it shall require the eligible business to pay to the participating financial institution a fee in an amount that is not less than one and one-half per cent, and not more than three per cent, of the principal amount of the loan. The participating financial institution shall deposit the fee into its program reserve account, and it also shall deposit into the account an amount of its own funds equal to the amount of the fee. The participating financial institution may recover from the eligible business all or part of the amount that the participating financial institution is required to deposit into the account under this division in any manner agreed to by the participating financial institution and the eligible business.

(C) For each capital access loan made by a participating financial institution, the participating financial institution shall certify to the director, within a period specified by the director, that the participating financial institution has made the loan. The certification shall include the amount of

the loan, the amount of the fee received from the eligible business, the amount of its own funds that the participating financial institution deposited into its program reserve account to reflect that fee, and any other information specified by the director. The certification also shall indicate if the eligible business receiving the capital access loan is a minority business enterprise as defined in section 122.71 of the Revised Code or certified by the minority business supplier development council.

(D)(1)(a) Upon receipt of each of the first three certifications from a participating financial institution made under division (C) of this section and subject to section 122.602 of the Revised Code, the director shall disburse to the participating financial institution from the capital access loan program fund an amount ~~equal~~ not to exceed fifty per cent of the principal amount of the particular capital access loan for deposit into the participating financial institution's program reserve account. Thereafter, upon receipt of a certification from that participating financial institution made under division (C) of this section and subject to section 122.602 of the Revised Code, the director shall disburse to the participating financial institution from the capital access loan program fund an amount equal to ten per cent of the principal amount of the particular capital access loan for deposit into the participating financial institution's program reserve account.

(b) Notwithstanding division (D)(1)(a) of this section, and subject to section 122.602 of the Revised Code, upon receipt of any certification from a participating financial institution made under division (C) of this section with respect to a capital access loan made to an eligible business that is a minority business enterprise, the director shall disburse to the participating financial institution from the capital access loan program fund an amount ~~equal~~ not to exceed eighty per cent of the principal amount of the particular capital access loan for deposit into the participating financial institution's program reserve account.

(2) The disbursement of moneys from the fund to a participating financial institution does not require approval from the controlling board.

(E) If the amount in a program reserve account exceeds an amount equal to thirty-three per cent of a participating financial institution's outstanding capital access loans, the ~~department~~ agency may cause the withdrawal of the excess amount and the deposit of the withdrawn amount into the capital access loan program fund.

(F)(1) The ~~department~~ agency may cause the withdrawal of the total amount in a participating financial institution's program reserve account if any of the following applies:

(a) The financial institution is no longer eligible to participate in the

program.

(b) The participation agreement expires without renewal by the ~~department~~ agency or the financial institution.

(c) The financial institution has no outstanding capital access loans.

(d) The financial institution has not made a capital access loan within the preceding twenty-four months.

(2) If the ~~department~~ agency causes a withdrawal under division (F)(1) of this section, the ~~department~~ agency shall deposit the withdrawn amount into the capital access loan program fund.

Sec. 122.61. The exercise of the powers granted by sections 122.39 and 122.41 to 122.62 of the Revised Code, will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity, and for the improvement of conditions of employment, and will constitute the performance of essential governmental functions; therefore the director of development services shall not be required to pay any taxes upon any ~~of~~ property or assets held by ~~him~~ the director, or upon any property acquired or used by ~~him~~ the director under sections 122.39 and 122.41 to 122.62 of the Revised Code, or upon the income therefrom, provided, such exemption shall not apply to any property held by the director while it is in the possession of a private person, partnership, or corporation and used for private purposes for profit. The bonds, notes, or other obligations issued under such sections, their transfer, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation within the state.

Sec. 122.62. All moneys received under sections 122.39 and 122.41 to 122.62 of the Revised Code as proceeds from the sale of bonds are trust funds. All moneys received under those sections shall be held and applied solely as provided in such sections and section 166.03 of the Revised Code. All such moneys, except as otherwise provided in any proceedings authorizing revenue bonds or in any trust agreement securing such bonds or except when deposited with the treasurer of state, or except as they may be invested pursuant to section 122.58 of the Revised Code, shall be kept in depositories as selected by the director of development services in the manner provided in sections 135.01 to 135.21 of the Revised Code, insofar as such sections are applicable, and the deposits shall be secured as provided in sections 135.01 to 135.21 of the Revised Code. The proceedings authorizing the issuance of bonds of any issue or the trust agreement securing such bonds shall provide that any official to whom, or any bank or trust company to which, such moneys are paid, shall act as trustee of such moneys and hold and apply them for the purposes of sections 122.39 and

122.41 to 122.62 of the Revised Code, subject to such rules as such sections and such bond issuance proceedings or trust agreement provide.

Sec. 122.64. (A) There is hereby established in the ~~department of development services agency~~ a business services division ~~of economic development~~. The division shall be supervised by a deputy director appointed by the director of development services.

The division is responsible for the administration of the state economic development financing programs established pursuant to sections 122.17 and 122.18, sections 122.39 and 122.41 to 122.62, and Chapter 166. of the Revised Code ~~and for coordinating the activities of the development financing advisory council so as to ensure the efficient administration of the programs.~~

(B) The director of development services shall:

~~(1) Appoint an individual to serve as director of the development financing advisory council;~~

~~(2) Receive applications for assistance pursuant to sections 122.39 and 122.41 to 122.62 and Chapter 166. of the Revised Code. The director shall process the applications and, except as provided in division (C)(2) of section 166.05 of the Revised Code, forward them to the development financing advisory council. As appropriate, the director shall receive the recommendations of the council as to applications for assistance.~~

~~(3)(2) With the approval of the director of administrative services, establish salary schedules for employees of the various positions of employment with the division and assign the various positions to those salary schedules;~~

~~(4) Furnish and pay for, out of funds appropriated to the department of development for that purpose, office space and associated utilities service, for the development financing advisory council;~~

~~(5)(3) Employ and fix the compensation of financial consultants, appraisers, consulting engineers, superintendents, managers, construction and accounting experts, attorneys, and other agents for the assistance programs authorized pursuant to sections 122.17 and 122.18, sections 122.39 and 122.41 to 122.62, and Chapter 166. of the Revised Code as are necessary;~~

~~(6)(4) Supervise the administrative operations of the division;~~

~~(7)(5) On or before the first day of October in each year, make an annual report of the activities and operations under assistance programs authorized pursuant to sections 122.39 and 122.41 to 122.62 and Chapter 166. of the Revised Code for the preceding fiscal year to the governor and the general assembly. Each such report shall set forth a complete operating~~

and financial statement covering such activities and operations during the year in accordance with generally accepted accounting principles and shall be audited by a certified public accountant. The director of development services shall transmit a copy of the audited financial report to the office of budget and management.

Sec. 122.76. (A) The director of development services, with controlling board approval, may lend funds to minority business enterprises and to community improvement corporations, Ohio development corporations, minority contractors business assistance organizations, and minority business supplier development councils for the purpose of loaning funds to minority business enterprises and for the purpose of procuring or improving real or personal property, or both, for the establishment, location, or expansion of industrial, distribution, commercial, or research facilities in the state, and to community development corporations that predominantly benefit minority business enterprises or are located in a census tract that has a population that is sixty per cent or more minority if the director determines, in the director's sole discretion, that all of the following apply:

(1) The project is economically sound and will benefit the people of the state by increasing opportunities for employment, by strengthening the economy of the state, or expanding minority business enterprises.

(2) The proposed minority business enterprise borrower is unable to finance the proposed project through ordinary financial channels at comparable terms.

(3) The value of the project is or, upon completion, will be at least equal to the total amount of the money expended in the procurement or improvement of the project.

(4) The amount to be loaned by the director will not exceed ~~sixty~~ seventy-five per cent of the total amount expended in the procurement or improvement of the project.

(5) The amount to be loaned by the director will be adequately secured by a first or second mortgage upon the project or by mortgages, leases, liens, assignments, or pledges on or of other property or contracts as the director requires, and such mortgage will not be subordinate to any other liens or mortgages except the liens securing loans or investments made by financial institutions referred to in division (A)(3) of this section, and the liens securing loans previously made by any financial institution in connection with the procurement or expansion of all or part of a project.

(B) Any proposed minority business enterprise borrower submitting an application for assistance under this section shall not have defaulted on a previous loan from the director, and no full or limited partner, major

shareholder, or holder of an equity interest of the proposed minority business enterprise borrower shall have defaulted on a loan from the director.

(C) The proposed minority business enterprise borrower shall demonstrate to the satisfaction of the director that it is able to successfully compete in the private sector if it obtains the necessary financial, technical, or managerial support and that support is available through the director, the minority business development office of the department of development, or other identified and acceptable sources. In determining whether a minority business enterprise borrower will be able to successfully compete, the director may give consideration to such factors as the successful completion of or participation in courses of study, recognized by the board of regents as providing financial, technical, or managerial skills related to the operation of the business, by the economically disadvantaged individual, owner, or partner, and the prior success of the individual, owner, or partner in personal, career, or business activities, as well as to other factors identified by the director.

(D) The director shall not lend funds for the purpose of procuring or improving motor vehicles or accounts receivable.

Sec. 122.80. There is hereby created in the state treasury the minority business enterprise loan fund. The fund shall consist of money deposited into the fund from the facilities establishment fund pursuant to section 166.03 of the Revised Code and all money deposited into the fund pursuant to section 122.81 of the Revised Code. The director of development shall use the fund to pay operating costs of the minority development financing advisory board, make loans to minority business enterprises as authorized in division (A) of section 122.76 of the Revised Code ~~and~~, loan guarantees to small businesses as authorized in division (A) of section 122.77 of the Revised Code, and for transfer to the capital access loan program fund established in section 122.601 of the Revised Code to be used solely for minority business enterprises or minority businesses certified by the minority business supplier development council for deposits specified by division (D)(1)(b) of section 122.603 of the Revised Code.

Sec. 122.86. (A) As used in this section and section 5747.81 of the Revised Code:

(1) "Small business enterprise" means a corporation, pass-through entity, or other person satisfying all of the following:

(a) At the time of a qualifying investment, the enterprise meets all of the following requirements:

(i) Has no outstanding tax or other liabilities owed to the state;

(ii) Is in good standing with the secretary of state, if the enterprise is required to be registered with the secretary;

(iii) Is current with any court-ordered payments;

(iv) Is not engaged in any illegal activity.

(b) At the time of a qualifying investment, the enterprise's assets according to generally accepted accounting principles do not exceed fifty million dollars, or its annual sales do not exceed ten million dollars;. When making this determination, the assets and annual sales of all of the enterprise's related or affiliated entities shall be included in the calculation.

~~(b)~~(c) The enterprise employs at least fifty full-time equivalent employees in this state for whom the enterprise is required to withhold income tax under section 5747.06 of the Revised Code, or more than one-half the enterprise's total number of full-time equivalent employees employed anywhere in the United States are employed in this state and are subject to that withholding requirement.

~~(e)~~(d) The enterprise, within six months after an eligible investor's qualifying investment is made, invests in or incurs cost for one or more of the following in an amount at least equal to the amount of the qualifying investment:

(i) Tangible personal property, other than motor vehicles operated on public roads and highways, used in business and physically located in this state from the time of its acquisition by the enterprise until the end of the investor's holding period;

(ii) Motor vehicles operated on public roads and highways if, from the time of acquisition by the enterprise until the end of the investor's holding period, the motor vehicles are purchased in this state, registered in this state under Chapter 4503. of the Revised Code, are used primarily for business purposes, and are necessary for the operation of the enterprise's business;

(iii) Real property located in this state that is used in business from the time of its acquisition by the enterprise until the end of the holding period;

(iv) Intangible personal property, including patents, copyrights, trademarks, service marks, or licenses used in business primarily in this state from the time of its acquisition by the enterprise until the end of the holding period;

(v) Compensation for new employees of the enterprise for whom the enterprise is required to withhold income tax under section 5747.06 of the Revised Code, not including increased compensation for owners, officers, or managers of the enterprise. For this purpose compensation for new employees includes compensation for newly hired or retained employees.

(2) "Qualifying investment" means an investment of money made on or

after July 1, 2011, to acquire capital stock or other equity interest in a small business enterprise. "Qualifying investment" does not include ~~any~~ either of the following:

(a) Any investment of money an eligible investor derives, directly or indirectly, from a grant or loan from the federal government or the state or a political subdivision, including the third frontier program under Chapter 184. of the Revised Code;

(b) Any investment of money which is the basis of a tax credit granted under any other section of the Revised Code.

(3) "Eligible investor" means an individual, estate, or trust subject to the tax imposed by section 5747.02 of the Revised Code, or a pass-through entity in which such an individual, estate, or trust holds a direct or indirect ownership or other equity interest. To qualify as an eligible investor, the individual, estate, trust, or pass-through entity shall not owe any outstanding tax or other liability to the state at the time of a qualifying investment.

(4) "Holding period" means:

(a) For qualifying investments made on or after July 1, 2011, but before July 1, 2013, the two-year period beginning on the day the investment was made;

(b) For qualifying investments made on or after July 1, 2013, the five-year period beginning on the day the investment was made.

(5) "Pass-through entity" has the same meaning as in section 5733.04 of the Revised Code.

(B) Any eligible investor that makes a qualifying investment in a small business enterprise on or after July 1, 2011, may apply to the director of development services to obtain a small business investment certificate from the director. Alternatively, a small business enterprise may apply on behalf of eligible investors to obtain the certificates for those investors. The director, in consultation with the tax commissioner, shall prescribe the form or manner in which an applicant shall apply for the certificate, devise the form of the certificate, and prescribe any records or other information an applicant shall furnish with the application to evidence the qualifying investment. The applicant shall state the amount of the intended investment. The applicant shall pay an application fee equal to the greater of one-tenth of one per cent of the amount of the intended investment or one hundred dollars.

A small business investment certificate entitles the certificate holder to receive a tax credit under section 5747.81 of the Revised Code if the certificate holder qualifies for the credit as otherwise provided in this section. If the certificate holder is a pass-through entity, the certificate

entitles the entity's equity owners to receive their distributive or proportionate shares of the credit. In any fiscal biennium, an eligible investor may not apply for small business investment certificates representing intended investment amounts in excess of ten million dollars. Such certificates are not transferable.

The director of development ~~shall issue~~ services may reserve small business investment certificates to qualifying applicants in the order in which the director receives applications, but may issue the certificates as the applications are completed. An application is completed when the director has validated that an eligible investor has made a qualified investment and the small business enterprise has made the appropriate reinvestment of the qualified investment pursuant to the requirements of division (A)(1)(d) of this section. To qualify for a certificate, an eligible investor must satisfy both of the following, subject to the limitation on the amount of qualifying investments for which certificates may be issued under division (C) of this section:

(1) The eligible investor makes a qualifying investment on or after July 1, 2011.

(2) The eligible investor pledges not to sell or otherwise dispose of the qualifying investment before the conclusion of the applicable holding period.

(C)(1) The amount of any eligible investor's qualifying investments for which small business investment certificates may be issued for a fiscal biennium shall not exceed ten million dollars.

(2) The director of development services shall not issue a small business investment certificate to an eligible investor representing an amount of qualifying investment in excess of the amount of the intended investment indicated on the investor's application for the certificate.

(3) The director of development services shall not issue small business investment certificates in a total amount that would cause the tax credits claimed in any fiscal biennium to exceed one hundred million dollars.

(4) The director of development services may issue a small business investment certificate only if both of the following apply at the time of issuance:

(a) The small business enterprise meets all the requirements listed in divisions (A)(1)(a)(i) to (iv) of this section;

(b) The eligible investor does not owe any outstanding tax or other liability to the state.

(D) Before the end of the applicable holding period of a qualifying investment, each enterprise in which a qualifying investment was made for

which a small business investment certificate has been issued, upon the request of the director of development services, shall provide to the director records or other evidence satisfactory to the director that the enterprise is a small business enterprise for the purposes of this section. Each enterprise shall also provide annually to the director records or evidence regarding the number of jobs created or retained in the state. No credit may be claimed under this section and section 5747.81 of the Revised Code if the director finds that an enterprise is not a small business enterprise for the purposes of this section. The director shall compile and maintain a register of small business enterprises qualifying under this section and shall certify the register to the tax commissioner. The director shall also compile and maintain a record of the number of jobs created or retained as a result of qualifying investments made pursuant to this section.

(E) After the conclusion of the applicable holding period for a qualifying investment, a person to whom a small business investment certificate has been issued under this section may claim a credit as provided under section 5747.81 of the Revised Code.

(F) The director of development services, in consultation with the tax commissioner, may adopt rules for the administration of this section, including rules governing the following:

(1) Documents, records, or other information eligible investors shall provide to the director;

(2) Any information a small business enterprise shall provide for the purposes of this section and section 5747.81 of the Revised Code;

(3) Determination of the number of full-time equivalent employees of a small business enterprise;

(4) Verification of a small business enterprise's investment in tangible personal property and intangible personal property under division (A)(1)(~~e~~)(d) of this section, including when such investments have been made and where the property is used in business;

(5) Circumstances under which small business enterprises or eligible investors may be subverting the purposes of this section and section 5747.81 of the Revised Code.

There is hereby created in the state treasury the InvestOhio support fund. The fund shall consist of the fees paid under division (B) of this section and shall be used by the development services agency to pay the costs of administering the small business investment certificate program established under this section.

Sec. 122.942. The director of development services shall, with respect to each project for which a loan, grant, tax credit, or other state-funded

financial assistance is awarded by the development services agency, make all of the following information available to the public within thirty days after the agency enters into a contract with the recipient:

(A) A summary of the project that includes all of the following:

(1) A breakdown of the sources of the funds for each aspect of the project, such as state or federal programs, the operating company or entity itself, or any private financing, and a complete description of how each type of funds is to be used;

(2) The total amount of assistance awarded;

(3) A brief description of the project;

(4) The following information regarding the project:

(a) The operating company or entity that is awarded the assistance;

(b) The products or services provided by the operating company or entity;

(c) The number of new jobs, at-risk jobs, and retained jobs anticipated; the hourly wages and hourly benefits of those jobs; and the dollar amount of assistance per job affected.

(5) The strengths and weaknesses of the project;

(6) The location of the project, the location of the operating company or entity, and whether relocation is involved;

(7) The Ohio house district and Ohio senate district in which the project is located;

(8) The payment terms and conditions of the assistance awarded;

(9) The collateral or security required;

(10) The recommendation of the staff assigned to the project.

(B) A comprehensive report that provides a description of the operating company or entity; all relevant information regarding the project; an analysis of the operating company or entity and the goods or services it provides; the explicit terms of any collateral or security required; and the reasoning behind the staffs' recommendation.

(C) Any other relevant information the controlling board may request, or the director may consider necessary to more fully describe the details of the assistance or the operating company or entity, that is provided before the controlling board approves the assistance.

Nothing in this section shall be construed as requiring the disclosure of information that is not a public record under section 149.43 of the Revised Code.

Sec. 122.97. (A) The business development and assistance fund is hereby created in the state treasury. Investment earnings on moneys in the fund shall be credited to the fund. The development services agency shall

deposit any money it receives for business development services and business assistance services to the credit of the fund, including:

(1) Reimbursements for services provided for business development and business assistance services;

(2) Contract or grant payments from private entities;

(3) Donations or sponsorship payments from private entities;

(4) Contract or grant payments from public agencies or political subdivisions.

(B) The agency shall use money in the fund for any agency operating purposes or programs providing business support or business assistance, including grants, loans, or administrative expenses.

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

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

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

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

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

(c) New building construction costs.

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

(4) "Qualified lessee" means a person subject to a lease agreement for a historic building and eligible for the federal rehabilitation tax credit under 26 U.S.C. 47. "Qualified lessee" does not include the state or a state agency or political subdivision as defined in section 9.23 of the Revised Code.

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

~~(5)~~(6) "Registered historic district" means a historic district listed in the national register of historic places under 16 U.S.C. 470a, a historic district designated by a local government certified under 16 U.S.C. 470a(c), or a local historic district certified under 36 C.F.R. 67.8 and 67.9.

~~(6)~~(7) "Rehabilitation" means the process of repairing or altering a historic building or buildings, making possible an efficient use while preserving those portions and features of the building and its site and environment that are significant to its historic, architectural, and cultural values.

~~(7)~~(8) "Rehabilitation period" means one of the following:

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

(b) If the rehabilitation initially was planned to be completed in stages, a period chosen by the owner or qualified lessee not to exceed sixty months during which rehabilitation occurs. Each stage shall be reviewed as a phase of a rehabilitation as determined under 26 C.F.R. 1.48-12 or a successor to that section.

~~(8)~~(9) "State historic preservation officer" or "officer" means the state historic preservation officer appointed by the governor under 16 U.S.C. 470a.

(B) The owner or qualified lessee of a historic building may apply to the director of development for a rehabilitation tax credit certificate for qualified rehabilitation expenditures paid or incurred by such owner or qualified lessee after April 4, 2007, for rehabilitation of a historic building. The If the owner of a historic building enters a pass-through agreement with a qualified lessee for the purposes of the federal rehabilitation tax credit under 26 U.S.C. 47, the qualified rehabilitation expenditures paid or incurred by the owner after April 4, 2007, shall be attributed to the qualified lessee.

The form and manner of filing such applications shall be prescribed by rule of the director of development. Each application shall state the amount of qualified rehabilitation expenditures the applicant estimates will be paid or incurred. The director may require applicants to furnish documentation of such estimates.

The director, after consultation with the tax commissioner and in accordance with Chapter 119. of the Revised Code, shall adopt rules that

establish all of the following:

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

(2) Criteria for reviewing, evaluating, and approving applications for certificates within the limitations under division (D) of this section, criteria for assuring that the certificates issued encompass a mixture of high and low qualified rehabilitation expenditures, and criteria for issuing certificates under division (C)(3)(b) of this section;

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

(4) The form of rehabilitation tax credit certificates;

(5) Reporting requirements and monitoring procedures;

(6) Procedures and criteria for conducting cost-benefit analyses of historic buildings that are the subjects of applications filed under this section. The purpose of a cost-benefit analysis shall be to determine whether rehabilitation of the historic building will result in a net revenue gain in state and local taxes once the building is used.

(7) Any other rules necessary to implement and administer this section.

(C) The director of development shall review the applications with the assistance of the state historic preservation officer and determine whether all of the following criteria are met:

(1) That the building that is the subject of the application is a historic building and the applicant is the owner or qualified lessee of the building;

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

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

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

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

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

(D)(1) If the director of development determines that an application meets the criteria in divisions (C)(1), (2), and (3) of this section, the director shall conduct a cost-benefit analysis for the historic building that is the subject of the application to determine whether rehabilitation of the historic building will result in a net revenue gain in state and local taxes once the building is used. The director shall consider the results of the cost-benefit analysis in determining whether to approve the application. The director

shall also consider the potential economic impact and the regional distributive balance of the credits throughout the state. The director may approve an application only after completion of the cost-benefit analysis.

(2) A rehabilitation tax credit certificate shall not be issued for an amount greater than the estimated amount furnished by the applicant on the application for such certificate and approved by the director. The director shall not approve more than a total of sixty million dollars of rehabilitation tax credits per fiscal year but the director may reallocate unused tax credits from a prior fiscal year for new applicants and such reallocated credits shall not apply toward the dollar limit of this division.

(3) For rehabilitations with a rehabilitation period not exceeding twenty-four months as provided in division (A)(7)(a) of this section, a rehabilitation tax credit certificate shall not be issued before the rehabilitation of the historic building is completed.

(4) For rehabilitations with a rehabilitation period not exceeding sixty months as provided in division (A)(7)(b) of this section, a rehabilitation tax credit certificate shall not be issued before a stage of rehabilitation is completed. After all stages of rehabilitation are completed, if the director cannot determine that the criteria in division (C) of this section are satisfied for all stages of rehabilitations, the director shall certify this finding to the tax commissioner, and any rehabilitation tax credits received by the applicant shall be repaid by the applicant and may be collected by assessment as unpaid tax by the commissioner.

(5) The director of development shall require the applicant to provide a third-party cost certification by a certified public accountant of the actual costs attributed to the rehabilitation of the historic building when qualified rehabilitation expenditures exceed two hundred thousand dollars.

If an applicant whose application is approved for receipt of a rehabilitation tax credit certificate fails to provide to the director of development sufficient evidence of reviewable progress, including a viable financial plan, copies of final construction drawings, and evidence that the applicant has obtained all historic approvals within twelve months after the date the applicant received notification of approval, and if the applicant fails to provide evidence to the director of development that the applicant has secured and closed on financing for the rehabilitation within eighteen months after receiving notification of approval, the director may rescind the approval of the application. The director shall notify the applicant if the approval has been rescinded. Credits that would have been available to an applicant whose approval was rescinded shall be available for other qualified applicants. Nothing in this division prohibits an applicant whose

approval has been rescinded from submitting a new application for a rehabilitation tax credit certificate.

(E) Issuance of a certificate represents a finding by the director of development of the matters described in divisions (C)(1), (2), and (3) of this section only; issuance of a certificate does not represent a verification or certification by the director of the amount of qualified rehabilitation expenditures for which a tax credit may be claimed under section 5725.151, 5725.34, 5729.17, 5733.47, or 5747.76 of the Revised Code. The amount of qualified rehabilitation expenditures for which a tax credit may be claimed is subject to inspection and examination by the tax commissioner or employees of the commissioner under section 5703.19 of the Revised Code and any other applicable law. Upon the issuance of a certificate, the director shall certify to the tax commissioner, in the form and manner requested by the tax commissioner, the name of the applicant, the amount of qualified rehabilitation expenditures shown on the certificate, and any other information required by the rules adopted under this section.

(F)(1) On or before the first day of April each year, the director of development and tax commissioner jointly shall submit to the president of the senate and the speaker of the house of representatives a report on the tax credit program established under this section and sections 5725.151, 5725.34, 5729.17, 5733.47, and 5747.76 of the Revised Code. The report shall present an overview of the program and shall include information on the number of rehabilitation tax credit certificates issued under this section during the preceding fiscal year, an update on the status of each historic building for which an application was approved under this section, the dollar amount of the tax credits granted under sections 5725.151, 5725.34, 5729.17, 5733.47, and 5747.76 of the Revised Code, and any other information the director and commissioner consider relevant to the topics addressed in the report.

(2) On or before December 1, 2015, the director of development and tax commissioner jointly shall submit to the president of the senate and the speaker of the house of representatives a comprehensive report that includes the information required by division (F)(1) of this section and a detailed analysis of the effectiveness of issuing tax credits for rehabilitating historic buildings. The report shall be prepared with the assistance of an economic research organization jointly chosen by the director and commissioner.

(G) There is hereby created in the state treasury the historic rehabilitation tax credit operating fund. The director of development is authorized to charge reasonable application and other fees in connection with the administration of tax credits authorized by this section and sections

5725.151, 5725.34, 5729.17, 5733.44, and 5747.76 of the Revised Code. Any such fees collected shall be credited to the fund and used to pay reasonable costs incurred by the department of development in administering this section and sections 5725.151, 5725.34, 5729.17, 5733.44, and 5747.76 of the Revised Code.

The Ohio historic preservation office is authorized to charge reasonable fees in connection with its review and approval of applications under this section. Any such fees collected shall be credited to the fund and used to pay administrative costs incurred by the Ohio historic preservation office pursuant to this section.

Sec. 149.43. (A) As used in this section:

(1) "Public record" means records kept by any public office, including, but not limited to, state, county, city, village, township, and school district units, and records pertaining to the delivery of educational services by an alternative school in this state kept by the nonprofit or for-profit entity operating the alternative school pursuant to section 3313.533 of the Revised Code. "Public record" does not mean any of the following:

(a) Medical records;

(b) Records pertaining to probation and parole proceedings or to proceedings related to the imposition of community control sanctions and post-release control sanctions;

(c) Records pertaining to actions under section 2151.85 and division (C) of section 2919.121 of the Revised Code and to appeals of actions arising under those sections;

(d) Records pertaining to adoption proceedings, including the contents of an adoption file maintained by the department of health under section 3705.12 of the Revised Code;

(e) Information in a record contained in the putative father registry established by section 3107.062 of the Revised Code, regardless of whether the information is held by the department of job and family services or, pursuant to section 3111.69 of the Revised Code, the office of child support in the department or a child support enforcement agency;

(f) Records listed in division (A) of section 3107.42 of the Revised Code or specified in division (A) of section 3107.52 of the Revised Code;

(g) Trial preparation records;

(h) Confidential law enforcement investigatory records;

(i) Records containing information that is confidential under section 2710.03 or 4112.05 of the Revised Code;

(j) DNA records stored in the DNA database pursuant to section 109.573 of the Revised Code;

(k) Inmate records released by the department of rehabilitation and correction to the department of youth services or a court of record pursuant to division (E) of section 5120.21 of the Revised Code;

(l) Records maintained by the department of youth services pertaining to children in its custody released by the department of youth services to the department of rehabilitation and correction pursuant to section 5139.05 of the Revised Code;

(m) Intellectual property records;

(n) Donor profile records;

(o) Records maintained by the department of job and family services pursuant to section 3121.894 of the Revised Code;

(p) Peace officer, parole officer, probation officer, bailiff, prosecuting attorney, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal identification and investigation residential and familial information;

(q) In the case of a county hospital operated pursuant to Chapter 339. of the Revised Code or a municipal hospital operated pursuant to Chapter 749. of the Revised Code, information that constitutes a trade secret, as defined in section 1333.61 of the Revised Code;

(r) Information pertaining to the recreational activities of a person under the age of eighteen;

(s) Records provided to, statements made by review board members during meetings of, and all work products of a child fatality review board acting under sections 307.621 to 307.629 of the Revised Code, and child fatality review data submitted by the child fatality review board to the department of health or a national child death review database, other than the report prepared pursuant to division (A) of section 307.626 of the Revised Code;

(t) Records provided to and statements made by the executive director of a public children services agency or a prosecuting attorney acting pursuant to section 5153.171 of the Revised Code other than the information released under that section;

(u) Test materials, examinations, or evaluation tools used in an examination for licensure as a nursing home administrator that the board of examiners of nursing home administrators administers under section 4751.04 of the Revised Code or contracts under that section with a private or government entity to administer;

(v) Records the release of which is prohibited by state or federal law;

(w) Proprietary information of or relating to any person that is submitted to or compiled by the Ohio venture capital authority created under section

150.01 of the Revised Code;

(x) Information reported and evaluations conducted pursuant to section 3701.072 of the Revised Code;

(y) Financial statements and data any person submits for any purpose to the Ohio housing finance agency or the controlling board in connection with applying for, receiving, or accounting for financial assistance from the agency, and information that identifies any individual who benefits directly or indirectly from financial assistance from the agency;

(z) Records listed in section 5101.29 of the Revised Code;

(aa) Discharges recorded with a county recorder under section 317.24 of the Revised Code, as specified in division (B)(2) of that section;

(bb) Usage information including names and addresses of specific residential and commercial customers of a municipally owned or operated public utility;

(cc) Records described in division (C) of section 187.04 of the Revised Code that are not designated to be made available to the public as provided in that division.

(2) "Confidential law enforcement investigatory record" means any record that pertains to a law enforcement matter of a criminal, quasi-criminal, civil, or administrative nature, but only to the extent that the release of the record would create a high probability of disclosure of any of the following:

(a) The identity of a suspect who has not been charged with the offense to which the record pertains, or of an information source or witness to whom confidentiality has been reasonably promised;

(b) Information provided by an information source or witness to whom confidentiality has been reasonably promised, which information would reasonably tend to disclose the source's or witness's identity;

(c) Specific confidential investigatory techniques or procedures or specific investigatory work product;

(d) Information that would endanger the life or physical safety of law enforcement personnel, a crime victim, a witness, or a confidential information source.

(3) "Medical record" means any document or combination of documents, except births, deaths, and the fact of admission to or discharge from a hospital, that pertains to the medical history, diagnosis, prognosis, or medical condition of a patient and that is generated and maintained in the process of medical treatment.

(4) "Trial preparation record" means any record that contains information that is specifically compiled in reasonable anticipation of, or in

defense of, a civil or criminal action or proceeding, including the independent thought processes and personal trial preparation of an attorney.

(5) "Intellectual property record" means a record, other than a financial or administrative record, that is produced or collected by or for faculty or staff of a state institution of higher learning in the conduct of or as a result of study or research on an educational, commercial, scientific, artistic, technical, or scholarly issue, regardless of whether the study or research was sponsored by the institution alone or in conjunction with a governmental body or private concern, and that has not been publicly released, published, or patented.

(6) "Donor profile record" means all records about donors or potential donors to a public institution of higher education except the names and reported addresses of the actual donors and the date, amount, and conditions of the actual donation.

(7) "Peace officer, parole officer, probation officer, bailiff, prosecuting attorney, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal identification and investigation residential and familial information" means any information that discloses any of the following about a peace officer, parole officer, probation officer, bailiff, prosecuting attorney, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal identification and investigation:

(a) The address of the actual personal residence of a peace officer, parole officer, probation officer, bailiff, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or an investigator of the bureau of criminal identification and investigation, except for the state or political subdivision in which the peace officer, parole officer, probation officer, bailiff, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal identification and investigation resides;

(b) Information compiled from referral to or participation in an employee assistance program;

(c) The social security number, the residential telephone number, any bank account, debit card, charge card, or credit card number, or the emergency telephone number of, or any medical information pertaining to, a peace officer, parole officer, probation officer, bailiff, prosecuting attorney, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal identification and investigation;

(d) The name of any beneficiary of employment benefits, including, but not limited to, life insurance benefits, provided to a peace officer, parole officer, probation officer, bailiff, prosecuting attorney, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal identification and investigation by the peace officer's, parole officer's, probation officer's, bailiff's, prosecuting attorney's, assistant prosecuting attorney's, correctional employee's, youth services employee's, firefighter's, EMT's, or investigator of the bureau of criminal identification and investigation's employer;

(e) The identity and amount of any charitable or employment benefit deduction made by the peace officer's, parole officer's, probation officer's, bailiff's, prosecuting attorney's, assistant prosecuting attorney's, correctional employee's, youth services employee's, firefighter's, EMT's, or investigator of the bureau of criminal identification and investigation's employer from the peace officer's, parole officer's, probation officer's, bailiff's, prosecuting attorney's, assistant prosecuting attorney's, correctional employee's, youth services employee's, firefighter's, EMT's, or investigator of the bureau of criminal identification and investigation's compensation unless the amount of the deduction is required by state or federal law;

(f) The name, the residential address, the name of the employer, the address of the employer, the social security number, the residential telephone number, any bank account, debit card, charge card, or credit card number, or the emergency telephone number of the spouse, a former spouse, or any child of a peace officer, parole officer, probation officer, bailiff, prosecuting attorney, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal identification and investigation;

(g) A photograph of a peace officer who holds a position or has an assignment that may include undercover or plain clothes positions or assignments as determined by the peace officer's appointing authority.

As used in divisions (A)(7) and (B)(9) of this section, "peace officer" has the same meaning as in section 109.71 of the Revised Code and also includes the superintendent and troopers of the state highway patrol; it does not include the sheriff of a county or a supervisory employee who, in the absence of the sheriff, is authorized to stand in for, exercise the authority of, and perform the duties of the sheriff.

As used in divisions (A)(7) and (B)(5) of this section, "correctional employee" means any employee of the department of rehabilitation and correction who in the course of performing the employee's job duties has or has had contact with inmates and persons under supervision.

As used in divisions (A)(7) and (B)(5) of this section, "youth services employee" means any employee of the department of youth services who in the course of performing the employee's job duties has or has had contact with children committed to the custody of the department of youth services.

As used in divisions (A)(7) and (B)(9) of this section, "firefighter" means any regular, paid or volunteer, member of a lawfully constituted fire department of a municipal corporation, township, fire district, or village.

As used in divisions (A)(7) and (B)(9) of this section, "EMT" means EMTs-basic, EMTs-I, and paramedics that provide emergency medical services for a public emergency medical service organization. "Emergency medical service organization," "EMT-basic," "EMT-I," and "paramedic" have the same meanings as in section 4765.01 of the Revised Code.

As used in divisions (A)(7) and (B)(9) of this section, "investigator of the bureau of criminal identification and investigation" has the meaning defined in section 2903.11 of the Revised Code.

(8) "Information pertaining to the recreational activities of a person under the age of eighteen" means information that is kept in the ordinary course of business by a public office, that pertains to the recreational activities of a person under the age of eighteen years, and that discloses any of the following:

(a) The address or telephone number of a person under the age of eighteen or the address or telephone number of that person's parent, guardian, custodian, or emergency contact person;

(b) The social security number, birth date, or photographic image of a person under the age of eighteen;

(c) Any medical record, history, or information pertaining to a person under the age of eighteen;

(d) Any additional information sought or required about a person under the age of eighteen for the purpose of allowing that person to participate in any recreational activity conducted or sponsored by a public office or to use or obtain admission privileges to any recreational facility owned or operated by a public office.

(9) "Community control sanction" has the same meaning as in section 2929.01 of the Revised Code.

(10) "Post-release control sanction" has the same meaning as in section 2967.01 of the Revised Code.

(11) "Redaction" means obscuring or deleting any information that is exempt from the duty to permit public inspection or copying from an item that otherwise meets the definition of a "record" in section 149.011 of the Revised Code.

(12) "Designee" and "elected official" have the same meanings as in section 109.43 of the Revised Code.

(B)(1) Upon request and subject to division (B)(8) of this section, all public records responsive to the request shall be promptly prepared and made available for inspection to any person at all reasonable times during regular business hours. Subject to division (B)(8) of this section, upon request, a public office or person responsible for public records shall make copies of the requested public record available at cost and within a reasonable period of time. If a public record contains information that is exempt from the duty to permit public inspection or to copy the public record, the public office or the person responsible for the public record shall make available all of the information within the public record that is not exempt. When making that public record available for public inspection or copying that public record, the public office or the person responsible for the public record shall notify the requester of any redaction or make the redaction plainly visible. A redaction shall be deemed a denial of a request to inspect or copy the redacted information, except if federal or state law authorizes or requires a public office to make the redaction.

(2) To facilitate broader access to public records, a public office or the person responsible for public records shall organize and maintain public records in a manner that they can be made available for inspection or copying in accordance with division (B) of this section. A public office also shall have available a copy of its current records retention schedule at a location readily available to the public. If a requester makes an ambiguous or overly broad request or has difficulty in making a request for copies or inspection of public records under this section such that the public office or the person responsible for the requested public record cannot reasonably identify what public records are being requested, the public office or the person responsible for the requested public record may deny the request but shall provide the requester with an opportunity to revise the request by informing the requester of the manner in which records are maintained by the public office and accessed in the ordinary course of the public office's or person's duties.

(3) If a request is ultimately denied, in part or in whole, the public office or the person responsible for the requested public record shall provide the requester with an explanation, including legal authority, setting forth why the request was denied. If the initial request was provided in writing, the explanation also shall be provided to the requester in writing. The explanation shall not preclude the public office or the person responsible for the requested public record from relying upon additional reasons or legal

authority in defending an action commenced under division (C) of this section.

(4) Unless specifically required or authorized by state or federal law or in accordance with division (B) of this section, no public office or person responsible for public records may limit or condition the availability of public records by requiring disclosure of the requester's identity or the intended use of the requested public record. Any requirement that the requester disclose the requestor's identity or the intended use of the requested public record constitutes a denial of the request.

(5) A public office or person responsible for public records may ask a requester to make the request in writing, may ask for the requester's identity, and may inquire about the intended use of the information requested, but may do so only after disclosing to the requester that a written request is not mandatory and that the requester may decline to reveal the requester's identity or the intended use and when a written request or disclosure of the identity or intended use would benefit the requester by enhancing the ability of the public office or person responsible for public records to identify, locate, or deliver the public records sought by the requester.

(6) If any person chooses to obtain a copy of a public record in accordance with division (B) of this section, the public office or person responsible for the public record may require that person to pay in advance the cost involved in providing the copy of the public record in accordance with the choice made by the person seeking the copy under this division. The public office or the person responsible for the public record shall permit that person to choose to have the public record duplicated upon paper, upon the same medium upon which the public office or person responsible for the public record keeps it, or upon any other medium upon which the public office or person responsible for the public record determines that it reasonably can be duplicated as an integral part of the normal operations of the public office or person responsible for the public record. When the person seeking the copy makes a choice under this division, the public office or person responsible for the public record shall provide a copy of it in accordance with the choice made by the person seeking the copy. Nothing in this section requires a public office or person responsible for the public record to allow the person seeking a copy of the public record to make the copies of the public record.

(7) Upon a request made in accordance with division (B) of this section and subject to division (B)(6) of this section, a public office or person responsible for public records shall transmit a copy of a public record to any person by United States mail or by any other means of delivery or

transmission within a reasonable period of time after receiving the request for the copy. The public office or person responsible for the public record may require the person making the request to pay in advance the cost of postage if the copy is transmitted by United States mail or the cost of delivery if the copy is transmitted other than by United States mail, and to pay in advance the costs incurred for other supplies used in the mailing, delivery, or transmission.

Any public office may adopt a policy and procedures that it will follow in transmitting, within a reasonable period of time after receiving a request, copies of public records by United States mail or by any other means of delivery or transmission pursuant to this division. A public office that adopts a policy and procedures under this division shall comply with them in performing its duties under this division.

In any policy and procedures adopted under this division, a public office may limit the number of records requested by a person that the office will transmit by United States mail to ten per month, unless the person certifies to the office in writing that the person does not intend to use or forward the requested records, or the information contained in them, for commercial purposes. For purposes of this division, "commercial" shall be narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research.

(8) A public office or person responsible for public records is not required to permit a person who is incarcerated pursuant to a criminal conviction or a juvenile adjudication to inspect or to obtain a copy of any public record concerning a criminal investigation or prosecution or concerning what would be a criminal investigation or prosecution if the subject of the investigation or prosecution were an adult, unless the request to inspect or to obtain a copy of the record is for the purpose of acquiring information that is subject to release as a public record under this section and the judge who imposed the sentence or made the adjudication with respect to the person, or the judge's successor in office, finds that the information sought in the public record is necessary to support what appears to be a justiciable claim of the person.

(9)(a) Upon written request made and signed by a journalist on or after December 16, 1999, a public office, or person responsible for public records, having custody of the records of the agency employing a specified peace officer, parole officer, probation officer, bailiff, prosecuting attorney, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal

identification and investigation shall disclose to the journalist the address of the actual personal residence of the peace officer, parole officer, probation officer, bailiff, prosecuting attorney, assistant prosecuting attorney, correctional employee, youth services employee, firefighter, EMT, or investigator of the bureau of criminal identification and investigation and, if the peace officer's, parole officer's, probation officer's, bailiff's, prosecuting attorney's, assistant prosecuting attorney's, correctional employee's, youth services employee's, firefighter's, EMT's, or investigator of the bureau of criminal identification and investigation's spouse, former spouse, or child is employed by a public office, the name and address of the employer of the peace officer's, parole officer's, probation officer's, bailiff's, prosecuting attorney's, assistant prosecuting attorney's, correctional employee's, youth services employee's, firefighter's, EMT's, or investigator of the bureau of criminal identification and investigation's spouse, former spouse, or child. The request shall include the journalist's name and title and the name and address of the journalist's employer and shall state that disclosure of the information sought would be in the public interest.

(b) Division (B)(9)(a) of this section also applies to journalist requests for customer information maintained by a municipally owned or operated public utility, other than social security numbers and any private financial information such as credit reports, payment methods, credit card numbers, and bank account information.

(c) As used in division (B)(9) of this section, "journalist" means a person engaged in, connected with, or employed by any news medium, including a newspaper, magazine, press association, news agency, or wire service, a radio or television station, or a similar medium, for the purpose of gathering, processing, transmitting, compiling, editing, or disseminating information for the general public.

(C)(1) If a person allegedly is aggrieved by the failure of a public office or the person responsible for public records to promptly prepare a public record and to make it available to the person for inspection in accordance with division (B) of this section or by any other failure of a public office or the person responsible for public records to comply with an obligation in accordance with division (B) of this section, the person allegedly aggrieved may commence a mandamus action to obtain a judgment that orders the public office or the person responsible for the public record to comply with division (B) of this section, that awards court costs and reasonable attorney's fees to the person that instituted the mandamus action, and, if applicable, that includes an order fixing statutory damages under division (C)(1) of this section. The mandamus action may be commenced in the court of common

pleas of the county in which division (B) of this section allegedly was not complied with, in the supreme court pursuant to its original jurisdiction under Section 2 of Article IV, Ohio Constitution, or in the court of appeals for the appellate district in which division (B) of this section allegedly was not complied with pursuant to its original jurisdiction under Section 3 of Article IV, Ohio Constitution.

If a requestor transmits a written request by hand delivery or certified mail to inspect or receive copies of any public record in a manner that fairly describes the public record or class of public records to the public office or person responsible for the requested public records, except as otherwise provided in this section, the requestor shall be entitled to recover the amount of statutory damages set forth in this division if a court determines that the public office or the person responsible for public records failed to comply with an obligation in accordance with division (B) of this section.

The amount of statutory damages shall be fixed at one hundred dollars for each business day during which the public office or person responsible for the requested public records failed to comply with an obligation in accordance with division (B) of this section, beginning with the day on which the requester files a mandamus action to recover statutory damages, up to a maximum of one thousand dollars. The award of statutory damages shall not be construed as a penalty, but as compensation for injury arising from lost use of the requested information. The existence of this injury shall be conclusively presumed. The award of statutory damages shall be in addition to all other remedies authorized by this section.

The court may reduce an award of statutory damages or not award statutory damages if the court determines both of the following:

(a) That, based on the ordinary application of statutory law and case law as it existed at the time of the conduct or threatened conduct of the public office or person responsible for the requested public records that allegedly constitutes a failure to comply with an obligation in accordance with division (B) of this section and that was the basis of the mandamus action, a well-informed public office or person responsible for the requested public records reasonably would believe that the conduct or threatened conduct of the public office or person responsible for the requested public records did not constitute a failure to comply with an obligation in accordance with division (B) of this section;

(b) That a well-informed public office or person responsible for the requested public records reasonably would believe that the conduct or threatened conduct of the public office or person responsible for the requested public records would serve the public policy that underlies the

authority that is asserted as permitting that conduct or threatened conduct.

(2)(a) If the court issues a writ of mandamus that orders the public office or the person responsible for the public record to comply with division (B) of this section and determines that the circumstances described in division (C)(1) of this section exist, the court shall determine and award to the relator all court costs.

(b) If the court renders a judgment that orders the public office or the person responsible for the public record to comply with division (B) of this section, the court may award reasonable attorney's fees subject to reduction as described in division (C)(2)(c) of this section. The court shall award reasonable attorney's fees, subject to reduction as described in division (C)(2)(c) of this section when either of the following applies:

(i) The public office or the person responsible for the public records failed to respond affirmatively or negatively to the public records request in accordance with the time allowed under division (B) of this section.

(ii) The public office or the person responsible for the public records promised to permit the relator to inspect or receive copies of the public records requested within a specified period of time but failed to fulfill that promise within that specified period of time.

(c) Court costs and reasonable attorney's fees awarded under this section shall be construed as remedial and not punitive. Reasonable attorney's fees shall include reasonable fees incurred to produce proof of the reasonableness and amount of the fees and to otherwise litigate entitlement to the fees. The court may reduce an award of attorney's fees to the relator or not award attorney's fees to the relator if the court determines both of the following:

(i) That, based on the ordinary application of statutory law and case law as it existed at the time of the conduct or threatened conduct of the public office or person responsible for the requested public records that allegedly constitutes a failure to comply with an obligation in accordance with division (B) of this section and that was the basis of the mandamus action, a well-informed public office or person responsible for the requested public records reasonably would believe that the conduct or threatened conduct of the public office or person responsible for the requested public records did not constitute a failure to comply with an obligation in accordance with division (B) of this section;

(ii) That a well-informed public office or person responsible for the requested public records reasonably would believe that the conduct or threatened conduct of the public office or person responsible for the requested public records as described in division (C)(2)(c)(i) of this section

would serve the public policy that underlies the authority that is asserted as permitting that conduct or threatened conduct.

(D) Chapter 1347. of the Revised Code does not limit the provisions of this section.

(E)(1) To ensure that all employees of public offices are appropriately educated about a public office's obligations under division (B) of this section, all elected officials or their appropriate designees shall attend training approved by the attorney general as provided in section 109.43 of the Revised Code. In addition, all public offices shall adopt a public records policy in compliance with this section for responding to public records requests. In adopting a public records policy under this division, a public office may obtain guidance from the model public records policy developed and provided to the public office by the attorney general under section 109.43 of the Revised Code. Except as otherwise provided in this section, the policy may not limit the number of public records that the public office will make available to a single person, may not limit the number of public records that it will make available during a fixed period of time, and may not establish a fixed period of time before it will respond to a request for inspection or copying of public records, unless that period is less than eight hours.

(2) The public office shall distribute the public records policy adopted by the public office under division (E)(1) of this section to the employee of the public office who is the records custodian or records manager or otherwise has custody of the records of that office. The public office shall require that employee to acknowledge receipt of the copy of the public records policy. The public office shall create a poster that describes its public records policy and shall post the poster in a conspicuous place in the public office and in all locations where the public office has branch offices. The public office may post its public records policy on the internet web site of the public office if the public office maintains an internet web site. A public office that has established a manual or handbook of its general policies and procedures for all employees of the public office shall include the public records policy of the public office in the manual or handbook.

(F)(1) The bureau of motor vehicles may adopt rules pursuant to Chapter 119. of the Revised Code to reasonably limit the number of bulk commercial special extraction requests made by a person for the same records or for updated records during a calendar year. The rules may include provisions for charges to be made for bulk commercial special extraction requests for the actual cost of the bureau, plus special extraction costs, plus ten per cent. The bureau may charge for expenses for redacting information,

the release of which is prohibited by law.

(2) As used in division (F)(1) of this section:

(a) "Actual cost" means the cost of depleted supplies, records storage media costs, actual mailing and alternative delivery costs, or other transmitting costs, and any direct equipment operating and maintenance costs, including actual costs paid to private contractors for copying services.

(b) "Bulk commercial special extraction request" means a request for copies of a record for information in a format other than the format already available, or information that cannot be extracted without examination of all items in a records series, class of records, or data base by a person who intends to use or forward the copies for surveys, marketing, solicitation, or resale for commercial purposes. "Bulk commercial special extraction request" does not include a request by a person who gives assurance to the bureau that the person making the request does not intend to use or forward the requested copies for surveys, marketing, solicitation, or resale for commercial purposes.

(c) "Commercial" means profit-seeking production, buying, or selling of any good, service, or other product.

(d) "Special extraction costs" means the cost of the time spent by the lowest paid employee competent to perform the task, the actual amount paid to outside private contractors employed by the bureau, or the actual cost incurred to create computer programs to make the special extraction. "Special extraction costs" include any charges paid to a public agency for computer or records services.

(3) For purposes of divisions (F)(1) and (2) of this section, "surveys, marketing, solicitation, or resale for commercial purposes" shall be narrowly construed and does not include reporting or gathering news, reporting or gathering information to assist citizen oversight or understanding of the operation or activities of government, or nonprofit educational research.

Sec. 164.05. (A) The director of the Ohio public works commission shall do all of the following:

(1) Approve requests for financial assistance from district public works integrating committees and enter into agreements with one or more local subdivisions to provide loans, grants, and local debt support and credit enhancements for a capital improvement project if the director determines that:

(a) The project is an eligible project pursuant to this chapter;

(b) The financial assistance for the project has been properly approved and requested by the district committee of the district which includes the recipient of the loan or grant;

(c) The amount of the financial assistance, when added to all other financial assistance provided during the fiscal year for projects within the district, does not exceed that district's allocation of money from the state capital improvements fund for that fiscal year;

(d) The district committee has provided such documentation and other evidence as the director may require that the district committee has satisfied the requirements of section 164.06 or 164.14 of the Revised Code;

(e) The portion of a district's annual allocation which the director approves in the form of loans and local debt support and credit enhancements for eligible projects is consistent with divisions (E) and (F) of this section.

(2) Authorize payments to local subdivisions or their contractors for costs incurred for capital improvement projects which have been approved pursuant to this chapter. All requests for payments shall be submitted to the director on forms and in accordance with procedures specified in rules adopted by the director pursuant to division (A)(4) of this section.

(3) Retain the services of or employ financial consultants, engineers, accountants, attorneys, and such other employees as the director determines are necessary to carry out the director's duties under this chapter and fix the compensation for their services;

(4) Adopt rules establishing the procedures for making applications, reviewing, approving, and rejecting projects for which assistance is authorized under this chapter, and any other rules needed to implement the provisions of this chapter. Such rules shall be adopted under Chapter 119. of the Revised Code.

(5) Provide information and other assistance to local subdivisions and district public works integrating committees in developing their requests for financial assistance for capital improvements under this chapter and encourage cooperation and coordination of requests and the development of multisubdivision and multidistrict projects in order to maximize the benefits that may be derived by districts from each year's allocation;

(6) Require local subdivisions, to the extent practicable, to use Ohio products, materials, services, and labor in connection with any capital improvement project financed in whole or in part under this chapter;

(7) Notify the director of budget and management of all approved projects, and supply all information necessary to track approved projects through the state accounting system;

(8) Appoint the administrator of the Ohio small government capital improvements commission;

(9) Do all other acts, enter into contracts, and execute all instruments

necessary or appropriate to carry out this chapter;

(10) Develop a standardized methodology for evaluating capital improvement needs which will be used by local subdivisions in preparing the plans required by division (C) of section 164.06 of the Revised Code. The director shall develop this methodology not later than July 1, 1991.

(11) Establish a program to provide local subdivisions with technical assistance in preparing project applications. The program shall be designed to assist local subdivisions that lack the financial or technical resources to prepare project applications on their own.

(B) When the director of the Ohio public works commission decides to conditionally approve or disapprove projects, the director's decisions and the reasons for which they are made shall be made in writing. These written decisions shall be conclusive for the purposes of the validity and enforceability of such determinations.

(C) Fees, charges, rates of interest, times of payment of interest and principal, and other terms, conditions, and provisions of and security for financial assistance provided pursuant to the provisions of this chapter shall be such as the director determines to be appropriate. If any payments required by a loan agreement entered into pursuant to this chapter are not paid, the funds which would otherwise be apportioned to the local subdivision from the county undivided local government fund, pursuant to sections 5747.51 to 5747.53 of the Revised Code, may, at the direction of the director of the Ohio public works commission, be reduced by the amount payable. The county treasurer shall, at the direction of the director, pay the amount of such reductions to the state capital improvements revolving loan fund. The director may renegotiate a loan repayment schedule with a local subdivision whose payments from the county undivided local government fund could be reduced pursuant to this division, but such a renegotiation may occur only one time with respect to any particular loan agreement.

(D) Grants approved for the repair and replacement of existing infrastructure pursuant to this chapter shall not exceed ninety per cent of the estimated total cost of the capital improvement project. Grants approved for new or expanded infrastructure shall not exceed fifty per cent of the estimated cost of the new or expansion elements of the capital improvement project. A local subdivision share of the estimated cost of a capital improvement may consist of any of the following:

(1) The reasonable value, as determined by the director or the administrator, of labor, materials, and equipment that will be contributed by the local subdivision in performing the capital improvement project;

(2) Moneys received by the local subdivision in any form from an

authority, commission, or agency of the United States for use in performing the capital improvement project;

(3) Loans made to the local subdivision under this chapter;

(4) Engineering costs incurred by the local subdivision in performing engineering activities related to the project.

A local subdivision share of the cost of a capital improvement shall not include any amounts awarded to it from the local transportation improvement program fund created in section 164.14 of the Revised Code.

(E) The following portion of a district public works integrating committee's annual allocation share pursuant to section 164.08 of the Revised Code may be awarded to subdivisions only in the form of interest-free, low-interest, market rate of interest, or blended-rate loans:

YEAR IN WHICH MONEYS ARE ALLOCATED	PORTION USED FOR LOANS
Year 1	0%
Year 2	0%
Year 3	10%
Year 4	12%
Year 5	15%
Year 6	20%
Year 7, 8, 9, and 10	22%

(F) The following portion of a district public works integrating committee's annual allocation pursuant to section 164.08 of the Revised Code shall be awarded to subdivisions in the form of local debt supported and credit enhancements:

YEAR IN WHICH MONEYS ARE ALLOCATED	PORTIONS USED FOR LOCAL DEBT SUPPORT AND CREDIT ENHANCEMENTS
Year 1	0%
Year 2	0%
Year 3	3%
Year 4	5%
Year 5	5%
Year 6	7%
Year 7	7%
Year 8	8%
Year 9	8%
Year 10	8%

(G) For the period commencing on March 29, 1988 and ending on June 30, 1993, for the period commencing July 1, 1993, and ending June 30, 1999, and for each five-year period thereafter, the total amount of financial assistance awarded under sections 164.01 to 164.08 of the Revised Code for capital improvement projects located wholly or partially within a county shall be equal to at least thirty per cent of the amount of what the county would have been allocated from the obligations authorized to be sold under this chapter during each period, if such amounts had been allocable to each county on a per capita basis.

(H) The amount of the annual allocations made pursuant to divisions (B)(1) and ~~(6)~~(5) of section 164.08 of the Revised Code which can be used for new or expanded infrastructure is limited as follows:

YEAR IN WHICH MONEYS ARE ALLOCATED	PORTION WHICH MAY BE USED FOR NEW OR EXPANSION INFRASTRUCTURE
Year 1	5%
Year 2	5%
Year 3	10%
Year 4	10%
Year 5	10%
Year 6	15%
Year 7	15%
Year 8	20%
Year 9	20%
Year 10 and each year thereafter	20%

(I) The following portion of a district public works integrating committee's annual allocation share pursuant to section 164.08 of the Revised Code shall be awarded to subdivisions in the form of interest-free, low-interest, market rate of interest, or blended-rate loans, or local debt support and credit enhancements:

YEAR IN WHICH MONEYS ARE ALLOCATED	PORTION USED FOR LOANS OR LOCAL DEBT SUPPORT AND CREDIT ENHANCEMENTS
Year 11 and each year thereafter	20%

(J) No project shall be approved under this section unless the project is designed to have a useful life of at least seven years. In addition, the average

useful life of all projects for which grants or loans are awarded in each district during a program year shall not be less than twenty years.

Sec. 164.06. (A) Each district public works integrating committee shall evaluate materials submitted to it by the local subdivisions located in the district concerning capital improvements for which assistance is sought from the state capital improvements fund and shall, pursuant to division (B) of this section, select the requests for financial assistance that will be formally submitted by the district to the director of the Ohio public works commission. In order to provide for the efficient use of the district's state capital improvements fund allocation each year, a district committee shall assist its subdivisions in the preparation and coordination of project plans.

(B) In selecting the requests for assistance for capital improvement projects which will be submitted to the director, and in determining the nature, amount, and terms of the assistance that will be requested, a district public works integrating committee shall give priority to capital improvement projects for the repair or replacement of existing infrastructure and which would be unlikely to be undertaken without assistance under this chapter, and shall specifically consider all of the following factors:

- (1) The infrastructure repair and replacement needs of the district;
- (2) The age and condition of the system to be repaired or replaced;
- (3) Whether the project would generate revenue in the form of user fees or assessments;
- (4) The importance of the project to the health and safety of the citizens of the district;
- (5) The cost of the project and whether it is consistent with division (G) of section 164.05 of the Revised Code and the district's allocation for grants, loans, and local debt support and credit enhancements for that year;
- (6) The effort and ability of the benefited local subdivisions to assist in financing the project;
- (7) The availability of federal or other funds for the project;
- (8) The overall economic health of the particular local subdivision;
- (9) The adequacy of the planning for the project and the readiness of the applicant to proceed should the project be approved;
- (10) Any other factors relevant to a particular project.

(C) Prior to filing an application with its district public works integrating committee for assistance in financing a capital improvement project under this section, a local subdivision shall conduct a study of its existing capital improvements, the condition of those improvements, and the projected capital improvement needs of the subdivision in the ensuing five-year period. After completing this study, the subdivision shall compile

a report that includes an inventory of its existing capital improvements, a plan detailing the capital improvement needs of the subdivision in the ensuing five-year period, and a list of the subdivision's priorities with respect to addressing those needs. Each year, the report shall be reviewed and updated by the subdivision to reflect capital improvement projects undertaken or completed in the past year and any changes in the subdivision's plan or priorities. The report and annual updates shall be made available upon request to the Ohio public works commission, the Ohio small government capital improvements commission, and the district public works integrating committee of the district of which the subdivision is a part.

(D) In addition to reviewing and selecting the projects for which approval will be sought from the director of the Ohio public works commission for financial assistance from the state capital improvements fund, each district public works integrating committee shall appoint a subcommittee of its members that will represent the interests of villages and townships and that will review and select the capital improvement projects which will be submitted by the subcommittee to the administrator of the Ohio small government capital improvements commission for consideration of assistance from the portion of the net proceeds of obligations issued and sold by the treasurer of state which is allocated pursuant to division (B)(1) of section 164.08 of the Revised Code. In reviewing and approving the projects selected by its subcommittee, the administrator, and the Ohio small government capital improvements commission shall be guided by the provisions of division (B) of this section, and shall also take into account the fact that villages and townships may have different public infrastructure needs than larger subdivisions.

(E) The district public works integrating committee for each district that includes at least one county with a population of less than eighty-five thousand according to the most recent decennial census shall appoint a subcommittee of its members for the purposes of the small counties capital improvement program created under division (F) of section 164.02 of the Revised Code. The subcommittee shall select and submit to the director the projects that will be considered for assistance from the money allocated to the program under division (B)~~(4)~~(3) of section 164.08 of the Revised Code.

Sec. 164.08. (A) Except as provided in sections 151.01 and 151.08 or section 164.09 of the Revised Code, the net proceeds of obligations issued and sold by the treasurer of state pursuant to section 164.09 of the Revised Code before September 30, 2000, or pursuant to sections 151.01 and 151.08 of the Revised Code, for the purpose of financing or assisting in the financing of the cost of public infrastructure capital improvement projects of

local subdivisions, as provided for in Section 2k, 2m, or 2p of Article VIII, Ohio Constitution, and this chapter, shall be paid into the state capital improvements fund, which is hereby created in the state treasury. Investment earnings on moneys in the fund shall be credited to the fund.

(B) Beginning July 1, 2011, each program year the amount of obligations authorized by the general assembly in accordance with sections 151.01 and 151.08 or section 164.09 of the Revised Code, excluding the proceeds of refunding or renewal obligations, shall be allocated by the director of the Ohio public works commission as follows:

(1) First, fifteen million dollars of the amount of obligations authorized shall be allocated to provide financial assistance to villages and to townships with populations in the unincorporated areas of the township of less than five thousand persons, for capital improvements in accordance with section 164.051 and division (D) of section 164.06 of the Revised Code. As used in division (B)(1) of this section, "capital improvements" includes resurfacing and improving roads.

(2) Following the allocation required by division (B)(1) of this section, the director may allocate three million dollars of the authorized obligations to provide financial assistance to local subdivisions for capital improvement projects which in the judgment of the director of the Ohio public works commission are necessary for the immediate preservation of the health, safety, and welfare of the citizens of the local subdivision requesting assistance.

~~(3) For the second, third, fourth, and fifth years that obligations are authorized and are available for allocation under this chapter, one million dollars shall be allocated to the sewer and water fund created in section 1525.11 of the Revised Code. Money from this allocation shall be transferred to that fund when needed to support specific payments from that fund.~~

~~(4)~~ For program years twelve and fourteen that obligations are authorized and available for allocation under this chapter, two million dollars each program year shall be allocated to the small county capital improvement program for use in providing financial assistance under division (F) of section 164.02 of the Revised Code.

~~(5) After the allocation required by division (B)(3) of this section is made, the~~ (4) The director shall determine the amount of the remaining obligations authorized to be issued and sold that each county would receive if such amounts were allocated on a per capita basis each year. If a county's per capita share for the year would be less than three hundred thousand dollars, the director shall allocate to the district in which that county is

located an amount equal to the difference between three hundred thousand dollars and the county's per capita share.

~~(6)~~(5) After making the allocation required by division (B)~~(5)~~(4) of this section, the director shall allocate the remaining amount to each district on a per capita basis.

(C)(1) There is hereby created in the state treasury the state capital improvements revolving loan fund, into which shall be deposited all repayments of loans made to local subdivisions for capital improvements pursuant to this chapter. Investment earnings on moneys in the fund shall be credited to the fund.

(2) There may also be deposited in the state capital improvements revolving loan fund moneys obtained from federal or private grants, or from other sources, which are to be used for any of the purposes authorized by this chapter. Such moneys shall be allocated each year in accordance with division (B)~~(6)~~(5) of this section.

(3) Moneys deposited into the state capital improvements revolving loan fund shall be used to make loans for the purpose of financing or assisting in the financing of the cost of capital improvement projects of local subdivisions.

(4) Investment earnings credited to the state capital improvements revolving loan fund that exceed the amounts required to meet estimated federal arbitrage rebate requirements shall be used to pay costs incurred by the public works commission in administering this section. Investment earnings credited to the state capital improvements revolving loan fund that exceed the amounts required to pay for the administrative costs and estimated rebate requirements shall be allocated to each district on a per capita basis.

(5) Each program year, loan repayments received and on deposit in the state capital improvements revolving loan fund shall be allocated as follows:

(a) Each district public works integrating committee shall be allocated an amount equal to the sum of all loan repayments made to the state capital improvements revolving loan fund by local subdivisions that are part of the district. Moneys not used in a program year may be used in the next program year in the same manner and for the same purpose as originally allocated.

(b) Loan repayments made pursuant to projects approved under division (B)(1) of this section shall be used to make loans in accordance with section 164.051 and division (D) of section 164.06 of the Revised Code. Allocations for this purpose made pursuant to division (C)(5) of this section shall be in addition to the allocation provided in division (B)(1) of this section.

(c) Loan repayments made pursuant to projects approved under division (B)(2) of this section shall be used to make loans in accordance with division (B)(2) of this section. Allocations for this purpose made pursuant to division (C)(5) of this section shall be in addition to the allocation provided in division (B)(2) of this section.

(d) Loans made from the state capital improvements revolving loan fund shall not be limited in their usage by divisions (E), (F), (G), (H), and (I) of section 164.05 of the Revised Code.

(D) Investment earnings credited to the state capital improvements fund that exceed the amounts required to meet estimated federal arbitrage rebate requirements shall be used to pay costs incurred by the public works commission in administering sections 164.01 to 164.12 of the Revised Code.

(E) The director of the Ohio public works commission shall notify the director of budget and management of the amounts allocated pursuant to this section and such information shall be entered into the state accounting system. The director of budget and management shall establish appropriation line items as needed to track these allocations.

(F) If the amount of a district's allocation in a program year exceeds the amount of financial assistance approved for the district by the commission for that year, the remaining portion of the district's allocation shall be added to the district's allocation pursuant to division (B) of this section for the next succeeding year for use in the same manner and for the same purposes as it was originally allocated, except that any portion of a district's allocation which was available for use on new or expanded infrastructure pursuant to division (H) of section 164.05 of the Revised Code shall be available in succeeding years only for the repair and replacement of existing infrastructure.

(G) When an allocation based on population is made by the director pursuant to division (B) of this section, the director shall use the most recent decennial census statistics, and shall not make any reallocations based upon a change in a district's population.

Sec. 166.01. As used in this chapter:

(A) "Allowable costs" means all or part of the costs of project facilities, eligible projects, eligible innovation projects, eligible research and development projects, eligible advanced energy projects, or eligible logistics and distribution projects, including costs of acquiring, constructing, reconstructing, rehabilitating, renovating, enlarging, improving, equipping, or furnishing project facilities, eligible projects, eligible innovation projects, eligible research and development projects, eligible advanced energy projects, or eligible logistics and distribution projects, site clearance and

preparation, supplementing and relocating public capital improvements or utility facilities, designs, plans, specifications, surveys, studies, and estimates of costs, expenses necessary or incident to determining the feasibility or practicability of assisting an eligible project, an eligible innovation project, an eligible research and development project, an eligible advanced energy project, or an eligible logistics and distribution project, or providing project facilities or facilities related to an eligible project, an eligible innovation project, an eligible research and development project, an eligible advanced energy project, or an eligible logistics and distribution project, architectural, engineering, and legal services fees and expenses, the costs of conducting any other activities as part of a voluntary action, and such other expenses as may be necessary or incidental to the establishment or development of an eligible project, an eligible innovation project, an eligible research and development project, an eligible advanced energy project, or an eligible logistics and distribution project, and reimbursement of moneys advanced or applied by any governmental agency or other person for allowable costs.

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

(C) "Eligible innovation project" includes an eligible project, including any project facilities associated with an eligible innovation project and, in addition, includes all tangible and intangible property related to a new product or process based on new technology or the creative application of existing technology, including research and development, product or process testing, quality control, market research, and related activities, that is to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination thereof,

the operation of which, alone or in conjunction with other eligible projects, eligible innovation projects, or innovation property, will create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of the people of the state.

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

"Eligible project" does not include project facilities to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination of industry, commerce, distribution, or research, if the project facilities consist solely of point-of-final-purchase retail facilities. If the project facilities consist of both point-of-final-purchase retail facilities and nonretail facilities, only the portion of the project facilities consisting of nonretail facilities is an eligible project. If a warehouse facility is part of a point-of-final-purchase retail facility and supplies only that facility, the warehouse facility is not an eligible project. Catalog distribution facilities are not considered point-of-final-purchase retail facilities for purposes of this paragraph, and are eligible projects.

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

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

(G) "Governmental action" means any action by a governmental agency

relating to the establishment, development, or operation of an eligible project, eligible innovation project, eligible 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, patent applications, trademarks and service marks, and trade secrets, and other tangible and intangible property, and any rights and interests in or connected to the foregoing.

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

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

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

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

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

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

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

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

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

(U) "Regional economic development entity" means an entity that is under contract with the director of ~~development~~ to administer a loan

program under this chapter in a particular area of this state.

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

(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.

(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.

(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.

(Z) "Department of development" means the development services agency and "director of development" means the director of development services.

Sec. 166.04. (A) Prior to entering into each agreement to provide assistance under sections 166.02, 166.06, and 166.07 of the Revised Code, the director of development services shall determine whether the assistance will conform to the requirements of sections 166.01 to 166.11 of the Revised Code. Such determination, and the facts upon which it is based, shall be set forth, where required, by the director in submissions made to the controlling board ~~for purposes of section 166.03 and, unless provision of the assistance has been recommended to the director by a regional economic development entity, to the development financing advisory council under section 166.05~~ when the director seeks a release of moneys under section 166.02 of the Revised Code. An agreement to provide assistance under sections 166.02, 166.06, and 166.07 of the Revised Code shall set forth such determination, which shall be conclusive for purposes of the validity and enforceability of such agreement and any loan guarantees, loans, or other agreements entered into pursuant to such agreement to provide assistance.

(B) Whenever a person applies for financial assistance under sections 166.02, 166.06, and 166.07 of the Revised Code and the project for which

assistance is requested is to relocate facilities that are currently being operated by the person and that are located in another county, municipal corporation, or township, the director shall provide written notification to the appropriate local governmental bodies and state officials. The notification shall contain the following information:

- (1) The name of the person applying for financial assistance;
- (2) The county, and the municipal corporation or township, in which the project for which assistance is requested is located; and
- (3) The county, and the municipal corporation or township, in which the facility to be replaced is located.

~~The director shall provide the written notification to the appropriate local governmental bodies and state officials so that they receive the notification at least five days before the development financing advisory council meeting at which the council considers the request for financial assistance pursuant to section 166.05 of the Revised Code.~~

(C) As used in division (B) of this section:

(1) "Appropriate local governmental bodies" means:

(a) The boards of county commissioners or legislative authorities of the county in which the project for which assistance is requested is located and of the county in which the facility to be replaced is located;

(b) The legislative authority of the municipal corporation or the board of township trustees of the township in which the project for which assistance is requested is located; and

(c) The legislative authority of the municipal corporation or the board of township trustees of the township in which the facility to be replaced is located.

(2) "State officials" means:

(a) The state representative and state senator in whose districts the project for which assistance is requested is located;

(b) The state representative and state senator in whose districts the facility to be replaced is located.

Sec. 166.05. (A) In determining the projects to be assisted and the nature, amount, and terms of assistance to be provided for an eligible project under sections 166.02, 166.06, and 166.07 of the Revised Code:

(1) ~~Except as otherwise provided in division (A)(3) of this section, the~~ The director of development services shall take into consideration all of the following:

(a) The number of jobs to be created or preserved, directly or indirectly;

(b) Payrolls, and the taxes generated, at both state and local levels, by the eligible project and by the employment created or preserved by the

eligible project;

(c) The size, nature, and cost of the eligible project, including the prospect of the project for providing long-term jobs in enterprises consistent with the changing economics of the state and the nation;

(d) The needs, and degree of needs, of the area in which the eligible project is to be located;

(e) The needs of any private sector enterprise to be assisted;

(f) The competitive effect of the assistance on other enterprises providing jobs for people of the state;

(g) The amount and kind of assistance, if any, to be provided to the private sector enterprise by other governmental agencies through tax exemption or abatement, financing assistance with industrial development bonds, and otherwise, with respect to the eligible project;

(h) The impact of the eligible project and its operations on local government services, including school services, and on public facilities;

(i) The effect of the assistance on the loss of or damage to or destruction of prime farmland, or the removal from agricultural production of prime farmland. As used in this section, "prime farmland" means agricultural land that meets the criteria for this classification as defined by the United States soil conservation service.

(j) The length of time the operator of the project has been operating facilities within the state.

(2) The benefits to the local area, including taxes, jobs, and reduced unemployment and reduced welfare costs, among others, may be accorded value in the leasing or sales of project facilities and in loan and guarantee arrangements.

(B) Prior to granting final approval of the assistance to be provided, the director shall determine that the benefits to be derived by the state and local area from the establishment or development, and operation, of the eligible project will exceed the cost of providing such assistance and, ~~except as provided in division (C)(2) of this section,~~ shall submit to the ~~development financing advisory council and to the~~ controlling board a copy of that determination including the basis for the determination.

~~(C)(1) Except as provided in division (C)(2) of this section, prior to the submission provided for in division (B) of this section to the controlling board, the director shall submit to the development financing advisory council data pertinent to the considerations set forth in division (A) of this section, the terms of the proposed assistance, and such other relevant information as the development financing advisory council may request.~~

~~(2) The director is not required to submit any determination, data, terms,~~

~~or other application materials or information to the development financing advisory council when provision of the assistance has been recommended to the director by a regional economic development entity.~~

~~(D) The development financing advisory council, on the basis of such data, 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 as the director may submit to the council. The recommendations, as amended, of the council as to the appropriateness of the proposed assistance shall be submitted to the controlling board.~~

~~(E) Financial statements and other data submitted to the director of development, the development financing advisory council, services or the controlling board by any private sector person in connection with financial assistance under sections 166.02, 166.06, and 166.07 of the Revised Code, or any information taken from such statements or data for any purpose, shall not be open to public inspection. The development financing advisory council in considering confidential information in connection with financial assistance under sections 166.02, 166.06, and 166.07 of the Revised Code may, only for consideration of the confidential information referred to, and in the manner provided in division (E) of section 121.22 of the Revised Code, close the meeting during such consideration.~~

Sec. 166.11. (A) The aggregate ~~principal~~ amount of debt service payable in any calendar year on project financing obligations ~~that may be issued under section 166.08 of the Revised Code is three hundred, exclusive of make-whole call redemptions or other optional prepayments, shall not exceed fifty million dollars, plus the principal amount of such project financing obligations retired by payments.~~ The aggregate principal amount of obligations, exclusive of project financing obligations, that may be issued under section 166.08 of the Revised Code is six hundred thirty million dollars, plus the principal amount of any such obligations retired by payment, the amounts held or obligations pledged for the payment of the principal amount of any such obligations outstanding, amounts in special funds held as reserves to meet bond service charges, and amounts of obligations issued to provide moneys required to meet payments from the loan guarantee fund created in section 166.06 of the Revised Code and the innovation Ohio loan guarantee fund created in section 166.15 of the Revised Code. Of that six hundred thirty million dollars, not more than eighty-four million principal amount of obligations may be issued for eligible advanced energy projects and not more than one hundred million principal amount of obligations may be issued for eligible logistics and distribution projects. The terms of the obligations issued under section

166.08 of the Revised Code, other than obligations issued to meet guarantees that cannot be satisfied from amounts then held in the loan guarantee fund or the innovation Ohio loan guarantee fund, shall be such that the aggregate amount of moneys used from profit from the sale of spirituous liquor, and not from other sources, in any fiscal year shall not exceed sixty-three million dollars. For purposes of the preceding sentence, "other sources" include the annual investment income on special funds to the extent it will be available for payment of any bond service charges in lieu of use of profit from the sale of spirituous liquor, and shall be estimated on the basis of the expected funding of those special funds and assumed investment earnings thereon at a rate equal to the weighted average yield on investments of those special funds determined as of any date within sixty days immediately preceding the date of issuance of the bonds in respect of which the determination is being made. Amounts received in any fiscal year under section 6341 of the Internal Revenue Code, 26 U.S.C. 6341, shall not be included when determining the sixty-three million dollar limit. The determinations required by this division shall be made by the treasurer of state at the time of issuance of an issue of obligations and shall be conclusive for purposes of such issue of obligations from and after their issuance and delivery.

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

Sec. 166.13. (A) Prior to entering into each agreement to provide innovation financial assistance under sections 166.12, 166.15, and 166.16 of the Revised Code, the director of development services shall determine whether the assistance will conform to the requirements of sections 166.12 to 166.16 of the Revised Code. Such determination, and the facts upon which it is based, shall be set forth by the director in submissions made to the controlling board ~~for purposes of section 166.16 of the Revised Code and to the development financing advisory council under section 166.14~~ when the director seeks a release of moneys under section 166.12 of the Revised Code. An agreement to provide assistance under sections 166.12,

166.15, and 166.16 of the Revised Code shall set forth the determination, which shall be conclusive for purposes of the validity and enforceability of the agreement and any innovation loan guarantees, innovation loans, or other agreements entered into pursuant to the agreement to provide innovation financial assistance.

(B) Whenever a person applies for innovation financial assistance under sections 166.12, 166.15, and 166.16 of the Revised Code and the eligible innovation project for which innovation financial assistance is requested is to relocate an eligible innovation project that is currently being operated by the person and that is located in another county, municipal corporation, or township, the director shall provide written notification to the appropriate local governmental bodies and state officials. The notification shall contain the following information:

- (1) The name of the person applying for innovation financial assistance;
- (2) The county, and the municipal corporation or township, in which the eligible innovation project for which innovation financial assistance is requested is located; and
- (3) The county, and the municipal corporation or township, in which the eligible innovation project to be replaced is located.

~~The director shall provide the written notification to the appropriate local governmental bodies and state officials so that they receive the notification at least five days before the development financing advisory council meeting at which the council considers the request for innovation financial assistance pursuant to sections 166.12, 166.15, and 166.16 of the Revised Code.~~

(C) As used in division (B) of this section:

(1) "Appropriate local governmental bodies" means:

(a) The boards of county commissioners or legislative authorities of the county in which the project for which innovation financial assistance is requested is located and of the county in which the eligible innovation project to be replaced is located;

(b) The legislative authority of the municipal corporation or the board of township trustees of the township in which the eligible innovation project for which innovation financial assistance is requested is located; and

(c) The legislative authority of the municipal corporation or the board of township trustees of the township in which the eligible innovation project to be replaced is located.

(2) "State officials" means:

(a) The state representative and state senator in whose districts the project for which innovation financial assistance is requested is located;

(b) The state representative and state senator in whose districts the innovation project to be replaced is located.

Sec. 166.14. (A) In determining the eligible innovation projects to be assisted and the nature, amount, and terms of innovation financial assistance to be provided for an eligible innovation project under sections 166.12 to 166.16 of the Revised Code:

(1) The director of development services shall take into consideration all of the following:

(a) The number of jobs to be created or preserved by the eligible innovation project, directly or indirectly;

(b) Payrolls, and the taxes generated, at both state and local levels, by or in connection with the eligible innovation project and by the employment created or preserved by or in connection with the eligible innovation project;

(c) The size, nature, and cost of the eligible innovation project, including the prospect of the eligible innovation project for providing long-term jobs in enterprises consistent with the changing economics of the state and the nation;

(d) The needs of any private sector enterprise to be assisted;

(e) The amount and kind of assistance, if any, to be provided to the private sector enterprise by other governmental agencies through tax exemption or abatement, financing assistance with industrial development bonds, and otherwise, with respect to the eligible innovation project or with respect to any providers of innovation property to be included as part of the eligible innovation project;

(f) The likelihood of the successful implementation of the proposed eligible innovation project;

(g) Whether the eligible innovation project involves the use of technology in a targeted innovation industry sector.

(2) The benefits to the local area, including taxes, jobs, and reduced unemployment and reduced welfare costs, among others, may be accorded value in the leasing or sales of innovation project facilities and in loan and guarantee arrangements.

(3) In making determinations under division (A)(1) of this section, the director may consider the effect of an eligible innovation project upon any entity engaged to provide innovation property to be acquired, leased, or licensed in connection with such assistance.

~~(B) The director shall submit to the development financing advisory council data pertinent to the considerations set forth in division (A) of this section, the terms of the proposed innovation financial assistance, and such other relevant information as the council may request.~~

~~(C) The development financing advisory council, on the basis of such data, shall make recommendations as to the appropriateness of the innovation financial assistance to be provided. The recommendations may be revised to reflect any changes in the proposed innovation financial assistance as the director may submit to the council. The recommendations, as amended, of the council as to the appropriateness of the proposed innovation financial assistance shall be submitted to the controlling board.~~

~~(D) Financial statements and other data submitted to the director of development, the development financing advisory council, services or the controlling board by any private sector person in connection with innovation financial assistance under sections 166.12, 166.15, and 166.16 of the Revised Code, or any information taken from such statements or data for any purpose, shall not be open to public inspection. The development financing advisory council in considering confidential information in connection with innovation financial assistance under this chapter may, only for consideration of the confidential information referred to, and in the manner provided in division (E) of section 121.22 of the Revised Code, close the meeting during such consideration.~~

Sec. 166.18. (A) Prior to entering into each agreement to provide research and development financial assistance, the director of development services shall determine whether the assistance will conform to the requirements of sections 166.17 to 166.21, 5733.352, and 5747.331 of the Revised Code. Such determination, and the facts upon which it is based, shall be set forth by the director in submissions made to the controlling board ~~for purposes of section 166.17 of the Revised Code and to the development financing advisory council under section 166.19~~ when the director seeks a release of moneys under section 166.17 of the Revised Code. An agreement to provide research and development financial assistance under section 166.17 or 166.21 of the Revised Code shall set forth the determination, which shall be conclusive for purposes of the validity and enforceability of the agreement, and any loans or other agreements entered into pursuant to the agreement, to provide research and development financial assistance.

(B) Whenever a person applies for research and development financial assistance, and the eligible research and development project for which that assistance is requested is to relocate an eligible research and development project that is currently being operated by the person and that is located in another county, municipal corporation, or township within the state, the director shall provide written notification to the appropriate local governmental bodies and state officials. The notification shall state all of the

following:

(1) The name of the person applying for research and development financial assistance;

(2) The county, and the municipal corporation or township, in which the project for which research and development financial assistance is requested will be located;

(3) The county, and the municipal corporation or township, in which the eligible research and development project is located at the time such financial assistance is requested.

~~The director shall provide the written notification to the appropriate local governmental bodies and state officials so that they receive the notification at least five days before the development financing advisory council meeting at which the council considers the request for research and development financial assistance.~~

(C) As used in division (B) of this section:

(1) "Appropriate local governmental bodies" means all of the following:

(a) The board of county commissioners of or legislative authorities of special districts in the county in which the eligible research and development project for which research and development financial assistance is requested is located and of the county in which the project will be located;

(b) The legislative authority of the municipal corporation or the board of township trustees of the township in which the eligible research and development project for which research and development financial assistance is requested is located and of the municipal corporation or township in which the project will be located.

(2) "State officials" means both of the following:

(a) The state representative and state senator in whose district the eligible research and development project for which research and development financial assistance is requested is located;

(b) The state representative and state senator in whose district the eligible research and development project will be located.

Sec. 166.19. (A)(1) In determining the eligible research and development projects to be assisted and the nature, amount, and terms of the research and development financial assistance to be provided, the director of development services shall consider all of the following:

(a) The number of jobs to be created or preserved, directly or indirectly, by or in connection with the eligible research and development project;

(b) Payrolls, and the taxes generated at both state and local levels, by the eligible research and development project and by the employment created or

preserved by or in connection with the project;

(c) The size, nature, and cost of the eligible research and development project;

(d) The likelihood that the eligible research and development project will create long-term jobs in enterprises consistent with the changing economy of the state and nation;

(e) The needs of any private sector enterprise to be assisted, taking into consideration the amount and kind of assistance, if any, to be provided to the private sector enterprise by other governmental agencies through tax exemption or abatement, financing assistance with industrial development bonds, and otherwise, with respect to the eligible research and development project or with respect to any providers of research and development property to be included as part of the project;

(f) The likelihood that the eligible research and development project will be successfully implemented.

(2) The director may consider the benefits to the local area, including taxes, jobs, and reduced unemployment and reduced welfare costs, in the leasing or sale of eligible research and development project facilities and in loan arrangements.

(3) The director may consider the effect of an eligible research and development project upon any entity engaged to provide research and development property to be acquired, leased, or licensed in connection with research and development financial assistance.

~~(B) The director shall submit to the development financing advisory council data pertinent to the considerations set forth in division (A) of this section, the terms of the proposed research and development assistance, and such other relevant information as the council may request.~~

~~(C) The development financing advisory council, on the basis of the data submitted under division (B) of this section, shall make recommendations as to the appropriateness of the research and development financial assistance to be provided. The recommendations may be revised to reflect any changes in the proposed research and development financial assistance that the director may submit to the council. The recommendations of the council as to the appropriateness of the proposed research and development financial assistance shall be submitted to the controlling board.~~

~~(D)~~ Financial statements and other data submitted to the director of development, ~~the development financing advisory council,~~ services or the controlling board by any private sector person in connection with research and development financial assistance, or any information taken from such statements or data for any purpose, shall not be open to public inspection.

~~The development financing advisory council, in considering confidential information in connection with research and development financial assistance may, only for consideration of the confidential information referred to and in the manner provided in division (E) of section 121.22 of the Revised Code, close the meeting during such consideration.~~

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

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

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

~~(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 director may submit to the council.~~

~~(3) The director 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.~~

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

Sec. 166.30. (A) The Ohio air quality development authority, with the approval of the controlling board and subject to sections 3706.25 to 3706.30 of the Revised Code, may provide grants from money in the advanced energy research and development fund and may lend money in the advanced energy research and development taxable fund to persons for the purposes of

paying allowable costs of eligible advanced energy projects.

(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.

~~(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.~~

~~(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.~~

~~(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.~~

~~(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.

Sec. 174.01. As used in this chapter:

(A) "Financial assistance" means grants, loans, loan guarantees, an equity position in a project, or loan subsidies.

(B) "Grant" means funding the ~~department of~~ development services agency or the Ohio housing finance agency provides for which the ~~department or the relevant~~ agency does not require repayment.

(C) "Housing" means housing for owner-occupancy and multifamily rental housing.

(D) "Housing for owner-occupancy" means housing that is intended for occupancy by an owner as a principal residence. "Housing for owner-occupancy" may be any type of structure and may be owned in any type of ownership.

(E) "Housing trust fund" means the low- and moderate-income housing trust fund created and administered pursuant to Chapter 174. of the Revised Code.

(F) "Lending institution" means any financial institution qualified to

conduct business in this state, a subsidiary corporation that is wholly owned by a financial institution qualified to conduct business in this state, and a mortgage lender whose regular business is originating, servicing, or brokering real estate loans and who is qualified to do business in this state.

(G) "Loan" means any extension of credit or other form of financing or indebtedness directly or indirectly to a borrower with the expectation that it will be repaid in accordance with the terms of the underlying loan agreement or other pertinent document. "Loan" includes financing extended to lending institutions and indebtedness purchased from lending institutions.

(H) "Loan guarantee" means any agreement in favor of a lending institution or other lender in which the credit and resources of the housing trust fund are pledged to secure the payment or collection of financing extended to a borrower for the acquisition, construction, improvement, rehabilitation or preservation of housing, or to refinance any financing previously extended for those purposes by any lender.

(I) "Loan subsidy" means any deposit of funds into a lending institution with the authorization or direction that the income or revenues the deposit earns, or could have earned at competitive rates, be applied directly or indirectly to the benefit of housing assistance or financial assistance.

(J) "Low- and moderate-income persons" means individuals and families who qualify as low- and moderate-income persons pursuant to guidelines the ~~department of~~ development services agency establishes.

(K) "Multifamily rental housing" means multiple unit housing intended for rental occupancy.

(L) "Nonprofit organization" means a nonprofit organization in good standing and qualified to conduct business in this state including any corporation whose members are members of a metropolitan housing authority.

(M) "Department of development" means the development services agency and "director of development" means the director of development services.

Sec. 184.01. (A) There is hereby created the third frontier commission in the ~~department of~~ development services agency. The purpose of the commission is to coordinate and administer science and technology programs to promote the welfare of the people of the state and to maximize the economic growth of the state through expansion of both of the following:

- (1) The state's high technology research and development capabilities;
- (2) The state's product and process innovation and commercialization.

(B)(1) The commission shall consist of ~~nine~~ eleven members: the

director of development services, the chancellor of the Ohio board of regents, the governor's science and technology advisor, the chief investment officer of the nonprofit corporation formed under section 187.01 of the Revised Code, and ~~six~~ seven persons appointed by the governor with the advice and consent of the senate.

(2) Of the ~~six~~ seven persons appointed by the governor, one shall represent the central region, which is composed of the counties of Delaware, Fairfield, Fayette, Franklin, Hocking, Knox, Licking, Logan, Madison, Marion, Morrow, Perry, Pickaway, Ross, and Union; one shall represent the west central region, which is composed of the counties of Champaign, Clark, Darke, Greene, Miami, Montgomery, Preble, and Shelby; one shall represent the northeast region, which is composed of the counties of Ashland, Ashtabula, Carroll, Crawford, Columbiana, Cuyahoga, Erie, Geauga, Holmes, Huron, Lake, Lorain, Mahoning, Medina, Portage, Richland, Stark, Summit, Trumbull, Tuscarawas, and Wayne; one shall represent the northwest region, which is composed of the counties of Allen, Auglaize, Defiance, Fulton, Hancock, Hardin, Henry, Lucas, Mercer, Ottawa, Paulding, Putnam, Sandusky, Seneca, Van Wert, Williams, Wood, and Wyandot; one shall represent the southeast region, which shall represent the counties of Adams, Athens, Belmont, Coshocton, Gallia, Guernsey, Harrison, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Noble, Pike, Scioto, Vinton, and Washington; ~~and~~ one shall represent the southwest region, which is composed of the counties of Butler, Brown, Clermont, Clinton, Hamilton, Highland, and Warren; and one shall represent the public at large. Of the initial appointments, two shall be for one year, two shall be for two years, and two shall be for three years as assigned by the governor. Thereafter, appointments shall be for three-year terms. Members may be reappointed and vacancies shall be filled in the same manner as appointments. A person must have a background in business or research in order to be eligible for appointment to the commission.

(3) The governor shall select a chairperson from among the members, who shall serve in that role at the pleasure of the governor. Sections 101.82 to 101.87 of the Revised Code do not apply to the commission.

(C) The commission shall meet at least once during each quarter of the calendar year or at the call of the chairperson. A majority of all members of the commission constitutes a quorum, and no action shall be taken without the concurrence of a majority of the members.

(D) The commission shall administer any money that may be appropriated to it by the general assembly. The commission may use such

money for research and commercialization and for any other purposes that may be designated by the commission.

(E) The ~~department of development~~ services agency shall provide office space and facilities for the commission. Administrative costs associated with the operation of the commission or with any program or activity administered by the commission shall be paid from amounts appropriated to the commission or to the ~~department of development~~ agency for such purposes.

(F) The attorney general shall serve as the legal representative for the commission and may appoint other counsel as necessary for that purpose in accordance with section 109.07 of the Revised Code.

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

(H) Members of the commission shall file financial disclosure statements described in division (B) of section 102.02 of the Revised Code.

Sec. 184.011. As used in this chapter, "department of development" means the development services agency and "director of development" means the director of development services.

Sec. 187.01. As used in this chapter, "JobsOhio" means the nonprofit corporation formed under this section, and includes any subsidiary of that corporation. In any section of law that refers to the nonprofit corporation formed under this section, reference to the corporation includes reference to any such subsidiary unless otherwise specified or clearly appearing from the context.

The governor is hereby authorized to form a nonprofit corporation, to be named "JobsOhio," with the purposes of promoting economic development, job creation, job retention, job training, and the recruitment of business to this state. Except as otherwise provided in this chapter, the corporation shall be organized and operated in accordance with Chapter 1702. of the Revised Code. The governor shall sign and file articles of incorporation for the corporation with the secretary of state. The legal existence of the corporation shall begin upon the filing of the articles.

In addition to meeting the requirements for articles of incorporation in Chapter 1702. of the Revised Code, the articles of incorporation for the nonprofit corporation shall set forth the following:

(A) The designation of the name of the corporation as JobsOhio;

(B) The creation of a board of directors consisting of nine directors, to be appointed by the governor, who satisfy the qualifications prescribed by section 187.02 of the Revised Code;

(C) A requirement that the governor make initial appointments to the board within sixty days after the filing of the articles of incorporation. Of the initial appointments made to the board, two shall be for a term ending one year after the date the articles were filed, two shall be for a term ending two years after the date the articles were filed, and five shall be for a term ending four years after the date the articles were filed. The articles shall state that, following the initial appointments, the governor shall appoint directors to terms of office of four years, with each term of office ending on the same day of the same month as did the term that it succeeds. If any director dies, resigns, or the director's status changes such that any of the requirements of division (C) of section 187.02 of the Revised Code are no longer met, that director's seat on the board shall become immediately vacant. The governor shall forthwith fill the vacancy by appointment for the remainder of the term of office of the vacated seat.

(D) A requirement that the governor appoint one director to be chairperson of the board and procedures for electing directors to serve as officers of the corporation and members of an executive committee;

(E) A provision for the appointment of a chief investment officer of the corporation by the recommendation of the board and approval of the governor. The chief investment officer shall serve at the pleasure of the board and shall have the power to execute contracts, spend corporation funds, and hire employees on behalf of the corporation. If the position of chief investment officer becomes vacant for any reason, the vacancy shall be filled in the same manner as provided in this division.

(F) Provisions requiring the board to do all of the following:

(1) Adopt one or more resolutions providing for compensation of the chief investment officer;

(2) Approve an employee compensation plan recommended by the chief investment officer;

(3) Approve a contract with the director of development services for the corporation to assist the director and the ~~department of~~ development services agency with providing services or otherwise carrying out the functions or duties of the ~~department~~ agency, including the operation and management of programs, offices, divisions, or boards, as may be determined by the director of development services in consultation with the governor;

(4) Approve all major contracts for services recommended by the chief investment officer;

(5) Establish an annual strategic plan and standards of measure to be used in evaluating the corporation's success in executing the plan;

(6) Establish a conflicts of interest policy that, at a minimum, complies with section 187.06 of the Revised Code;

(7) Hold a minimum of four board of directors meetings per year at which a quorum of the board is physically present, and such other meetings, at which directors' physical presence is not required, as may be necessary. Meetings at which a quorum of the board is required to be physically present are subject to divisions (C), (D), and (E) of section 187.03 of the Revised Code.

(8) Establish a records retention policy and present the policy, and any subsequent changes to the policy, at a meeting of the board of directors at which a quorum of the board is required to be physically present pursuant to division (F)(7) of this section;

(9) Adopt standards of conduct for the directors.

(G) A statement that directors shall not receive any compensation from the corporation, except that directors may be reimbursed for actual and necessary expenses incurred in connection with services performed for the corporation;

(H) A provision authorizing the board to amend provisions of the corporation's articles of incorporation or regulations, except provisions required by this chapter;

(I) Procedures by which the corporation would be dissolved and by which all corporation rights and assets would be distributed to the state or to another corporation organized under this chapter. These procedures shall incorporate any separate procedures subsequently set forth in this chapter for the dissolution of the corporation. The articles shall state that no dissolution shall take effect until the corporation has made adequate provision for the payment of any outstanding bonds, notes, or other obligations.

(J) A provision establishing an audit committee to be comprised of directors. The articles shall require that the audit committee hire an independent certified public accountant to perform a financial audit of the corporation at least once every year.

(K) A provision authorizing a majority of the disinterested directors to remove a director for misconduct, as that term may be defined in the articles or regulations of the corporation. The removal of a director under this division creates a vacancy on the board that the governor shall fill by appointment for the remainder of the term of office of the vacated seat.

Sec. 187.03. (A) JobsOhio may perform such functions as permitted and shall perform such duties as prescribed by law and as set forth in any contract entered into under section 187.04 of the Revised Code, but shall not

be considered a state or public department, agency, office, body, institution, or instrumentality for purposes of section 1.60 or Chapter 102., 121., 125., or 149. of the Revised Code. JobsOhio and its board of directors are not subject to the following sections of Chapter 1702. of the Revised Code: sections 1702.03, 1702.08, 1702.09, 1702.21, 1702.24, 1702.26, 1702.27, 1702.28, 1702.29, 1702.301, 1702.33, 1702.34, 1702.37, 1702.38, 1702.40 to 1702.52, 1702.521, 1702.54, 1702.57, 1702.58, 1702.59, 1702.60, 1702.80, and 1702.99. Nothing in this division shall be construed to impair the powers and duties of the Ohio ethics commission described in section 102.06 of the Revised Code to investigate and enforce section 102.02 of the Revised Code with regard to individuals required to file statements under division (B)(2) of this section.

(B)(1) Directors and employees of JobsOhio are not employees or officials of the state and, except as provided in division (B)(2) of this section, are not subject to Chapter 102., 124., 145., or 4117. of the Revised Code.

(2) The chief investment officer, any other officer or employee with significant administrative, supervisory, contracting, or investment authority, and any director of JobsOhio shall file, with the Ohio ethics commission, a financial disclosure statement pursuant to section 102.02 of the Revised Code that includes, in place of the information required by divisions (A)(2), (7), (8), and (9) of that section, the information required by divisions (A) and (B) of section 102.022 of the Revised Code. The governor shall comply with all applicable requirements of section 102.02 of the Revised Code.

(3) Actual or in-kind expenditures for the travel, meals, or lodging of the governor or of any public official or employee designated by the governor for the purpose of this division shall not be considered a violation of section 102.03 of the Revised Code if the expenditures are made by the corporation, or on behalf of the corporation by any person, in connection with the governor's performance of official duties related to JobsOhio. The governor may designate any person, including a person who is a public official or employee as defined in section 102.01 of the Revised Code, for the purpose of this division if such expenditures are made on behalf of the person in connection with the governor's performance of official duties related to JobsOhio. A public official or employee so designated by the governor shall comply with all applicable requirements of section 102.02 of the Revised Code.

At the times and frequency agreed to under division (B)(2)(b) of section 187.04 of the Revised Code, beginning in 2012, the corporation shall file with the ~~department of~~ development services agency a written report of all

such expenditures paid or incurred during the preceding calendar year. The report shall state the dollar value and purpose of each expenditure, the date of each expenditure, the name of the person that paid or incurred each expenditure, and the location, if any, where services or benefits of an expenditure were received, provided that any such information that may disclose proprietary information as defined in division (C) of this section shall not be included in the report.

(4) The prohibition applicable to former public officials or employees in division (A)(1) of section 102.03 of the Revised Code does not apply to any person appointed to be a director or hired as an employee of JobsOhio.

(5) Notwithstanding division (A)(2) of section 145.01 of the Revised Code, any person who is a former state employee shall no longer be considered a public employee for purposes of Chapter 145. of the Revised Code upon commencement of employment with JobsOhio.

(6) Any director, officer, or employee of JobsOhio may request an advisory opinion from the Ohio ethics commission with regard to questions concerning the provisions of sections 102.02 and 102.022 of the Revised Code to which the person is subject.

(C) Meetings of the board of directors at which a quorum of the board is required to be physically present pursuant to division (F) of section 187.01 of the Revised Code shall be open to the public except, by a majority vote of the directors present at the meeting, such a meeting may be closed to the public only for one or more of the following purposes:

(1) To consider business strategy of the corporation;

(2) To consider proprietary information belonging to potential applicants or potential recipients of business recruitment, retention, or creation incentives. For the purposes of this division, "proprietary information" means marketing plans, specific business strategy, production techniques and trade secrets, financial projections, or personal financial statements of applicants or members of the applicants' immediate family, including, but not limited to, tax records or other similar information not open to the public inspection.

(3) To consider legal matters, including litigation, in which the corporation is or may be involved;

(4) To consider personnel matters related to an individual employee of the corporation.

(D) The board of directors shall establish a reasonable method whereby any person may obtain the time and place of all public meetings described in division (C) of this section. The method shall provide that any person, upon request and payment of a reasonable fee, may obtain reasonable advance

notification of all such meetings.

(E) The board of directors shall promptly prepare, file, and maintain minutes of all public meetings described in division (C) of this section.

(F) Not later than March 1, 2012, and the first day of March of each year thereafter, the chief investment officer of JobsOhio shall prepare and submit a report of the corporation's activities for the preceding year to the governor, the speaker and minority leader of the house of representatives, and the president and minority leader of the senate. The annual report shall include the following:

- (1) An analysis of the state's economy;
- (2) A description of the structure, operation, and financial status of the corporation;
- (3) A description of the corporation's strategy to improve the state economy and the standards of measure used to evaluate its progress;
- (4) An evaluation of the performance of current strategies and major initiatives;
- (5) An analysis of any statutory or administrative barriers to successful economic development, business recruitment, and job growth in the state identified by JobsOhio during the preceding year.

Sec. 187.04. (A) The director of development services, as soon as practical after ~~the effective date of this section~~ February 18, 2011, shall execute a contract with JobsOhio for the corporation to assist the director and the ~~department of~~ development services agency with providing services or otherwise carrying out the functions or duties of the ~~department~~ agency, including the operation and management of programs, offices, divisions, or boards, as may be determined by the director in consultation with the governor. The approval or disapproval of awards involving public money shall remain functions of the ~~department~~ agency. All contracts for grants, loans, and tax incentives involving public money shall be between the ~~department~~ agency and the recipient and shall be enforced by the ~~department~~ agency. JobsOhio may not execute contracts obligating the ~~department~~ agency for loans, grants, tax credits, or incentive awards recommended by JobsOhio to the ~~department~~ agency. Prior to execution, all contracts between the director and JobsOhio entered into under this section that obligate the agency to pay JobsOhio for services rendered are subject to controlling board approval.

The term of a an initial contract entered into under this section shall not extend beyond June 30, 2013. Thereafter, the director and JobsOhio may renew the contract for subsequent fiscal biennia, but at no time shall a particular contract be effective for longer than a fiscal biennium of the

general assembly, ~~but may be renewed or amended by the parties.~~

JobsOhio's provision of services to the agency as described in this section shall be pursuant to a contract entered into under this section. If at any time the director determines that the contract with JobsOhio may not be renewed for the subsequent fiscal biennium, the director shall notify JobsOhio of the director's decision not later than one hundred twenty days prior to the end of the current fiscal biennium. If the director does not provide such written notice to JobsOhio prior to one hundred days before the end of the current fiscal biennium, the contract shall be renewed upon such terms as the parties may agree, subject to the requirements of this section.

(B) A contract entered into under this section shall include all of the following:

(1) Terms assigning to the corporation the duties of advising and assisting the director ~~of development~~ in the director's evaluation of the ~~department~~ agency and the formulation of recommendations under section 187.05 of the Revised Code;

(2) Terms designating records created or received by JobsOhio that shall be made available to the public under the same conditions as are public records under section 149.43 of the Revised Code. Documents designated to be made available to the public pursuant to the contract shall be kept on file with the ~~department of development~~ agency.

Among records to be designated under this division shall be the following:

(a) The corporation's federal income tax returns;

(b) The report of expenditures described in division (B)(3) of section 187.03 of the Revised Code. The records shall be filed with the ~~department~~ agency at such times and frequency as agreed to by the corporation and the ~~department~~ agency, which shall not be less frequently than quarterly.

(c) The annual total compensation paid to each officer and employee of the corporation;

(d) A copy of the audit report for each financial audit of the corporation performed by an independent certified public accountant pursuant to division (J) of section 187.01 of the Revised Code.

(e) Records of any fully executed incentive proposals, to be filed annually;

(f) Records pertaining to the monitoring of commitments made by incentive recipients, to be filed annually;

(g) A copy of the minutes of all public meetings described in division (C) of section 187.03 of the Revised Code not otherwise closed to the

public.

(3) The following statement acknowledging that JobsOhio is not acting as an agent of the state:

"JobsOhio shall have no power or authority to bind the state or to assume or create an obligation or responsibility, expressed or implied, on behalf of the state or in its name, nor shall JobsOhio represent to any person that it has any such power or authority, except as expressly provided in this contract."

(C) (1) Records created or received by JobsOhio are not public records for the purposes of ~~section 149.43~~ Chapter 149. of the Revised Code, regardless of who may have custody of the records, unless the record is designated to be available to the public by the contract under division (B)(2) of this section.

(2) Records received by JobsOhio from any person or entity that is not subject to section 149.43 of the Revised Code are not public records for purposes of Chapter 149. of the Revised Code, regardless of who may have custody of the records, unless the record is designated to be available to the public by the contract under division (B)(2) of this section.

(3) Records received by JobsOhio from a public office as defined in section 149.011 of the Revised Code that are not public records under section 149.43 of the Revised Code when in the custody of the public office are not public records for the purposes of section 149.43 of the Revised Code regardless of who has custody of the records.

(D) Any contract executed under authority of this section shall not negate, impair, or otherwise adversely affect the obligation of this state to pay debt charges on securities executed by the director ~~of development~~ or issued by the treasurer of state, Ohio public facilities commission, or any other issuing authority under Chapter 122., 151., 165., or 166. of the Revised Code to fund economic development programs of the state, or to abide by any pledge or covenant relating to the payment of those debt charges made in any related proceedings. As used in this division, "debt charges," "proceedings," and "securities" have the same meanings as in section 133.01 of the Revised Code.

(E) Nothing in this section, other than the requirement of controlling board approval, shall prohibit the ~~department~~ agency from contracting with JobsOhio to perform any of the following functions:

- (1) Promoting and advocating for the state;
- (2) Making recommendations to the ~~department~~ agency;
- (3) Performing research for the ~~department~~ agency;
- (4) Establishing and managing programs or offices on behalf of the

~~department agency~~, by contract;

(5) Negotiating on behalf of the state.

(F) Nothing in this section, other than the requirement of controlling board approval, shall prohibit the ~~department agency~~ from compensating JobsOhio from funds currently appropriated to the ~~department agency~~ to perform the functions described in division (E) of this section.

Sec. 187.05. The director of development services, as soon as practical after ~~the effective date of this section~~ February 18, 2011, shall, in consultation with the governor, evaluate all powers, functions, and duties of the ~~department development services agency~~. Within six months after ~~that effective date~~ February 18, 2011, the director shall submit a report to the general assembly recommending statutory changes necessary to improve the functioning and efficiency of the ~~department agency~~ and to transfer specified powers, functions, and duties of the ~~department agency~~ to other existing agencies of the state or to JobsOhio, or eliminate specified powers, functions, or duties. The recommendations shall be submitted in writing to the speaker and minority leader of the house of representatives and the president and minority leader of the senate.

After submitting the report, the director, in consultation with the governor, shall continue to evaluate the ~~department agency~~ and make additional recommendations on such matters to the general assembly.

Sec. 187.061. (A) Each officer and employee of JobsOhio shall do all of the following:

(1) Sign an ethical conduct statement prescribed by the board of directors of JobsOhio;

(2) Complete an annual course or program of study on ethics. The course or program of study shall be reviewed and approved by the board of directors.

(3) Comply with the gift policy prescribed by the board of directors.

(B) Prior to the renewal of the contract between the director of development services and JobsOhio as described in section 187.04 of the Revised Code, the board of directors shall submit to the controlling board a comprehensive review of the ethics policies and procedures that have been adopted by JobsOhio.

Sec. 929.03. (A)(1) No public entity with authority to levy special assessments on real property shall collect an assessment for purposes of sewer, water, or electrical service on real property that is within an agricultural district as described in division (A)(2) of this section without the permission of the owner, except that any assessment may be collected on a lot surrounding a dwelling or other structure not used in agricultural

production that does not exceed one acre or the minimum area required by local zoning or subdivision rules, whichever is the greater area.

(2) For purposes of division (A)(1) of this section, an agricultural district is such a district that is established:

(a) In the case of counties, prior to the adoption of a resolution of necessity by a board of county commissioners, pursuant to section 6103.05 or 6117.06 of the Revised Code;

(b) In the case of municipal corporations, prior to whichever of the following occurs first:

(i) The adoption of the resolution of necessity by the municipal legislative authority, pursuant to section 727.12 or 729.02 of the Revised Code;

(ii) The service of notice on all or some of the owners to be assessed pursuant to section 729.06 of the Revised Code;

(iii) The adoption of the resolution or ordinance by the municipal legislative authority declaring the necessity for the improvement, the costs of which are to be assessed under procedures authorized by a municipal charter adopted pursuant to Section 7 of Article XVIII, Ohio Constitution, or, if no such ordinance or resolution is required under the charter, the service of the first notice on all or some of the owners of lands to be assessed, or the adoption of the first ordinance or resolution by the municipal legislative authority pertaining to the assessment proceedings under the charter.

(c) In the case of a regional water and sewer district established pursuant to Chapter 6119. of the Revised Code, prior to the adoption of a resolution of necessity by the board of trustees of the district under section 6119.25 of the Revised Code.

(B) For each special assessment levied by a public entity on real property within an agricultural district for purposes of sewer, water, or electrical service, the county auditor shall make and maintain a list showing:

(1) The name of the owner of each lot, tract, or parcel of land that is exempt from the collection of the special assessment under this section;

(2) A description of the exempt land;

(3) The purpose of the special assessment;

(4) The amount of the uncollected assessment on the exempt land.

In the case of a county project constructed under Chapter 6103. or 6117. of the Revised Code, the county auditor may use a list provided for in those chapters in lieu of the list required by division (B) of this section. The auditor shall also record in the water works record required by section 6103.16 of the Revised Code or the sewer improvement record required by

section 6117.33 of the Revised Code those assessments not collected under this section. The recording of the assessments does not permit the collection of the assessments until such time as exempt lands are withdrawn from agricultural districts or converted to nonagricultural use.

(C) If at any time any of the owner's exempt land, other than a lot sold or transferred to a son, daughter, brother, sister, mother, or father for the purpose of constructing a dwelling in which the relative will reside for at least three years, is withdrawn from an agricultural district or if the owner of the exempt land uses on that land the service for which the special assessment was assessed, the public entity may collect the entire uncollected assessment, except as otherwise provided in this division, in addition to an amount equal to the rate of interest that any bonds or notes issued for the project for which the assessment was made did bear for the number of years the land was exempted, not to exceed twenty-five or the number of years for which the bonds or notes were issued, whichever is the lesser number. The owner shall notify the county auditor of any withdrawal from a district or use of the service within ninety days following the withdrawal or use of the service. The charge shall constitute a lien of the public entity upon the land and shall continue until discharged. All liens shall be recorded in the appropriate county recorder's office. Moneys collected as a result of the charge shall be deposited in the appropriate fund of the public entity that levied the special assessment.

If the owner of exempt land sells or transfers a lot to ~~his~~ the owner's son, daughter, brother, sister, mother, or father for the purpose of constructing a dwelling in which the relative will reside for at least three years, and if the owner or the buyer of the lot uses the service for which the special assessment was assessed only to provide service to that lot, the owner of the lot shall pay only that portion of the uncollected assessment and interest that applies to the lot.

If at any time any part of an owner's exempt land is appropriated, the owner shall pay only that portion of the uncollected assessment and interest that applies to the appropriated parcel of land.

In lieu of immediate payment of the uncollected assessment and interest, the board of county commissioners, legislative authority of a municipal corporation, or other governing board of any other public entity may, upon the request of the owner, establish an extended repayment schedule for the owner. If the board, legislative authority, or other governing board establishes such a schedule, it shall notify the county auditor of the schedule.

~~(D) A board of county commissioners, legislative authority of a~~

~~municipal corporation, or other governing board of any other public entity may apply to the water and sewer commission, created by division (C) of section 1525.11 of the Revised Code, for an advance of moneys from the water and sewer fund, created by division (A) of section 1525.11 of the Revised Code, in an amount equal to that portion of the costs of a water or sewer improvement authorized by law that is to be financed by assessments whose collection is prohibited under division (A) of this section. The application for such an advance of moneys shall be made in the manner prescribed by rules of the commission. Upon collection of any assessment whose collection was prohibited under division (A) of this section, the board of county commissioners, legislative authority, or other governing board shall repay the commission the amount of any moneys advanced by it in regard to the assessments.~~

Sec. 1551.01. As used in this chapter:

(A) "Governmental agency" means the United States government or any department, agency, or instrumentality thereof; any department, agency, or instrumentality of a state government; any municipal corporation, county, township, board of education, or other political subdivision or any other body corporate and politic of a state; or any agency, commission, or authority established under an interstate compact or agreement.

(B) "Energy resource development facility" means any energy resource development, research, or conservation facility, including pilot as well as demonstration facilities, and including undivided or other interests therein, acquired or to be acquired, or constructed or to be constructed under this chapter or Chapter 6121. or 6123. of the Revised Code, or acquired or to be acquired, or constructed or to be constructed by a governmental agency or person with all or a part of the cost thereof being paid from a loan or grant under such chapters, including all buildings and facilities that the director of development services determines necessary for the operation of the facility, together with all property, rights, easements, and interests that may be required for the operation of the facility, which facilities may include:

(1) Any building, testing facility, testing device, or support facilities which would provide experimental, demonstration, or testing capabilities or services not otherwise available in this state and which are necessary for the accomplishment of the purposes of this chapter;

(2) Any method, process, structure, or equipment that is used to store coal, oil, natural gas, fuel for nuclear reactors, or any other form of energy;

(3) Any method, process, structure, or equipment that is used to recover or convert coal, oil, natural gas, steam, or other form of energy from property located within the state for the purpose of supplying energy for

utilization;

(4) Any method, process, structure, or equipment that is designed to result in more efficient recovery, conversion, or utilization of energy resources within the state, including any scrap tire recovery facility for which a registration certificate or permit has been issued under section 3734.78 of the Revised Code;

(5) Any improvement that is designed to improve the thermal efficiency of a building or structure or reduce the fuel or power needed to heat, cool, light, ventilate, or provide hot water in a building or structure;

(6) Any improvement designed to enable the substitution of coal or alternate fuel, other than natural gas, for natural gas or a petroleum fuel, or the conversion of coal to other fuels;

(7) Any improvement designed to enable the combustion of high sulfur coal in compliance with air or water pollution control or solid waste disposal laws, including, but not limited to, any facility for processing coal to remove sulfur before combustion of the coal, for fluidized bed combustion, or for removal of the sulfur before the products of combustion are emitted or discharged.

(C) "Cost" as applied to an energy resource development facility means the cost of acquisition and construction, the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights, and interests required for such acquisition and construction, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of acquiring or constructing and equipping a principal office and sub-offices of the department of development, the cost of diverting highways, interchange of highways, access roads to private property, including the cost of land or easements for such access roads, the cost of public utility and common carrier relocation or duplication, the cost of all machinery, furnishings, and equipment, financing charges, interest prior to and during construction and for no more than eighteen months after completion of construction, engineering, expenses of research and development with respect to the facility, legal expenses, plans, specifications, surveys, studies, estimates of cost and revenues, working capital, other expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing such facility, administrative expense, and such other expense as may be necessary or incident to the acquisition or construction of the facility, the financing of such acquisition or construction, including the amount authorized in the resolution of the Ohio water development authority providing for the issuance of energy

resource development revenue bonds to be paid into any special funds from the proceeds of such bonds, and the financing of the placing of such facility in operation. Any obligation, cost, or expense incurred after August 26, 1975, by any governmental agency or person for surveys, borings, preparation of plans and specifications, and other engineering services, or any other cost described above, in connection with the acquisition or construction of a facility may be regarded as a part of the cost of such facility and may be reimbursed out of the proceeds of energy resource development revenue bonds.

(D) "Revenues" means all rentals and other charges received by the Ohio water development authority for the use or services of any energy resource development facility, any contract, gift, or grant received with respect to any energy resource development facility, and moneys received with respect to the lease, sublease, sale, including installment sale or conditional sale, or other disposition of an energy resource development facility, moneys received in repayment of and for interest on any loans made by the authority to a person or governmental agency, whether from the United States or any department, administration, or agency thereof, or otherwise, proceeds of energy resource development revenue bonds to the extent that the use thereof for payment of principal of, premium, if any, or interest on the bonds is authorized by the authority, proceeds from any insurance, condemnation, or guaranty pertaining to a facility or property mortgaged to secure bonds or pertaining to the financing of a facility, and income and profit from the investment of the proceeds of energy resource development revenue bonds or of any revenues.

(E) "Construction," unless the context indicates a different meaning or intent, includes construction, reconstruction, enlargement, improvement, or providing furnishings or equipment.

(F) "Energy resource development revenue bonds," unless the context indicates a different meaning or intent, includes energy resource development revenue bonds, energy resource development revenue notes, and energy resource development revenue refunding bonds.

(G) "Energy" means work or heat that is, or can be, produced from any fuel or source whatsoever.

(H) "Energy audit" means any process by which energy usage or costs of heating, cooling, lighting, and climate control in a building or structure are determined.

(I) "Energy conservation" means preservation of energy resources by efficient utilization, and reduction of waste.

(J) "Energy conservation measure" means any modification of a

building, structure, machine, appliance, vehicle, improvement, or process in order to improve its efficiency of energy use or energy costs.

(K) "Fuel" means petroleum, crude oil, petroleum product, coal, natural gas, synthetic natural or artificial gas, nuclear, or other substance used primarily for its energy content.

(L) "Net energy analysis" means the determination of the amount of energy remaining after all energy outputs have been subtracted from the energy inputs of a given system.

(M) "Department of development" means the development services agency and "director of development" means the director of development services.

Sec. 3735.01. As used in this chapter, "department of development" means the development services agency and "director of development" means the director of development services.

Sec. 3735.672. (A) On or before the thirty-first day of March each year, a legislative authority that has entered into an agreement with a party under section 3735.671 of the Revised Code shall submit to the director of development services and the board of education of each school district of which a municipal corporation or township to which such an agreement applies is a part a report on all such agreements in effect during the preceding calendar year. The report shall include the following information:

(1) The designation, assigned by the director of development services, of each community reinvestment area within the municipal corporation or county, and the total population of each area according to the most recent data available;

(2) The number of agreements and the number of full-time employees subject to those agreements within each area, each according to the most recent data available and identified and categorized by the appropriate standard industrial code, and the rate of unemployment in the municipal corporation or county in which the area is located for each year since the area was certified;

(3) The number of agreements approved and executed during the calendar year for which the report is submitted, the total number of agreements in effect on the thirty-first day of December of the preceding calendar year, the number of agreements that expired during the calendar year for which the report is submitted, and the number of agreements scheduled to expire during the calendar year in which the report is submitted. For each agreement that expired during the calendar year for which the report is submitted, the legislative authority shall include the amount of taxes exempted under the agreement.

(4) The number of agreements receiving compliance reviews by the tax incentive review council in the municipal corporation or county during the calendar year for which the report is submitted, including all of the following information:

(a) The number of agreements the terms of which the party has complied with, indicating separately for each such agreement the value of the real property exempted pursuant to the agreement and a comparison of the stipulated and actual schedules for hiring new employees, for retaining existing employees, and for the amount of payroll of the party attributable to these employees;

(b) The number of agreements the terms of which a party has failed to comply with, indicating separately for each such agreement the value of the real and personal property exempted pursuant to the agreement and a comparison of the stipulated and actual schedules for hiring new employees, for retaining existing employees, and for the amount of payroll of the enterprise attributable to these employees;

(c) The number of agreements about which the tax incentive review council made recommendations to the legislative authority, and the number of such recommendations that have not been followed;

(d) The number of agreements rescinded during the calendar year for which the report is submitted.

(5) The number of parties subject to agreements that expanded within each area, including the number of new employees hired and existing employees retained by that party, and the number of new parties subject to agreements that established within each area, including the number of new employees hired by each party;

(6) For each agreement in effect during any part of the preceding year, the number of employees employed by the party at the property that is the subject of the agreement immediately prior to formal approval of the agreement, the number of employees employed by the party at that property on the thirty-first day of December of the preceding year, the payroll of the party for the preceding year, the amount of taxes paid on real property that was exempted under the agreement, and the amount of such taxes that were not paid because of the exemption.

(B) Upon the failure of a municipal corporation or county to comply with division (A) of this section:

(1) Beginning on the first day of April of the calendar year in which the municipal corporation or county fails to comply with that division, the municipal corporation or county shall not enter into any agreements under section 3735.671 of the Revised Code until the municipal corporation or

county has complied with division (A) of this section.

(2) On the first day of each ensuing calendar month until the municipal corporation or county complies with that division, the director of development services shall either order the proper county auditor to deduct from the next succeeding payment of taxes to the municipal corporation or county under section 321.31, 321.32, 321.33, or 321.34 of the Revised Code an amount equal to five hundred dollars for each calendar month the municipal corporation or county fails to comply with that division, or order the county auditor to deduct such an amount from the next succeeding payment to the municipal corporation or county from the undivided local government fund under section 5747.51 of the Revised Code. At the time such a payment is made, the county auditor shall comply with the director's order by issuing a warrant, drawn on the fund from which such money would have been paid, to the director of development services, who shall deposit the warrant into the state community reinvestment area program administration fund created in division (C) of this section.

(C) The director, by rule, shall establish the state's application fee for applications submitted to a municipal corporation or county to enter into an agreement under section 3735.671 of the Revised Code. In establishing the amount of the fee, the director shall consider the state's cost of administering the community reinvestment area program, including the cost of reviewing the reports required under division (A) of this section. The director may change the amount of the fee at such times and in such increments as the director considers necessary. Any municipal corporation or county that receives an application shall collect the application fee and remit the fee for deposit in the state treasury to the credit of the ~~tax incentive programs~~ operating business assistance fund created in section 122.174 of the Revised Code.

Sec. 3746.35. (A) Not later than September 1, 1996, and not later than the first day of September of each subsequent year, the director of environmental protection shall prepare and submit to the chairpersons of the respective standing committees of the senate and house of representatives primarily responsible for considering environmental and taxation matters a report regarding the voluntary action program established under this chapter and rules adopted under it and the tax abatements granted pursuant to sections 5709.87 and 5709.88 of the Revised Code for properties where voluntary actions were conducted. Each annual report shall include, without limitation, all of the following:

(1) Both of the following for each property for which a covenant not to sue was issued under section 3746.12 of the Revised Code during the

preceding calendar year:

(a) The address of the property and name of the person who undertook the voluntary action at the property;

(b) Whether the applicable standards governing the voluntary action were the interim standards established in section 3746.07 of the Revised Code or the generic numerical clean-up standards established in rules adopted under division (B)(1) of section 3746.04 of the Revised Code, were established through the performance of a risk assessment pursuant to rules adopted under division (B)(2) of section 3746.04 of the Revised Code, or were set forth in a variance issued under section 3746.09 of the Revised Code.

(2) All of the following for each property for which a variance was issued under section 3746.09 of the Revised Code during the preceding calendar year:

(a) The address of the property and the name of the person to whom the variance was issued;

(b) A summary of the alternative standards and terms and conditions of the variance and brief description of the improvement in environmental conditions at the property that is anticipated to result from compliance with the alternative standards and terms and conditions set forth in the variance;

(c) A brief description of the economic benefits to the person to whom the variance was issued and the community in which the property is located that are anticipated to result from the undertaking of the voluntary action in compliance with the alternative standards and terms and conditions set forth in the variance.

(3) The number of audits performed under section 3746.17 of the Revised Code during the preceding calendar year and, in connection with each of them, at least the following information:

(a) The address of the property in connection with which the audit was performed and the name of the person who undertook the voluntary action at the property;

(b) An indication as to whether the audit was a random audit or was conducted in accordance with the priorities established in rules adopted under divisions (A)(9)(a) to (f) of section 3746.04 of the Revised Code and, if the audit was conducted in accordance with those priorities, an indication as to which of them resulted in the selection of the voluntary action for an audit;

(c) A brief summary of the findings of the audit and any action taken by the environmental protection agency as a result of those findings.

(4) The number of covenants not to sue revoked during the preceding

calendar year through the operation of divisions (A)(2)(c) and (B) of section 3746.12, division (B)(2) of section 3746.18, and division (B) of section 3746.19 of the Revised Code and for each property for which a covenant was revoked, at least both of the following:

(a) The address of the property affected by the revocation and name of the person who undertook the voluntary action at the property;

(b) The reason for the revocation.

(5) The amount of money credited to the voluntary action administration fund created in section 3746.16 of the Revised Code during the preceding fiscal year from the fees established in divisions (D) and (H) of section 3746.07 and division (C) of section 3746.13 of the Revised Code and from civil penalties imposed under section 3746.22 of the Revised Code. The report shall indicate the amount of money that arose from each of the fees and from the civil penalties. The report also shall include the amount of money expended from the fund during the preceding fiscal year by program category, including, without limitation, the amount expended for conducting audits under section 3746.17 of the Revised Code during the preceding fiscal year.

(6) For each property that is receiving a tax abatement under section 5709.87 of the Revised Code for the preceding tax year, the amount of the valuation exempted from real property taxation for that tax year under that section. In order to comply with division (A)(6) of this section, the director shall include in the annual report the report required ~~to be provided to the director by the director of development~~ under division (B)(2) of this section. ~~The sole responsibility of the director of environmental protection regarding the report provided to the director under that division is to include it in the annual report prepared under division (A) of this section.~~

(7) For each property that is receiving a tax abatement pursuant to an agreement with a municipal corporation or county entered into under section 5709.88 of the Revised Code, the amount of the valuation exempted from real or personal property taxation. In order to comply with division (A)(7) of this section, the director shall include in the annual report the report required ~~to be provided to the director by the director of development~~ under division (C) of this section. ~~The sole responsibility of the director of environmental protection regarding the report provided to the director under that division is to include it in the annual report prepared under division (A) of this section.~~

(B)(1) Not later than March 31, 1996, the county auditor of each county in which is located any property that is receiving a tax abatement under section 5709.87 of the Revised Code shall report to the director of ~~development~~ environmental protection for each such property both of the

following as applicable to tax year 1995:

(a) The address of the property and the name of the owner as stated in the records of the county auditor of the county in which the property is located;

(b) The amount of the valuation of the property that was exempted from real property taxation under that section.

Not later than the thirty-first day of March of each subsequent year, each such county auditor shall report the information described in those divisions to the director of ~~development~~ environmental protection for each property within the county that is receiving a tax abatement under that section for the preceding tax year.

(2) Not later than July 1, 1996, and not later than the first day of July of each subsequent year, the director of ~~development~~ environmental protection shall compile the information provided to the director under division (B)(1) of this section applicable to the preceding tax year into a report covering all of the counties in the state in which are located properties receiving a tax abatement under section 5709.87 of the Revised Code for the preceding tax year ~~and shall forward the report to the director of environmental protection. The sole responsibility of the director of development in preparing the report is to compile the information submitted to the director by the county auditors under division (B)(1) of this section.~~

(C) Not later than July 1, 1996, and not later than the first day of July of each subsequent year, the director of ~~development~~ environmental protection shall compile the information provided to the director by municipal corporations and counties under division (A) of section 5709.882 of the Revised Code applicable to the preceding calendar year into a report covering, by county, all of the municipal corporations and counties in this state in which are located properties receiving a tax abatement pursuant to an agreement entered into under section 5709.88 of the Revised Code ~~and shall forward the report to the director of environmental protection. The sole responsibility of the director of development in preparing the report is to compile the information submitted to him by municipal corporations and counties under division (A) of section 5709.882 of the Revised Code.~~

Sec. 5117.22. All petroleum violation escrow funds received by this state from the federal government shall be deposited in the state treasury to the credit of the energy oil overcharge fund, which is hereby created. The fund shall be used by the ~~department of development~~ services agency for energy conservation and assistance programs approved by the United States department of energy. All investment earnings of the fund shall be credited to the fund.

Sec. 5701.15. As used in Title LVII of the Revised Code, "department of development" means the development services agency and "director of development" means the director of development services.

Sec. 5709.68. (A) On or before the thirty-first day of March each year, a municipal corporation or county that has entered into an agreement with an enterprise under section 5709.62, 5709.63, or 5709.632 of the Revised Code shall submit to the director of development services and the board of education of each school district of which a municipal corporation or township to which such an agreement applies is a part a report on all of those agreements in effect during the preceding calendar year. The report shall include all of the following information:

(1) The designation, assigned by the director of development services, of each urban jobs and enterprise zone within the municipal corporation or county, the date each zone was certified, the name of each municipal corporation or township within each zone, and the total population of each zone according to the most recent data available;

(2) The number of enterprises that are subject to those agreements and the number of full-time employees subject to those agreements within each zone, each according to the most recent data available and identified and categorized by the appropriate standard industrial code, and the rate of unemployment in the municipal corporation or county in which the zone is located for each year since each zone was certified;

(3) The number of agreements approved and executed during the calendar year for which the report is submitted, the total number of agreements in effect on the thirty-first day of December of the preceding calendar year, the number of agreements that expired during the calendar year for which the report is submitted, and the number of agreements scheduled to expire during the calendar year in which the report is submitted. For each agreement that expired during the calendar year for which the report is submitted, the municipal corporation or county shall include the amount of taxes exempted and the estimated dollar value of any other incentives provided under the agreement.

(4) The number of agreements receiving compliance reviews by the tax incentive review council in the municipal corporation or county during the calendar year for which the report is submitted, including all of the following information:

(a) The number of agreements the terms of which an enterprise has complied with, indicating separately for each agreement the value of the real and personal property exempted pursuant to the agreement and a comparison of the stipulated and actual schedules for hiring new employees,

for retaining existing employees, for the amount of payroll of the enterprise attributable to these employees, and for investing in establishing, expanding, renovating, or occupying a facility;

(b) The number of agreements the terms of which an enterprise has failed to comply with, indicating separately for each agreement the value of the real and personal property exempted pursuant to the agreement and a comparison of the stipulated and actual schedules for hiring new employees, for retaining existing employees, for the amount of payroll of the enterprise attributable to these employees, and for investing in establishing, expanding, renovating, or occupying a facility;

(c) The number of agreements about which the tax incentive review council made recommendations to the legislative authority of the municipal corporation or county, and the number of those recommendations that have not been followed;

(d) The number of agreements rescinded during the calendar year for which the report is submitted.

(5) The number of enterprises that are subject to agreements that expanded within each zone, including the number of new employees hired and existing employees retained by each enterprise, and the number of new enterprises that are subject to agreements and that established within each zone, including the number of new employees hired by each enterprise;

(6)(a) The number of enterprises that are subject to agreements and that closed or reduced employment at any place of business within the state for the primary purpose of establishing, expanding, renovating, or occupying a facility, indicating separately for each enterprise the political subdivision in which the enterprise closed or reduced employment at a place of business and the number of full-time employees transferred and retained by each such place of business;

(b) The number of enterprises that are subject to agreements and that closed or reduced employment at any place of business outside the state for the primary purpose of establishing, expanding, renovating, or occupying a facility.

(7) For each agreement in effect during any part of the preceding year, the number of employees employed by the enterprise at the project site immediately prior to formal approval of the agreement, the number of employees employed by the enterprise at the project site on the thirty-first day of December of the preceding year, the payroll of the enterprise for the preceding year, the amount of taxes paid on tangible personal property situated at the project site and the amount of those taxes that were not paid because of the exemption granted under the agreement, and the amount of

taxes paid on real property constituting the project site and the amount of those taxes that were not paid because of the exemption granted under the agreement. If an agreement was entered into under section 5709.632 of the Revised Code with an enterprise described in division (B)(2) of that section, the report shall include the number of employee positions at all of the enterprise's locations in this state. If an agreement is conditioned on a waiver issued under division (B) of section 5709.633 of the Revised Code on the basis of the circumstance described in division (B)(3)(a) or (b) of that section, the report shall include the number of employees at the facilities referred to in division (B)(3)(a)(i) or (b)(i) of that section, respectively.

(B) Upon the failure of a municipal corporation or county to comply with division (A) of this section:

(1) Beginning on the first day of April of the calendar year in which the municipal corporation or county fails to comply with that division, the municipal corporation or county shall not enter into any agreements with an enterprise under section 5709.62, 5709.63, or 5709.632 of the Revised Code until the municipal corporation or county has complied with division (A) of this section.

(2) On the first day of each ensuing calendar month until the municipal corporation or county complies with division (A) of this section, the director of development services shall either order the proper county auditor to deduct from the next succeeding payment of taxes to the municipal corporation or county under section 321.31, 321.32, 321.33, or 321.34 of the Revised Code an amount equal to one thousand dollars for each calendar month the municipal corporation or county fails to comply with that division, or order the county auditor to deduct that amount from the next succeeding payment to the municipal corporation or county from the undivided local government fund under section 5747.51 of the Revised Code. At the time such a payment is made, the county auditor shall comply with the director's order by issuing a warrant, drawn on the fund from which the money would have been paid, to the director of development services, who shall deposit the warrant into the state enterprise zone program administration fund created in division (C) of this section.

(C) The director, by rule, shall establish the state's application fee for applications submitted to a municipal corporation or county to enter into an agreement under section 5709.62, 5709.63, or 5709.632 of the Revised Code. In establishing the amount of the fee, the director shall consider the state's cost of administering the enterprise zone program, including the cost of reviewing the reports required under division (A) of this section. The director may change the amount of the fee at the times and in the increments

the director considers necessary. Any municipal corporation or county that receives an application shall collect the application fee and remit the fee for deposit in the state treasury to the credit of the ~~tax incentive programs~~ operating business assistance fund created in section 122.174 of the Revised Code.

(D) On or before the thirtieth day of June each year, the director of development services shall certify to the tax commissioner the information described under division (A)(7) of this section, derived from the reports submitted to the director under this section.

On the basis of the information certified under this division, the tax commissioner annually shall submit a report to the governor, the speaker of the house of representatives, the president of the senate, and the chairpersons of the ways and means committees of the respective houses of the general assembly, indicating for each enterprise zone the amount of state and local taxes that were not required to be paid because of exemptions granted under agreements entered into under section 5709.62, 5709.63, or 5709.632 of the Revised Code and the amount of additional taxes paid from the payroll of new employees.

Sec. 5709.882. (A) On or before the thirty-first day of March each year, a municipal corporation or county that has entered into an agreement with an enterprise under section 5709.88 of the Revised Code shall submit to the ~~director~~ directors of development services and environmental protection and the board of education of each school district of which a municipal corporation or county to which such an agreement applies is a part a report on all such agreements in effect during the preceding calendar year. The report shall include all of the following information:

(1) The number of enterprises that are subject to such agreements and the number of full-time employees subject to those agreements in the county or municipal corporation;

(2) The number of agreements approved and executed during the calendar year for which the report is submitted, the total number of agreements in effect on the thirty-first day of December of the preceding calendar year, the number of agreements that expired during the calendar year for which the report is submitted, and the number of agreements scheduled to expire during the calendar year in which the report is submitted. For each agreement that expired during the calendar year for which the report is submitted, the municipal corporation or county shall include the amount of taxes exempted and the estimated dollar value of any other incentives provided under the agreement.

(3) The number of agreements receiving compliance reviews by the tax

incentive review council in the municipal corporation or county under section 5709.883 of the Revised Code during the calendar year for which the report is submitted, including all of the following information:

(a) The number of agreements the terms of which an enterprise has complied with, indicating separately for each such agreement the value of the real and personal property exempted pursuant to the agreement and a comparison of the stipulated and actual schedules for hiring new employees, for retaining existing employees, for the amount of payroll of the enterprise attributable to these employees, and for remediating and investing in establishing, expanding, renovating, or occupying a facility;

(b) The number of agreements the terms of which an enterprise has failed to comply with, indicating separately for each such agreement the value of the real and personal property exempted pursuant to the agreement and a comparison of the stipulated and actual schedules for hiring new employees, for retaining existing employees, for the amount of payroll of the enterprise attributable to these employees, and for remediating and investing in establishing, expanding, renovating, or occupying a facility;

(c) The number of agreements about which the tax incentive review council made recommendations to the legislative authority of the municipal corporation or county, and the number of such recommendations that have not been followed;

(d) The number of agreements rescinded during the calendar year for which the report is submitted.

(4) The number of enterprises that are subject to agreements and the number of new employees hired and existing employees retained by each such enterprise;

(5)(a) The number of enterprises that are subject to agreements and that closed or reduced employment at any place of business within the state for the primary purpose of remediating and establishing, expanding, renovating, or occupying a facility, indicating separately for each such enterprise the political subdivision in which the enterprise closed or reduced employment at a place of business and the number of full-time employees transferred and retained by each such place of business;

(b) The number of enterprises that are subject to agreements and that closed or reduced employment at any place of business outside the state for the primary purpose of remediating and establishing, expanding, renovating, or occupying a facility.

(B) Upon the failure of a municipal corporation or county to comply with division (A) of this section, both of the following apply:

(1) Beginning on the first day of April of the calendar year in which the

municipal corporation or county fails to comply with that division, the municipal corporation or county shall not enter into any agreements with an enterprise under section 5709.88 of the Revised Code until the municipal corporation or county has complied with division (A) of this section;

(2) On the first day of each ensuing calendar month until the municipal corporation or county complies with that division, the director of development services shall either order the proper county auditor to deduct from the next succeeding payment of taxes to the municipal corporation or county under section 321.31, 321.32, 321.33, or 321.34 of the Revised Code an amount equal to five hundred dollars for each calendar month the municipal corporation or county fails to comply with that division, or order the county auditor to deduct such an amount from the next succeeding payment to the municipal corporation or county from the undivided local government fund under section 5747.51 of the Revised Code. At the time such a payment is made, the county auditor shall comply with the director's order by issuing a warrant, drawn on the fund from which such money would have been paid, to the director of development services, who shall deposit the warrant into the contaminated sites development program administration fund created in division (C) of this section.

(C) The director, by rule, shall establish the state's application fee for applications submitted to a municipal corporation or county to enter into an agreement under section 5709.88 of the Revised Code. In establishing the amount of the fee, the director shall consider the state's cost of administering this section and section 5709.88 of the Revised Code. The director may change the amount of the fee at such times and in such increments as ~~he~~ the director considers necessary. Any municipal corporation or county that receives an application shall collect the application fee and remit the fee for deposit in the state treasury to the credit of the contaminated sites development program administration fund, which is hereby created. Money credited to the fund shall be used by the ~~department of development services~~ agency to pay the costs of administering this section and section 5709.88 of the Revised Code.

Sec. 6103.052. (A) ~~A board of county commissioners may apply to the water and sewer commission, created by division (C) of section 1525.11 of the Revised Code, for an advance of moneys from the water and sewer fund, created by division (A) of section 1525.11 of the Revised Code, in an amount equal to that portion of the costs of an improvement authorized under sections 6103.02 to 6103.30 of the Revised Code which is to be financed by assessments whose collection is deferred pursuant to division (B) of this section. The application for such an advance of moneys shall be~~

~~made in the manner prescribed by rules of the commission.~~

(B) At any time prior to the expiration of the five-day period provided by section 6103.05 of the Revised Code for the filing of written objections, any owner of property which is classified on the general tax list of the county auditor as agricultural land and has been assessed for the extension of a main water line over or along such property under sections 6103.02 to 6103.30 of the Revised Code may file with the board of county commissioners a request in writing for deferment of the collection of his the owner's assessment if the main water line serves a purpose set forth in section 1525.13 of the Revised Code for which the water and sewer fund may be used provides water facilities to aid in the establishment of new industrial plants, the expansion of existing industrial plants, or such other industrial development, or provides water facilities to aid in the establishment of commercial and residential developments. Such request shall identify the property in connection with which the request for deferment is made, shall describe its present use and present classification on the general tax list of the county auditor, shall state its estimated market value, showing separately the value of the land and the value of the buildings thereon, shall state the reasons, if any, why a portion of the benefit of the improvement will not be realized until the use of the land is changed, and shall state the amount to be deferred. The board shall promptly consider such request and may order the deferment of the collection of that portion of the assessment representing a benefit from the improvement that will not be realized until the use of the land is changed. The board may, upon request of an owner whose property has been assessed for the extension of a main water line over or along such property under sections 6103.02 to 6103.31 of the Revised Code, defer all or any part of the assessment on property which is classified on the general tax list of the county auditor as agricultural land, by attributing the amount of such assessment or part thereof as tap-in charges, if the main water line serves a purpose set forth in section 1525.13 of the Revised Code for which the water and sewer fund may be used. ~~A deferment under this section may be conditioned upon the approval of the advance of moneys applied for pursuant to division (A) of this section, and a maximum length of the deferment may be fixed to coincide with the maximum time within which the advance must be repaid. The decision on the request for deferment of collection of assessments shall be made pursuant to standards established by rules of the commission~~ provides water facilities to aid in the establishment of new industrial plants, the expansion of existing industrial plants, or such other industrial development, or provides water facilities to aid in the establishment of commercial and

residential developments. Upon determination and approval of final assessments, the board of county commissioners shall certify all deferred assessments and a fee equal to ~~any fee paid by the board to the commission pursuant to division (C) of section 1525.12 of the Revised Code attributable to the~~ two per cent of the amount of the deferred assessments to the county auditor. For purposes of this section, "assessment," "deferred assessment," or "assessment deferred under this section" mean the fee and the deferred assessment certified to the county auditor. The county auditor shall record an assessment deferred under this section in the water works record. Such record shall be kept until such time as the assessments are paid in full or certified for collection in installments as provided in this section. During the time when the assessment is deferred there shall be a lien on the property assessed, which lien shall arise at the time of recordation by the county auditor and shall be in force until the assessments are paid in full or certified for collection in installments.

~~(C)(B)~~ (B) The board of county commissioners shall defer the collection of an assessment, except the amount of such assessment or part thereof attributable as tap-in charges, which has been deferred pursuant to division ~~(B)(A)~~ (A) of this section on or before January 1, 1987, beyond the expiration of the maximum time for the original deferment if the property owner requests in writing, no later than six months prior to the expiration of the original deferment, that the assessment be further deferred and as long as the property owner's land could qualify for placement in an agricultural district pursuant to section 929.02 of the Revised Code.

The board shall regularly review the use and ownership of the property for which the collection of assessments has been deferred pursuant to this division, and upon finding that the land could no longer qualify for placement in an agricultural district pursuant to section 929.02 of the Revised Code, the board shall immediately collect, without interest, the full amount of the assessment deferred ~~and repay the commission the amount of any moneys advanced by it in regard to such assessment. The board shall pay all such amounts to the commission in one annual payment or longer period as approved by the commission. The board shall pay, from the general funds of the county, interest annually at the interest rate per annum equal to that rate of interest published as the 20 bond index rate in "The Bond Buyer" minus four per cent per annum or at five per cent per annum, whichever is greater, for any moneys not repaid to the commission pursuant to this division within one year of the date of the disqualification of the property for the continual deferment which requires such repayment. The interest rate for any moneys not repaid to the commission shall be calculated~~

~~one year from the date of the disqualification of the property for the continual deferment which requires such repayment, and annually thereafter.~~

~~(D)~~(C) The board of county commissioners shall send a notice by regular or certified mail to all owners of property on which assessments have been deferred pursuant to division ~~(B)~~(A) of this section, which lists the expiration of the deferment, not later than two hundred ten days prior to the expiration of the deferment of those assessments.

~~(E)~~(D) The board shall collect the assessments, without interest, which have been deferred pursuant to division ~~(B)~~(A) of this section upon expiration of the maximum time for which deferments were made ~~and repay the commission the amount of any moneys advanced by it in regard to such assessments~~; provided, that for a property owner who requests in writing, no later than six months prior to the expiration of the deferment period, that payment of ~~his~~ the owner's deferred assessments be in installments, the board of county commissioners upon expiration of the deferment period may by resolution further certify for collection pursuant to section 6103.16 of the Revised Code, such deferred assessments in installments over not more than twenty years, as determined by the board, together with interest thereon each year on the unpaid balance at the same rate borne by bonds of the county which shall be issued in anticipation thereof as provided in Chapter 133. of the Revised Code, ~~and the proceeds of the bond issue used to repay such deferred assessments to the commission.~~

Assessments which have been deferred by attribution as tap-in charges under division ~~(B)~~(A) of this section shall be collected as deferred assessments at that time. ~~As the board collects tap-in charges which are deferred assessments under division (B) of this section, it shall repay the commission the amount thereof which was advanced by it in regard to such assessments.~~ An owner of property for which assessments have been deferred under division ~~(B)~~(A) of this section, in requesting a tap-in may, subject to the approval of the board, designate a part of an entire assessed tract as the part which the tap-in is to serve, and the board shall collect the deferred assessment on that tract in the proportion that the part bears to the entire tract, on a front foot or other basis approved by the commission, but if in the judgment of the board the tap-in is reasonably intended to serve the entire tract or substantially all of the tract, it shall collect the deferred assessment for the entire tract.

Prior to the expiration of the maximum time of deferment, the board shall regularly review the use of the property for which the collection of assessments has been deferred and upon finding, ~~pursuant to the rules of the commission,~~ that the use of the land has changed from the use at the time of

~~the deferment so that the benefit of the improvement can then be realized, the board shall immediately collect the full amount of the assessment for the portion of the property for which the use has so changed, without interest, and repay the commission the amount of any moneys advanced by it in regard to such assessment. The board shall pay all such amounts to the commission in one annual payment or longer period as approved by the commission. The board of county commissioners shall pay, from the general funds of the county, interest annually at the interest rate per annum equal to that rate of interest published as the 20-bond index rate in "The Bond Buyer" minus four per cent per annum or at five per cent per annum, whichever is greater, for any moneys not repaid to the commission pursuant to this division within one year of the date of the change in the use of property requiring such repayment, or of the date upon which payment of a tap-in charge is required by law to be made, whichever date is applicable. The interest rate for any moneys not repaid to the commission shall be calculated one year from the date of the change in the use of property requiring such repayment or from the date upon which payment of a tap-in charge is required by law to be made, whichever date is applicable, and annually thereafter.~~

~~Sec. 6117.062. (A) A board of county commissioners may apply to the water and sewer commission, created by division (C) of section 1525.11 of the Revised Code, for an advance of moneys from the water and sewer fund, created by division (A) of section 1525.11 of the Revised Code, in an amount equal to that portion of the costs of an improvement authorized under sections 6117.01 to 6117.45 of the Revised Code which is to be financed by assessments whose collection is deferred pursuant to division (B) of this section. The application for such an advance of moneys shall be made in the manner prescribed by rules of the commission.~~

~~(B) At any time prior to the expiration of the five-day period provided by section 6117.06 of the Revised Code for the filing of written objections, any owner of property which is classified on the general tax list of the county auditor as agricultural land and has been assessed for the extension of a trunk sewer line over or along such property under sections 6117.01 to 6117.45 of the Revised Code may file with the board of county commissioners a request in writing for deferment of the collection of his the assessment if the trunk sewer line serves a purpose, as set forth in section 1525.13 of the Revised Code, for which the fund may be used provides sewer facilities to aid in the establishment of new industrial plants, the expansion of existing industrial plants, or such other industrial development, or provides sewer facilities to aid in the establishment of commercial and~~

residential developments. Such request shall identify the property in connection with which the request for deferment is made, shall describe its present use and present classification on the general tax list of the county auditor, shall state its estimated market value, showing separately the value of the land and the value of the buildings thereon, shall state the reasons, if any, why a portion of the benefit of the improvement will not be realized until the use of the land is changed, and shall state the amount to be deferred. The board shall promptly consider such request and may order the deferment of the collection of that portion of the assessment representing a benefit from the improvement which will not be realized until the use of the land is changed. The board may, upon request of an owner whose property has been assessed for the extension of a trunk sewer line over or along such property under sections 6117.01 to 6117.45 of the Revised Code, defer all or any part of the assessment on property which is classified on the general tax list as agricultural land, by attributing the amount of such assessment or part thereof as tap-in charges, if the trunk sewer line ~~serves a purpose set forth in section 1525.13 of the Revised Code for which the fund may be used. A~~ deferment under this section may be conditioned upon the approval of the advance of moneys applied for pursuant to division (A) of this section, and a maximum length of the deferment may be fixed to coincide with the maximum time within which the advance must be repaid. The decision on the request for deferment of collection of assessments shall be made pursuant to standards established by rules of the commission provides sewer facilities to aid in the establishment of new industrial plants, the expansion of existing industrial plants, or such other industrial development, or provides sewer facilities to aid in the establishment of commercial and residential developments. Upon determination and approval of final assessments, the board of county commissioners shall certify all deferred assessments and a fee equal to ~~any fee paid by the board to the commission pursuant to division (C) of section 1525.12 of the Revised Code attributable to the deferred payments~~ two per cent of the amount of the deferred assessments to the county auditor. For purposes of this section, "assessment," "deferred assessment," or "assessment deferred under this section" mean the fee and the deferred assessment certified to the county auditor. The county auditor shall record an assessment deferred under this section in the sewer improvement record. Such record shall be kept until such time as the assessments are paid in full or certified for collection in installments as provided in this section. During the time when the assessment is deferred there shall be a lien on the property assessed, which lien shall arise at the time of recordation by the county auditor and which

shall be in force until the assessments are paid in full or certified for collection in installments.

~~(C)~~(B) The board of county commissioners shall defer the collection of an assessment, except the amount of such assessment or part thereof attributable as tap-in charges, which has been deferred pursuant to division ~~(B)~~(A) of this section on or before January 1, 1987, beyond the expiration of the maximum time for the original deferment if the property owner requests in writing, no later than six months prior to the expiration of the original deferment, that the assessment be further deferred and as long as the property owner's land could qualify for placement in an agricultural district pursuant to section 929.02 of the Revised Code.

The board shall regularly review the use and ownership of the property for which the collection of assessments has been deferred pursuant to this division, and upon finding that the land could no longer qualify for placement in an agricultural district pursuant to section 929.02 of the Revised Code, the board shall immediately collect, without interest, the full amount of the assessment deferred ~~and repay the commission the amount of any moneys advanced by it in regard to such assessment. The board shall pay all such amounts to the commission in one annual payment or longer period as approved by the commission. The board shall pay, from the general funds of the county, interest annually at the interest rate per annum equal to that rate of interest published as the 20 bond index rate in "The Bond Buyer" minus four per cent per annum or at five per cent per annum, whichever rate is greater, for any moneys not repaid to the commission pursuant to this division within one year of the date of the disqualification of the property for the continual deferment which requires such repayment. The interest rate for any moneys not repaid to the commission shall be calculated one year from the date of the disqualification of the property for the continual deferment which requires such repayment, and annually thereafter.~~

~~(D)~~(C) The board of county commissioners shall send a notice by regular or certified mail to all owners of property on which assessments have been deferred pursuant to division ~~(B)~~(A) of this section, which lists the expiration of the deferment, not later than two hundred ten days prior to the expiration of the deferment of those assessments.

~~(E)~~(D) The board shall collect assessments, without interest, which have been deferred pursuant to division ~~(B)~~(A) of this section upon expiration of the maximum time for which deferments were made ~~and repay the commission the amount of any moneys advanced by it in regard to such assessments;~~ provided that for a property owner who requests in writing, no

later than six months prior to the expiration of the deferment period, that payment of ~~his~~ the deferred assessments be in installments, the board of county commissioners upon expiration of the deferment period may by resolution further certify for collection pursuant to section 6117.33 of the Revised Code, such deferred assessments in installments over not more than twenty years, as determined by the board, together with interest thereon each year on the unpaid balance at the same rate borne by bonds of the county which shall be issued in anticipation thereof as provided in Chapter 133. of the Revised Code, ~~and the proceeds of the bond issue used to repay such deferred assessments to the commission.~~ Prior to the expiration of the maximum time of deferment, the board shall regularly review the use of the property for which the collection of assessments has been deferred and upon finding, ~~pursuant to the rules of the commission,~~ that the use of the land has changed from the use at the time of the deferment so that the benefit of the improvement can then be realized, the board shall immediately collect the full amount of the assessment for the portion of the property for which the use has so changed, without interest, ~~and repay the commission the amount of any moneys advanced by it in regard to such assessment. The board shall pay all such amounts to the commission in one annual payment or longer period as approved by the commission. The board shall pay, from the general funds of the county, interest annually at the interest rate per annum equal to that rate of interest published as the 20 bond index rate in "The Bond Buyer" minus four per cent per annum or at five per cent per annum, whichever is greater, for any moneys not repaid to the commission pursuant to this division within one year of the date of the change in the use of property requiring such repayment, or of the date upon which payment of a tap in charge is required by law to be made, whichever date is applicable. The interest rate for any moneys not repaid to the commission shall be calculated one year from the date of the change in the use of property requiring such repayment or from the date upon which payment of a tap in charge is required by law to be made, whichever date is applicable, and annually thereafter.~~

SECTION 2. That existing sections 9.981, 102.03, 121.02, 121.03, 121.22, 122.01, 122.011, 122.07, 122.071, 122.17, 122.171, 122.174, 122.175, 122.39, 122.41, 122.42, 122.43, 122.44, 122.48, 122.49, 122.50, 122.51, 122.52, 122.53, 122.561, 122.57, 122.60, 122.601, 122.602, 122.603, 122.61, 122.62, 122.64, 122.76, 122.80, 122.86, 149.311, 149.43, 164.05, 164.06, 164.08, 166.01, 166.04, 166.05, 166.11, 166.13, 166.14, 166.18, 166.19, 166.25, 166.30, 174.01, 184.01, 187.01, 187.03, 187.04, 187.05,

929.03, 1551.01, 3735.672, 3746.35, 5117.22, 5709.68, 5709.882, 6103.052, and 6117.062 and sections 122.40, 1525.11, 1525.12, 1525.13, and 6111.034 of the Revised Code are hereby repealed.

SECTION 3. In enacting this act, it is the intent of the General Assembly that changing the name of the "Department of Development" to the Development Services Agency and the name of the "Director of Development" to the Director of Development Services does not do either of the following:

(A) Make substantive changes in statutory law;

(B) Cause unnecessary expense. The letterhead, forms, printed materials, and signage displaying the former name of the Department may be used until they are replaced.

SECTION 4. Upon the effective date of this act, all references to the Department of Development or Director of Development in other uncodified sections of law in Am. Sub. H.B. 153 of the 129th General Assembly and Am. Sub. H.B. 114 of the 129th General Assembly, shall be deemed to refer to the Development Services Agency or the Director of Development Services, respectively.

SECTION 5. (A) There is hereby established a five-year pilot program to test a new funding mechanism for the state's travel and tourism marketing. The funding mechanism shall begin operation in fiscal year 2014 and be calculated as follows:

(1)(a) Not later than the twentieth day of October of each year, starting in 2013 and ending in 2017, the Tax Commissioner shall calculate the growth in fiscal year sales tax revenue from certain defined categories that are related to tourism and certify that amount to the Director of Budget and Management.

(b) Not later than the twentieth day of October of each year, starting in 2013 and ending in 2017, the Commissioner shall calculate and certify to the Director the difference, if greater than zero, between the revenue collected from the tax imposed under section 5739.02 of the Revised Code during the twelve-month period ending on the last day of the preceding June and the revenue collected during the same twelve-month period one year earlier, for all vendors classified under the industry codes identified in division (A)(2)

of this section. On or before the last day of October of each year, starting in 2013 and ending in 2017, the Director of Budget and Management shall transfer from the General Revenue Fund to the Tourism Fund created in section 122.072 of the Revised Code the amount certified by the Commissioner under this division, except that the transfer shall not exceed ten million dollars for any fiscal year.

(c) Each fiscal year, beginning in fiscal year 2015, the Tax Commissioner shall adjust the ten million annual dollar limit on transfers to the Tourism Fund. The adjustment shall be made by adding to the annual limit the product of multiplying the limit for the preceding fiscal year by the sum of one plus the percentage increase in the Consumer Price Index for all urban consumers for the Midwest region, as determined by the United States Bureau of Labor Statistics, for the twelve-month period corresponding to the preceding fiscal year. The result shall be rounded to the nearest one thousand dollars. The calculation of the percentage increase in the Consumer Price Index shall be done by taking the average index value over the twelve months of the last completed fiscal year and comparing that to the average index value over the twelve months of the immediately preceding fiscal year.

(2) The following industries included in the industrial classification system used by the Tax Commissioner shall be used in the computations under division (A)(1) of this section: air transportation; water transportation; interurban and rural bus transportation; taxi service; limousine service; other transit and ground passenger transportation; scenic and sightseeing transportation; support activities for air transportation; automotive equipment rental and leasing; travel arrangement and reservation services; performing arts companies; spectator sports; independent artists, writers, and performers; museums, historical sites, and similar institutions; amusement parks and arcades; gambling industries; hotels and motels; casino hotels; bed-and-breakfast inns; other travel accommodations; recreational vehicle parks and recreational camps; full-service restaurants; limited-service eating places; drinking places (alcoholic beverages).

(B) The pilot program shall terminate when the last transfer of funds made in accordance with division (A)(1)(b) of this section occurs in fiscal year 2018, specifically in October 2017. At that time, the Director of Development Services, the Director of Budget and Management, and the Tax Commissioner shall jointly review the pilot program and make recommendations to the Governor and the General Assembly on whether to make the funding mechanism permanent and, if so, whether any changes should be made to it. If the recommendation is to make the funding

mechanism permanent, the Director of Development Services, the Director of Budget and Management, and the Tax Commissioner shall also study and make recommendations to the Governor and the General Assembly as to whether the Office of TourismOhio and its functions should be removed from the Development Services Agency and established as a private nonprofit corporation or a subsidiary corporation of JobsOhio.

SECTION 6. (A) As used in this section, "federal act" means the "Small Business Liability Relief and Brownfields Revitalization Act," 115 Stat. 2356 (2002), 42 U.S.C. 9601 and 9604.

(B) There is hereby created in the state treasury the Brownfields Revolving Loan Fund. The Fund shall consist of all moneys received by the state from the United States Department of Environmental Protection under the federal act. The Fund shall be used to make grants and loans by the Director of Development Services.

(C) The Director shall administer moneys received into the Fund and comply with all requirements imposed by the federal act in its application for, and administration of, the funds as grants and loans.

(D) The Director shall establish a schedule of fees and charges payable by grant and loan recipients to the Director for the administration of this section.

SECTION 7. The amendment by this act adding division (C)(2) to section 122.17 of the Revised Code does not apply to projects that are completed before the effective date of this section.

SECTION 8. Section 122.42 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. H.B. 117 and Am. Sub. H.B. 356 of the 121st General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

SECTION 9. Section 149.43 of the Revised Code is presented in this act as a composite of the section as amended by both Sub. H.B. 64 and Am. Sub. H.B. 153 of the 129th General Assembly. The General Assembly,

applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Am. Sub. S. B. No. 314

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 _____