

# AN ACT

To amend sections 121.08, 122.136, 122.21, 122.25, 122.37, 122.64, 122.89, 122.94, 122.941, 127.14, 149.311, 150.10, 166.13, 166.18, 184.02, 1551.34, 3731.02, 4740.06, and 6301.12 and to enact sections 107.35, 3333.91, and 6301.11 of the Revised Code to revise the coordination of workforce development and economic development programs; to synchronize the due dates of several reports due from the Development Services Agency, the Ohio Venture Capital Authority, and the Third Frontier Commission; to revise the law regarding innovation financial assistance and research and development financial assistance; to require the Department of Job and Family Services to consult with the Governor's executive workforce board and create a list of in-demand jobs in this state; to require the Office of Workforce Development annual report to be completed annually by July 30; to make changes regarding the administration of the Medicaid Reserve Fund; and to permit the Director of Commerce, the State Fire Marshal, and the Ohio Construction Industry Licensing Board to establish compliance incentive programs.

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

SECTION 1. That sections 121.08, 122.136, 122.21, 122.25, 122.37, 122.64, 122.89, 122.94, 122.941, 127.14, 149.311, 150.10, 166.13, 166.18, 184.02, 1551.34, 3731.02, 4740.06, and 6301.12 be amended and sections 107.35, 3333.91, and 6301.11 of the Revised Code be enacted to read as follows:

Sec. 107.35. Not later than December 31, 2014, the governor's office of workforce transformation, with staff support and assistance from the departments of job and family services and education and the Ohio board of regents, shall establish criteria to use for evaluating the performance of state and local workforce programs using basic, aligned workforce measures related to system efficiency and effectiveness. The office shall develop and make available on the internet through a web site a public dashboard to display metrics regarding the state's administration of primary workforce programs, including the following programs:

(A) The adult basic and literacy education program;

(B) Programs administered under the federal "Carl D. Perkins Career and Technical Education Act of 2006," 120 Stat. 683, 20 U.S.C. 2301 et seq., as amended;

(C) State aid and scholarships within the Ohio board of regents;

(D) Programs administered under title I of the federal "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C. 2801 et seq., as amended.

Sec. 121.08. (A) There is hereby created in the department of commerce the position of deputy director of administration. This officer shall be appointed by the director of commerce, serve under the director's direction, supervision, and control, perform the duties the director prescribes, and hold office during the director's pleasure. The director of commerce may designate an assistant director of commerce to serve as the deputy director of administration. The deputy director of administration shall perform the duties prescribed by the director of commerce in supervising the activities of the division of administration of the department of commerce.

(B) Except as provided in section 121.07 of the Revised Code, the department of commerce shall have all powers and perform all duties vested in the deputy director of administration, the state fire marshal, the superintendent of financial institutions, the superintendent of real estate and professional licensing, the superintendent of liquor control, the superintendent of industrial compliance, the superintendent of unclaimed funds, and the commissioner of securities, and shall have all powers and perform all duties vested by law in all officers, deputies, and employees of those offices. Except as provided in section 121.07 of the Revised Code, wherever powers are conferred or duties imposed upon any of those officers, the powers and duties shall be construed as vested in the department of commerce.

(C)(1) There is hereby created in the department of commerce a division of financial institutions, which shall have all powers and perform all duties vested by law in the superintendent of financial institutions. Wherever

powers are conferred or duties imposed upon the superintendent of financial institutions, those powers and duties shall be construed as vested in the division of financial institutions. The division of financial institutions shall be administered by the superintendent of financial institutions.

(2) All provisions of law governing the superintendent of financial institutions shall apply to and govern the superintendent of financial institutions provided for in this section; all authority vested by law in the superintendent of financial institutions with respect to the management of the division of financial institutions shall be construed as vested in the superintendent of financial institutions created by this section with respect to the division of financial institutions provided for in this section; and all rights, privileges, and emoluments conferred by law upon the superintendent of financial institutions shall be construed as conferred upon the superintendent of financial institutions as head of the division of financial institutions. The director of commerce shall not transfer from the division of financial institutions any of the functions specified in division (C)(2) of this section.

(D) There is hereby created in the department of commerce a division of liquor control, which shall have all powers and perform all duties vested by law in the superintendent of liquor control. Wherever powers are conferred or duties are imposed upon the superintendent of liquor control, those powers and duties shall be construed as vested in the division of liquor control. The division of liquor control shall be administered by the superintendent of liquor control.

(E) The director of commerce shall not be interested, directly or indirectly, in any firm or corporation which is a dealer in securities as defined in sections 1707.01 and 1707.14 of the Revised Code, or in any firm or corporation licensed under sections 1321.01 to 1321.19 of the Revised Code.

(F) The director of commerce shall not have any official connection with a savings and loan association, a savings bank, a bank, a bank holding company, a savings and loan association holding company, a consumer finance company, or a credit union that is under the supervision of the division of financial institutions, or a subsidiary of any of the preceding entities, or be interested in the business thereof.

(G) There is hereby created in the state treasury the division of administration fund. The fund shall receive assessments on the operating funds of the department of commerce in accordance with procedures prescribed by the director of commerce and approved by the director of budget and management. All operating expenses of the division of

administration shall be paid from the division of administration fund.

(H) There is hereby created in the department of commerce a division of real estate and professional licensing, which shall be under the control and supervision of the director of commerce. The division of real estate and professional licensing shall be administered by the superintendent of real estate and professional licensing. The superintendent of real estate and professional licensing shall exercise the powers and perform the functions and duties delegated to the superintendent under Chapters 4735., 4763., and 4767. of the Revised Code.

(I) There is hereby created in the department of commerce a division of industrial compliance, which shall have all powers and perform all duties vested by law in the superintendent of industrial compliance. Wherever powers are conferred or duties imposed upon the superintendent of industrial compliance, those powers and duties shall be construed as vested in the division of industrial compliance. The division of industrial compliance shall be under the control and supervision of the director of commerce and be administered by the superintendent of industrial compliance.

(J) There is hereby created in the department of commerce a division of unclaimed funds, which shall have all powers and perform all duties delegated to or vested by law in the superintendent of unclaimed funds. Wherever powers are conferred or duties imposed upon the superintendent of unclaimed funds, those powers and duties shall be construed as vested in the division of unclaimed funds. The division of unclaimed funds shall be under the control and supervision of the director of commerce and shall be administered by the superintendent of unclaimed funds. The superintendent of unclaimed funds shall exercise the powers and perform the functions and duties delegated to the superintendent by the director of commerce under section 121.07 and Chapter 169. of the Revised Code, and as may otherwise be provided by law.

(K) The department of commerce or a division of the department created by the Revised Code that is acting with authorization on the department's behalf may request from the bureau of criminal identification and investigation pursuant to section 109.572 of the Revised Code, or coordinate with appropriate federal, state, and local government agencies to accomplish, criminal records checks for the persons whose identities are required to be disclosed by an applicant for the issuance or transfer of a permit, license, certificate of registration, or certification issued or transferred by the department or division. At or before the time of making a request for a criminal records check, the department or division may require

any person whose identity is required to be disclosed by an applicant for the issuance or transfer of such a license, permit, certificate of registration, or certification to submit to the department or division valid fingerprint impressions in a format and by any media or means acceptable to the bureau of criminal identification and investigation and, when applicable, the federal bureau of investigation. The department or division may cause the bureau of criminal identification and investigation to conduct a criminal records check through the federal bureau of investigation only if the person for whom the criminal records check would be conducted resides or works outside of this state or has resided or worked outside of this state during the preceding five years, or if a criminal records check conducted by the bureau of criminal identification and investigation within this state indicates that the person may have a criminal record outside of this state.

In the case of a criminal records check under section 109.572 of the Revised Code, the department or division shall forward to the bureau of criminal identification and investigation the requisite form, fingerprint impressions, and fee described in division (C) of that section. When requested by the department or division in accordance with this section, the bureau of criminal identification and investigation shall request from the federal bureau of investigation any information it has with respect to the person who is the subject of the requested criminal records check and shall forward the requisite fingerprint impressions and information to the federal bureau of investigation for that criminal records check. After conducting a criminal records check or receiving the results of a criminal records check from the federal bureau of investigation, the bureau of criminal identification and investigation shall provide the results to the department or division.

The department or division may require any person about whom a criminal records check is requested to pay to the department or division the amount necessary to cover the fee charged to the department or division by the bureau of criminal identification and investigation under division (C)(3) of section 109.572 of the Revised Code, including, when applicable, any fee for a criminal records check conducted by the federal bureau of investigation.

(L) The director of commerce, or the director's designee, may adopt rules to enhance compliance with statutes pertaining to, and rules adopted by, divisions under the direction, supervision, and control of the department or director by offering incentive-based programs that ensure safety and soundness while promoting growth and prosperity in the state.

Sec. 122.136. The director of development services shall prepare and

submit a report to the governor and the general assembly annually on or before the first day of ~~February~~ August of the services and activities of the employee ownership assistance program for the preceding calendar year. The director shall include in the report information regarding the number, names, and locations of business establishments that have been or likely will be assisted as employee-owned corporations; recommendations on how to better operate the program; information regarding the effectiveness of the program in maintaining and improving employment in the state; and the number of individuals affected by the activities of the program.

Sec. 122.21. In administering the urban and rural initiative grant program created under section 122.20 of the Revised Code, the director of development services shall do all of the following:

(A) Annually designate, by the first day of January of each year, the entities that constitute the eligible areas in this state;

(B) Adopt rules in accordance with Chapter 119. of the Revised Code establishing procedures and forms by which eligible applicants in eligible areas may apply for a grant, which procedures shall include a requirement that the applicant file a redevelopment plan; standards and procedures for reviewing applications and awarding grants; procedures for distributing grants to recipients; procedures for monitoring the use of grants by recipients; requirements, procedures, and forms by which recipients who have received grants shall report their use of that assistance; and standards and procedures for terminating and requiring repayment of grants in the event of their improper use. The rules adopted under this division shall comply with sections 122.19 to 122.22 of the Revised Code and shall include a rule requiring that an eligible applicant who receives a grant from the program provide a matching contribution of at least twenty-five per cent of the amount of the grant awarded to the eligible applicant.

The rules shall require that any eligible applicant for a grant for land acquisition demonstrate to the director that the property to be acquired meets all state environmental requirements and that utilities for that property are available and adequate. The rules shall require that any eligible applicant for a grant for property eligible for the voluntary action program created under Chapter 3746. of the Revised Code receive disbursement of grant moneys only after receiving a covenant not to sue from the director of environmental protection under section 3746.12 of the Revised Code and shall require that those moneys be disbursed only as reimbursement of actual expenses incurred in the undertaking of the voluntary action. The rules shall require that whenever any money is granted for land acquisition, infrastructure improvements, or renovation of existing structures in order to develop an

industrial park site for a distressed area, labor surplus area, or situational distress area as defined in section 122.19 of the Revised Code that also is a distressed area, labor surplus area, or situational distress area as defined in section 122.23 of the Revised Code, a substantial portion of the site be used for manufacturing, distribution, high technology, research and development, or other businesses in which a majority of the product or service produced is exported out of the state. Any retail use at the site shall not constitute a primary use but only a use incidental to other eligible uses. The rules shall require that whenever any money is granted for land acquisition, infrastructure improvements, and renovation of existing structures in order to develop an industrial park site for a distressed area, labor surplus area, or situational distress area as defined in section 122.19 of the Revised Code that also is a distressed area, labor surplus area, or situational distress area as defined in section 122.23 of the Revised Code, the applicant for the grant shall verify to the ~~department of development~~ services agency the existence of a local economic development planning committee in a municipal corporation, county, or township whose territory includes the eligible area. The committee shall consist of members of the public and private sectors who live in that municipal corporation, county, or township. The local economic development planning committee shall prepare and submit to the ~~department~~ agency a five-year economic development plan for that municipal corporation, county, or township that identifies, for the five-year period covered by the plan, the economic development strategies of a municipal corporation, county, or township whose territory includes the proposed industrial park site. The economic development plan shall describe in detail how the proposed industrial park would complement other current or planned economic development programs for that municipal corporation, county, or township, including, but not limited to, workforce development initiatives, business retention and expansion efforts, small business development programs, and technology modernization programs.

(C) Report to the governor, president of the senate, speaker of the house of representatives, and minority leaders of the senate and the house of representatives by the ~~thirtieth~~ first day of ~~June~~ August of each year on the activities carried out under the program during the preceding calendar year. The report shall include the total number of grants made that year, and, for each individual grant awarded, the following: the amount and recipient, the eligible applicant, the purpose for awarding the grant, the number of firms or businesses operating at the awarded site, the number of employees employed by each firm or business, any excess capacity at an industrial park site, and any additional information the director declares to be relevant.

(D) Inform local governments and others in the state of the availability of grants under section 122.20 of the Revised Code;

(E) Annually compile, pursuant to rules adopted by the director of development services in accordance with Chapter 119. of the Revised Code, using pertinent information submitted by any municipal corporation, county, or township, a list of industrial parks located in the state. The list shall include the following information, expressed if possible in terms specified in the director's rules adopted under this division: location of each industrial park site, total acreage of each park site, total occupancy of each park site, total capacity for new business at each park site, total capacity of each park site for sewer, water, and electricity, a contact person for each park site, and any additional information the director declares to be relevant. Once the list is compiled, the director shall make it available to the governor, president of the senate, speaker of the house of representatives, and minority leaders of the senate and the house of representatives.

Sec. 122.25. (A) In administering the program established under section 122.24 of the Revised Code, the director of development services shall do all of the following:

(1) Annually designate, by the first day of January of each year, the entities that constitute the eligible areas in this state as defined in section 122.23 of the Revised Code;

(2) Inform local governments and others in the state of the availability of the program and financial assistance established under sections 122.23 to 122.27 of the Revised Code;

(3) Report to the governor, president of the senate, speaker of the house of representatives, and minority leaders of the senate and the house of representatives by the ~~thirtieth~~ first day of ~~June~~ August of each year on the activities carried out under the program during the preceding calendar year. The report shall include the number of loans made that year and the amount and recipient of each loan.

(4) Work in conjunction with conventional lending institutions, local revolving loan funds, private investors, and other private and public financing sources to provide loans or loan guarantees to eligible applicants;

(5) Establish fees, charges, interest rates, payment schedules, local match requirements, and other terms and conditions for loans and loan guarantees provided under the program;

(6) Require each applicant to demonstrate the suitability of any site for the assistance sought; that the site has been surveyed, that the site has adequate or available utilities, and that there are no zoning restrictions, environmental regulations, or other matters impairing the use of the site for

the purpose intended;

(7) Require each applicant to provide a marketing plan and management strategy for the project;

(8) Adopt rules establishing all of the following:

(a) Forms and procedures by which eligible applicants may apply for assistance;

(b) Criteria for reviewing, evaluating, and ranking applications, and for approving applications that best serve the goals of the program;

(c) Reporting requirements and monitoring procedures;

(d) Guidelines regarding situations in which industrial parks would be considered to compete against one another for the purposes of division (B)(2) of section 122.27 of the Revised Code;

(e) Any other rules necessary to implement and administer the program.

(B) The director may adopt rules establishing requirements governing the use of any industrial park site receiving assistance under section 122.24 of the Revised Code, such that a certain portion of the site must be used for manufacturing, distribution, high technology, research and development, or other businesses wherein a majority of the product or service produced is exported out of the state.

(C) As a condition of receiving assistance under section 122.24 of the Revised Code, and except as provided in division (D) of this section, an applicant shall agree, for a period of five years, not to permit the use of a site that is developed or improved with such assistance to cause the relocation of jobs to that site from elsewhere in the state.

(D) A site developed or improved with assistance under section 122.24 of the Revised Code may be the site of jobs relocated from elsewhere in the state if the director of development services does all of the following:

(1) Makes a written determination that the site from which the jobs would be relocated is inadequate to meet market or industry conditions, expansion plans, consolidation plans, or other business considerations affecting the relocating employer;

(2) Provides a copy of the determination required by division (D)(1) of this section to the members of the general assembly whose legislative districts include the site from which the jobs would be relocated;

(3) Determines that the governing body of the area from which the jobs would be relocated has been notified in writing by the relocating company of the possible relocation.

(E) The director of development services shall obtain the approval of the controlling board for any loan or loan guarantee provided under sections 122.23 to 122.27 of the Revised Code.

Sec. 122.37. (A) There is hereby created in the ~~department~~ of development services agency the steel futures program, for the purpose of preserving and improving the existing industrial base of the state, improving the economy of the state by providing employment, increased productivity, and ensuring continued technological development consistent with these goals, and maintaining a high standard of living for the people of this state. The steel futures ~~program~~ program may be supplemental to any other enterprise assistance program administered by the director of development services, and shall be administered so as to provide financial and technical assistance to increase the competitiveness of existing steel and steel-related industries in this state, and to encourage establishment and development of new industries of this type within the state.

~~Within six months after the effective date of this section, the~~ The director shall develop a strategy for financial and technical assistance to steel and steel-related industries in the state, which shall include investment policies with regard to these industries.

(B) In administering the program, the director may consult with appropriate representatives of steel and steel-related industries, appropriate representatives of any union that represents workers in these industries, and other persons with expert knowledge in these industries.

(C) The director of development services shall consult with the ~~chairman~~ chairperson of the public utilities commission to foster development of public and private cooperative efforts that result in energy savings and reduced energy costs for steel and steel-related industries.

(D) Assistance may be made available to steel and steel-related industries undertaking projects the director determines to have long-term implications for and broad applicability to the economy of this state when the director finds:

(1) The undertaking of projects by the industries will benefit the people of the state by creating or preserving jobs and employment opportunities or improving the economic welfare of the people of this state, and promoting development of new technology or improving application of existing steel and steel-related technology.

(2) The undertaking of projects by the industries will allow them to compete more effectively in the marketplace.

(E) Projects eligible to receive assistance under the steel futures program may include, but are not limited to, the following areas:

(1) Research and development specifically related to steel and steel-related industries and feasibility studies for business development within these industries;

- (2) Employee training;
- (3) Labor and management relations; and
- (4) Technology-driven capital investment.

(F) Financial and technical assistance may be in the form and conditioned upon terms as the director considers appropriate.

(G) No later than the ~~thirtieth~~ first day of ~~June in the first year after the effective date of this section, and no later than the thirtieth day of June~~ August of each year ~~thereafter~~, the director shall submit a report to the general assembly describing projects of the steel futures program, results obtained from completed projects of the program, and program projects for the next fiscal year.

Sec. 122.64. (A) There is hereby established in the development services agency a business services division. 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.

(B) The director of development services shall:

(1) 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.

(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;

(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;

(4) Supervise the administrative operations of the division;

(5) On or before the first day of ~~October~~ August 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. 122.89. (A) The director of development services may execute bonds as surety for minority businesses as principals, on contracts with the state, any political subdivision or instrumentality thereof, or any person as the obligee. The director as surety may exercise all the rights and powers of a company authorized by the department of insurance to execute bonds as surety but shall not be subject to any requirements of a surety company under Title XXXIX of the Revised Code nor to any rules of the department of insurance.

(B) The director, with the advice of the minority development financing advisory board, shall adopt rules under Chapter 119. of the Revised Code establishing procedures for application for surety bonds by minority businesses and for review and approval of applications. The board shall review each application in accordance with the rules and, based on the bond worthiness of each applicant, shall refer all qualified applicants to the director. Based on the recommendation of the board, the director shall determine whether or not the applicant shall receive bonding.

(C) The rules of the board shall require the minority business to pay a premium in advance for the bond to be established by the director, with the advice of the board after the director receives advice from the superintendent of insurance regarding the standard market rates for premiums for similar bonds. All premiums paid by minority businesses shall be paid into the minority business bonding program administrative and loss reserve fund.

(D) The rules of the board shall provide for a retainage of money paid to the minority business or EDGE business enterprise of fifteen per cent for a contract valued at more than fifty thousand dollars and for a retainage of twelve per cent for a contract valued at fifty thousand dollars or less.

(E) The penal sum amounts of all outstanding bonds issued by the director shall not exceed the amount of moneys in the minority business bonding fund and available to the fund under division (B) of section 169.05 of the Revised Code.

(F) The superintendent of insurance shall provide such technical and professional assistance as is considered necessary by the director, including providing advice regarding the standard market rates for bond premiums as described under division (C) of this section.

(G) Notwithstanding any provision of the Revised Code to the contrary, a minority business or EDGE business enterprise may bid or enter into a

contract with the state or with any instrumentality of the state without being required to provide a bond as follows:

(1) For the first contract that a minority business or EDGE business enterprise enters into with the state or with any particular instrumentality of the state, the minority business or EDGE business enterprise may bid or enter into a contract valued at twenty-five thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise is participating in a qualified contractor assistance program or has successfully completed a qualified contractor assistance program after ~~the effective date of this amendment~~ October 16, 2009;

(2) After the state or any particular instrumentality of the state has accepted the first contract as completed and all subcontractors and suppliers on the contract have been paid, the minority business or EDGE business enterprise may bid or enter into a second contract with the state or with that particular instrumentality of the state valued at fifty thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise is participating in a qualified contractor assistance program or has successfully completed a qualified contractor assistance program after ~~the effective date of this amendment~~ October 16, 2009;

(3) After the state or any particular instrumentality of the state has accepted the second contract as completed and all subcontractors and suppliers on the contract have been paid, the minority business or EDGE business enterprise may bid or enter into a third contract with the state or with that particular instrumentality of the state valued at one hundred thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor assistance program after ~~the effective date of this amendment~~ October 16, 2009;

(4) After the state or any particular instrumentality of the state has accepted the third contract as completed and all subcontractors and suppliers on the contract have been paid, the minority business or EDGE business enterprise may bid or enter into a fourth contract with the state or with that particular instrumentality of the state valued at three hundred thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor assistance program after ~~the effective date of this amendment~~ October 16, 2009;

(5) After the state or any instrumentality of the state has accepted the fourth contract as completed and all subcontractors and suppliers on the

contract have been paid, upon a showing that with respect to a contract valued at four hundred thousand dollars or less with the state or with any particular instrumentality of the state, that the minority business or EDGE business enterprise either has been denied a bond by two surety companies or that the minority business or EDGE business enterprise has applied to two surety companies for a bond and, at the expiration of sixty days after making the application, has neither received nor been denied a bond, the minority business or EDGE business enterprise may repeat its participation in the unbonded state contractor program. Under no circumstances shall a minority business or EDGE business enterprise be permitted to participate in the unbonded state contractor program more than twice.

(H) Notwithstanding any provision of the Revised Code to the contrary, a minority business or EDGE business enterprise may bid or enter into a contract with any political subdivision of the state or with any instrumentality of a political subdivision without being required to provide a bond as follows:

(1) For the first contract that the minority business or EDGE business enterprise enters into with any particular political subdivision of the state or with any particular instrumentality of a political subdivision, the minority business or EDGE business enterprise may bid or enter into a contract valued at twenty-five thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise is participating in a qualified contractor assistance program or has successfully completed a qualified contractor assistance program after ~~the effective date of this amendment~~ October 16, 2009;

(2) After any political subdivision of the state or any instrumentality of a political subdivision has accepted the first contract as completed and all subcontractors and suppliers on the contract have been paid, the minority business or EDGE business enterprise may bid or enter into a second contract with that particular political subdivision of the state or with that particular instrumentality of a political subdivision valued at fifty thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise is participating in a qualified contractor assistance program or has successfully completed a qualified contractor assistance program after ~~the effective date of this amendment~~ October 16, 2009;

(3) After any political subdivision of the state or any instrumentality of a political subdivision has accepted the second contract as completed and all subcontractors and suppliers on the contract have been paid, the minority business or EDGE business enterprise may bid or enter into a third contract

with that particular political subdivision of the state or with that particular instrumentality of a political subdivision valued at one hundred thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor assistance program after ~~the effective date of this amendment~~ October 16, 2009;

(4) After any political subdivision of the state or any instrumentality of a political subdivision has accepted the third contract as completed and all subcontractors and suppliers on the contract have been paid, the minority business or EDGE business enterprise may bid or enter into a fourth contract with that particular political subdivision of the state or with that particular instrumentality of a political subdivision valued at two hundred thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor assistance program after ~~the effective date of this amendment~~ October 16, 2009;

(5) After any political subdivision of the state or any instrumentality of a political subdivision has accepted the fourth contract as completed and all subcontractors and suppliers on the contract have been paid, upon a showing that with respect to a contract valued at three hundred thousand dollars or less with any political subdivision of the state or any instrumentality of a political subdivision, that the minority business or EDGE business enterprise either has been denied a bond by two surety companies or that the minority business or EDGE business enterprise has applied to two surety companies for a bond and, at the expiration of sixty days after making the application, has neither received nor been denied a bond, the minority business or EDGE business enterprise may repeat its participation in the unbonded political subdivision contractor program. Under no circumstances shall a minority business or EDGE business enterprise be permitted to participate in the unbonded political subdivision contractor program more than twice.

(I) Notwithstanding any provision of the Revised Code to the contrary, if a minority business or EDGE business enterprise has entered into two or more contracts with the state or with any instrumentality of the state, the minority business or EDGE business enterprise may bid or enter into a contract with a political subdivision of the state or with any instrumentality of a political subdivision valued at the level at which the minority business or EDGE business enterprise would qualify if entering into an additional contract with the state.

(J) The director of development services shall coordinate and oversee

the unbonded state contractor program described in division (G) of this section, the unbonded political subdivision contractor program described in division (H) of this section, and the approval of a qualified contractor assistance program. The director shall prepare an annual report and submit it to the governor and the general assembly on or before the first day of ~~February~~ August that includes the following: information on the director's activities for the preceding calendar year regarding the unbonded state contractor program, the unbonded political subdivision contractor program, and the qualified contractor assistance program; a summary and description of the operations and activities of these programs; an assessment of the achievements of these programs; and a recommendation as to whether these programs need to continue.

(K) As used in this section:

(1) "EDGE business enterprise" means an EDGE business enterprise certified under section 123.152 of the Revised Code.

(2) "Qualified contractor assistance program" means an educational program or technical assistance program for business development that is designed to assist a minority business or EDGE business enterprise in becoming eligible for bonding and has been approved by the director of development services for use as required under this section.

(3) "Successfully completed a qualified contractor assistance program" means the minority business or EDGE business enterprise completed such a program on or after ~~the effective date of this amendment~~ October 16, 2009.

(4) "Unbonded state contractor program" means the program described in division (G) of this section.

(5) "Unbonded political subdivision contractor program" means the program described in division (H) of this section.

Sec. 122.94. The director of development services shall:

(A) Promulgate rules in accordance with Chapter 119. of the Revised Code for the conduct of the minority business development division's business and for carrying out the purposes of sections 122.92 to 122.94 of the Revised Code;

(B) Prepare an annual report to the governor and the general assembly on or before the first day of ~~February~~ August of its activities for the preceding calendar year.

Sec. 122.941. (A) On or before the first day of ~~October~~ August in each year, the director of development services shall make an annual report of the activities and operations under the assistance programs of the ~~department~~ development services agency for the preceding fiscal year to the governor and general assembly. The annual report shall include a detailing of those

grants, guarantees, loans, and other forms of state assistance to women-owned businesses.

(B) As used in this section:

(1) "Women-owned business" means any individual, partnership, corporation, or joint venture of any kind that is owned and controlled by women who are United States citizens and residents of this state.

(2) "Owned and controlled" means that at least fifty-one per cent of the business, including corporate stock if it is a corporation, is owned by women and that such owners have control over the day-to-day operations of the business and an interest in the capital, assets, and profits and losses of the business proportionate to their percentage of ownership. In order to qualify as a women-owned business, a business shall have been owned by such owners at least one year.

Sec. 127.14. The controlling board may, at the request of any state agency or the director of budget and management, authorize, with respect to the provisions of any appropriation act:

(A) Transfers of all or part of an appropriation within but not between state agencies, except such transfers as the director of budget and management is authorized by law to make, provided that no transfer shall be made by the director for the purpose of effecting new or changed levels of program service not authorized by the general assembly;

(B) Transfers of all or part of an appropriation from one fiscal year to another;

(C) Transfers of all or part of an appropriation within or between state agencies made necessary by administrative reorganization or by the abolition of an agency or part of an agency;

(D) Transfers of all or part of cash balances in excess of needs from any fund of the state to the general revenue fund or to such other fund of the state to which the money would have been credited in the absence of the fund from which the transfers are authorized to be made, except that the controlling board may not authorize such transfers from the accrued leave liability fund, auto registration distribution fund, local motor vehicle license tax fund, budget stabilization fund, building improvement fund, development bond retirement fund, facilities establishment fund, gasoline excise tax fund, general revenue fund, higher education improvement fund, highway improvement bond retirement fund, highway obligations bond retirement fund, highway capital improvement fund, highway operating fund, horse racing tax fund, improvements bond retirement fund, public library fund, liquor control fund, local government fund, local transportation improvement program fund, medicaid reserve fund, mental health facilities

improvement fund, Ohio fairs fund, parks and recreation improvement fund, public improvements bond retirement fund, school district income tax fund, state agency facilities improvement fund, state and local government highway distribution fund, state highway safety fund, state lottery fund, undivided liquor permit fund, Vietnam conflict compensation bond retirement fund, volunteer fire fighters' dependents fund, waterways safety fund, wildlife fund, workers' compensation fund, or any fund not specified in this division that the director of budget and management determines to be a bond fund or bond retirement fund;

(E) Transfers of all or part of those appropriations included in the emergency purposes account of the controlling board;

(F) Temporary transfers of all or part of an appropriation or other moneys into and between existing funds, or new funds, as may be established by law when needed for capital outlays for which notes or bonds will be issued;

(G) Transfer or release of all or part of an appropriation to a state agency requiring controlling board approval of such transfer or release as provided by law;

(H) Temporary transfer of funds included in the emergency purposes appropriation of the controlling board. Such temporary transfers may be made subject to conditions specified by the controlling board at the time temporary transfers are authorized. No transfers shall be made under this division for the purpose of effecting new or changed levels of program service not authorized by the general assembly.

As used in this section, "request" means an application by a state agency or the director of budget and management seeking some action by the controlling board.

When authorizing the transfer of all or part of an appropriation under this section, the controlling board may authorize the transfer to an existing appropriation item and the creation of and transfer to a new appropriation item.

Whenever there is a transfer of all or part of funds included in the emergency purposes appropriation by the controlling board, pursuant to division (E) of this section, the state agency or the director of budget and management receiving such transfer shall keep a detailed record of the use of the transferred funds. At the earliest scheduled meeting of the controlling board following the accomplishment of the purposes specified in the request originally seeking the transfer, or following the total expenditure of the transferred funds for the specified purposes, the state agency or the director of budget and management shall submit a report on the expenditure of such

funds to the board. The portion of any appropriation so transferred which is not required to accomplish the purposes designated in the original request to the controlling board shall be returned to the proper appropriation of the controlling board at this time.

Notwithstanding any provisions of law providing for the deposit of revenues received by a state agency to the credit of a particular fund in the state treasury, whenever there is a temporary transfer of funds included in the emergency purposes appropriation of the controlling board pursuant to division (H) of this section, revenues received by any state agency receiving such a temporary transfer of funds shall, as directed by the controlling board, be transferred back to the emergency purposes appropriation.

The board may delegate to the director of budget and management authority to approve transfers among items of appropriation under division (A) of this section.

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 an 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 an 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 an 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 an 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

an 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 an historic building to which a rehabilitation tax credit certificate was issued under this section.

(6) "Registered historic district" means an historic district listed in the national register of historic places under 16 U.S.C. 470a, an 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.

(7) "Rehabilitation" means the process of repairing or altering an 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.

(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.

(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 an historic building may apply to the director of development services 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 an historic building. If the owner of an 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, may be attributed to the qualified lessee.

The form and manner of filing such applications shall be prescribed by rule of the director. 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 services 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 an 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 services 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 services 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)~~(8)(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)~~(8)(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 services 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 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 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 services 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, 5726.52, 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~~ August each year, the director of development services 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, 5726.52, 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, 5726.52, 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 services 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 services 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, 5726.52, 5729.17, ~~5733.44~~ 5733.47, 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 services in administering this section and sections 5725.151, 5725.34, 5726.52, 5729.17, ~~5733.44~~ 5733.47, 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. 150.10. (A) On the first day of January of the second year after the date of entering into an agreement under section 150.05 of the Revised Code and on the first day of August of each ensuing year, the authority shall file with the clerk of the house of representatives, the clerk of the senate, and the chairpersons of the house and senate standing committees predominantly concerned with economic development a written report on the Ohio venture capital program. The report shall include all the following:

(1) A description of the details of the investment policy established or modified in accordance with sections 150.03 and 150.04 of the Revised Code;

(2) The authority's assessment of the program's achievement of its purpose stated in section 150.01 of the Revised Code;

(3) The value of tax credit certificates issued by the authority under section 150.07 of the Revised Code in each fiscal year ending on or before the preceding thirtieth day of June;

(4) The amount of tax credits claimed pursuant to section 5707.031, 5725.19, 5726.53, 5727.241, 5729.08, 5733.49, or 5747.80 of the Revised Code, as to the respective taxes involved;

(5) The financial status of the Ohio venture capital fund;

(6) The names of venture capital funds in which money from the program fund has been invested and the locations of their principal offices, and the names of the enterprises in which each of those venture capital funds has invested such money and the locations of those enterprises' principal offices;

(7) Any recommendations for modifying the program to better achieve

the purpose stated in section 150.01 of the Revised Code.

(B) During each year that a report is issued under division (A) of this section, the chairperson of the authority, or another member of the authority designated by the chairperson as the authority's representative, shall be required to appear in person before the standing committees of the house and senate predominantly concerned with economic development to give testimony concerning the status of the Ohio venture capital program.

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 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~~ person 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~~ director may not enter into an agreement to provide innovation financial assistance until the director determines that the appropriate local governmental bodies and state officials have been notified.

(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. 166.18. (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 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~~ person 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~~ director may not enter into an agreement to provide research and development financial assistance until the director determines that the appropriate local government bodies and state officials have been notified.

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

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

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

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

(4) Contract with, retain the services of, or designate, and fix the compensation of, such financial consultants, accountants, other consultants and advisors, and other independent contractors as may be necessary or

desirable to carry out its duties;

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

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

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

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

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

(2) ~~Within ninety days after the end of each fiscal~~ On or before the first day of August of each year, submit to the governor and the general assembly a report of the activities of the commission during the preceding fiscal year;

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

Sec. 1551.34. On or before the ~~thirty-first~~ first day of ~~March~~ August of ~~the second~~ each even-numbered year of ~~each biennium~~, the director of the Ohio coal development office established under section 1551.32 of the Revised Code shall submit to the governor and the general assembly an Ohio coal development agenda. Prior to each submission, the office shall solicit public comment on the agenda to give interested parties an opportunity to comment on the agenda. The director shall consider any public comments received prior to the agenda's submission. The agenda shall include, but is not limited to, all of the following:

(A) A characterization of Ohio coal, constraints on its maximum use, and opportunities for overcoming those constraints;

(B) A characterization of the current and potential markets for Ohio coal, constraints on increased market demand for it, and opportunities for

overcoming those constraints;

(C) Identification of each of the office's programs and its correspondence to the purposes of the office;

(D) A description of the office's current projects that includes the status of each project and a specific description of the office's activities in all of the following areas:

(1) Commercialization of available technology;

(2) Marketplace adoption of that technology;

(3) Enhancement of user markets for Ohio coal.

(E) The types of projects to be funded in the succeeding biennium;

(F) Anticipated expenditures for, the relative priority of, and the potential benefits of each type of project to be funded in the succeeding biennium;

(G) The results obtained from completed projects and dissemination of those results;

(H) A fiscal report of the office's activities under sections 1551.30 to 1551.35 and Chapter 1555. of the Revised Code during the preceding biennium;

(I) The criteria used to select the office's specific types of projects. The criteria shall consider all of the following:

(1) A project's relationship to and support of the office's purposes;

(2) The technology involved, its applicability to Ohio coal, and its potential rate and probability of marketplace adoption;

(3) The commercial readiness of a project's facility, technology, or equipment;

(4) The cost and relative risk to the state and the participation of other investors or interested parties in a project's financing;

(5) The likelihood that results of a project would not be achieved in the absence of the office's assistance.

Sec. 3333.91. Not later than December 31, 2014, the governor's office of workforce transformation, in collaboration with the chancellor of the Ohio board of regents, the superintendent of public instruction, and the department of job and family services, shall develop and submit to the appropriate federal agency a single, state unified plan for the adult basic and literacy education program administered by the United States secretary of education, the "Carl D. Perkins Vocational and Technical Education Act," 20 U.S.C. 2301, et seq., as amended, and the "Workforce Investment Act of 1998," 29 U.S.C. 2801, et seq., as amended. Following the plan's initial submission to the appropriate federal agency, the governor's office of workforce transformation may update it as necessary. If the plan is updated,

the governor's office of workforce transformation shall submit the updated plan to the appropriate federal agency.

Sec. 3731.02. (A) The state fire marshal shall make such rules as are necessary to carry out this chapter, which shall include, but are not limited to, rules establishing requirements to renew a license issued under this chapter and fees for licensure and renewal and for inspections of hotels. Except as provided in division (G) of section 3731.12 of the Revised Code, the state fire marshal and the assistant state fire marshals shall enforce this chapter.

(B) Except as otherwise provided in this division and divisions (C) and (D) of this section, the board of building standards shall adopt, pursuant to section 3781.10 of the Revised Code, rules that specify that the building code standards for SRO facilities shall be use group R-2. Any facility operating prior to October 16, 1996, in the nature of an SRO facility that met the building code standards for an SRO facility prior to that date, whether previously licensed as a hotel or not, and after October 16, 1996, licensed as an SRO facility under section 3731.03 of the Revised Code, shall be permitted under the rules to have a building code standard of either use group R-1 or use group R-2 if the facility meets the requirements for those use groups as specified in the Ohio building code adopted pursuant to section 3781.10 of the Revised Code. The requirements of this division apply to an SRO facility that holds a license as an SRO facility on ~~the effective date of this amendment~~ September 12, 2008, unless any of the following events occur on or after ~~the effective date of this amendment~~ September 12, 2008:

- (1) The owner of the SRO facility constructs or alters the facility.
- (2) The owner of the SRO facility surrenders the license issued to that facility.
- (3) The owner of the SRO facility changes the use or occupancy of that facility.
- (4) The license issued to that SRO facility under this chapter is revoked or is not renewed.

(C) If any of the events described in divisions (B)(1) to (4) of this section occur, the owner of the structure shall comply with division (D) of this section to obtain a new license to operate as an SRO facility.

(D) Beginning on ~~the effective date of this amendment~~ September 12, 2008, the state fire marshal shall not issue a new license to operate a facility as an SRO facility, and shall not renew such a license issued under this division, unless the SRO facility is constructed providing individual sleeping rooms for each guest; has, on a per-room or a communal basis

within each building to be licensed as an SRO facility, permanent provisions for living, eating, cooking, and sanitation; and is constructed in accordance with the requirements specified for SRO facilities and is approved by the building official having jurisdiction over that facility to be an SRO facility. An SRO facility subject to this division shall only operate with, and shall properly maintain, individual sleeping rooms for each guest and shall only operate with, and shall properly maintain, on a per-room or communal basis, permanent provisions available to all guests for living, eating, cooking, and sanitation.

(E) The state fire marshal may, pursuant to division (A) of this section, adopt rules establishing a fire code and sanitary standards compliance incentive program for persons required to procure a license for a hotel under section 3731.03 of the Revised Code. The rules may include provisions for the creation of a "Safe Stay Hotel" designation by the state fire marshal, the standards a licensed hotel must meet to achieve and maintain that designation, the procedures the state fire marshal shall use to publish and maintain a registry of hotels receiving that designation, and any monetary incentives offered by the state fire marshal to encourage a licensed hotel to achieve and maintain that designation. At a minimum, no hotel may be designated as a "Safe Stay Hotel" or maintain such a designation unless it meets the fire code and sanitary compliance standards established pursuant to this section for a continuous period of at least twenty-four months.

Nothing in this division shall be construed to limit the power of this state, the department of commerce, the state fire marshal, or any other political subdivision of the state to administer and enforce any other sections of this chapter or any other applicable laws, rules, and regulations. Nothing in this division shall be construed to require the state fire marshal to designate a hotel as a "Safe Stay Hotel" or require the state fire marshal to award a monetary incentive to a hotel in any manner that is inconsistent or in conflict with the rules adopted under this section or any other applicable laws, rules, or regulations.

Sec. 4740.06. (A) Any individual who applies for a license shall file a written application with the appropriate section of the Ohio construction industry licensing board, accompanied with the application fee as determined pursuant to section 4740.09 of the Revised Code. The individual shall file the application not more than sixty days nor less than thirty days prior to the date of the examination. The application shall be on the form the section prescribes and verified by the applicant's oath. The applicant shall provide information satisfactory to the section showing that the applicant meets the requirements of division (B) of this section.

(B) To qualify to take an examination, an individual shall:

(1) Be at least eighteen years of age;

(2) Be a United States citizen or legal alien who produces valid documentation to demonstrate the individual is a legal resident of the United States;

(3) Either have been a tradesperson in the type of licensed trade for which the application is filed for not less than five years immediately prior to the date the application is filed, be a currently registered engineer in this state with three years of business experience in the construction industry in the trade for which the engineer is applying to take an examination, or have other experience acceptable to the appropriate section of the board;

(4) Maintain contractor's liability insurance, including without limitation, complete operations coverage, in an amount the appropriate section of the board determines;

(5) Not have done any of the following:

(a) Been convicted of or pleaded guilty to a crime of moral turpitude or a disqualifying offense as those terms are defined in section 4776.10 of the Revised Code;

(b) Violated this chapter or any rule adopted pursuant to it;

(c) Obtained or renewed a license issued pursuant to this chapter, or any order, ruling, or authorization of the board or a section of the board by fraud, misrepresentation, or deception;

(d) Engaged in fraud, misrepresentation, or deception in the conduct of business.

(C) When an applicant for licensure as a contractor in a licensed trade meets the qualifications set forth in division (B) of this section and passes the required examination, the appropriate section of the board, within ninety days after the application was filed, shall authorize the administrative section of the board to license the applicant for the type of contractor's license for which the applicant qualifies. A section of the board may withdraw its authorization to the administrative section for issuance of a license for good cause shown, on the condition that notice of that withdrawal is given prior to the administrative section's issuance of the license.

(D) All licenses a contractor holds pursuant to this chapter shall expire annually on the same date, which shall be the expiration date of the original license the contractor holds. An individual holding a valid, unexpired license may renew the license, without reexamination, by submitting an application to the appropriate section of the board not more than ninety calendar days before the expiration of the license, along with the renewal fee

the section requires and proof of compliance with the applicable continuing education requirements. The applicant shall provide information in the renewal application satisfactory to demonstrate to the appropriate section that the applicant continues to meet the requirements of division (B) of this section.

Upon application and within one calendar year after a license has expired, a section may waive any of the requirements for renewal of a license upon finding that an applicant substantially meets the renewal requirements or that failure to timely apply for renewal is due to excusable neglect. A section that waives requirements for renewal of a license may impose conditions upon the licensee and assess a late filing fee of not more than double the usual renewal fee. An applicant shall satisfy any condition the section imposes before a license is reissued.

(E) An individual holding a valid license may request the section of the board that authorized that license to place the license in inactive status under conditions, and for a period of time, as that section determines.

(F) Except for the ninety-day extension provided for a license assigned to a business entity under division (D) of section 4740.07 of the Revised Code, a license held by an individual immediately terminates upon the death of the individual.

(G) Nothing in any license issued by the Ohio construction industry licensing board shall be construed to limit or eliminate any requirement of or any license issued by the Ohio fire marshal.

(H)(1) Subject to divisions (H)(2), (3), and (4) of this section, no trade section of the board shall adopt, maintain, renew, or enforce any rule, or otherwise preclude in any way, an individual from receiving or renewing a license under this chapter due to any past criminal activity or interpretation of moral character, except as pursuant to division (B)(5)(a) of this section. If the section denies an individual a license or license renewal, the reasons for such denial shall be put in writing.

(2) Except as otherwise provided in this division, if an individual applying for a license has been convicted of or pleaded guilty to a misdemeanor that is not a crime of moral turpitude or a disqualifying offense less than one year prior to making the application, the section may use its discretion in granting or denying the individual a license. Except as otherwise provided in this division, if an individual applying for a license has been convicted of or pleaded guilty to a felony that is not a crime of moral turpitude or a disqualifying offense less than three years prior to making the application, the section may use its discretion in granting or denying the individual a license. The provisions in this paragraph do not

apply with respect to any offense unless the section, prior to ~~the effective date of this amendment~~ September 28, 2012, was required or authorized to deny the application based on that offense.

In all other circumstances, the section shall follow the procedures it adopts by rule that conform to division (H)(1) of this section.

(3) In considering a renewal of an individual's license, the section shall not consider any conviction or plea of guilty prior to the initial licensing. However, the board may consider a conviction or plea of guilty if it occurred after the individual was initially licensed, or after the most recent license renewal.

(4) The section may grant an individual a conditional license that lasts for one year. After the one-year period has expired, the license is no longer considered conditional, and the individual shall be considered fully licensed.

(I) Notwithstanding divisions (D) and (H) of this section and sections 4740.04 and 4740.05 of the Revised Code, the board may establish rules that amend the continuing education requirements and license renewal schedule for licensees as provided in or adopted pursuant to those sections for the purpose of establishing a compliance incentive program. These rules may include provisions for the creation of the program and the qualifications, continuing education requirements, and renewal schedule for the program.

Sec. 6301.11. The state board, in connection with the department of job and family services, shall develop a methodology for identifying jobs that are in demand by employers operating in this state.

The department in consultation with the state board shall use the methodology to create a list of such in-demand jobs and shall publish the list on the web site of the department on or before December 31, 2014. The department shall periodically update the list to reflect evolving workforce demands in this state.

Local boards, workforce development agencies, and other providers of workforce training shall use the list of in-demand jobs to cultivate and prioritize workforce development activities that correspond to the employment needs of employers operating in this state and to assist individuals in maximizing their employment opportunities.

Sec. 6301.12. (A) The office of workforce development within the department of job and family services shall comprehensively review the direct and indirect economic impact of businesses engaged in the production of horizontal wells in this state and, based on its findings, prepare an annual Ohio workforce report. The office shall prepare the report by the thirtieth day of July of each year. The report shall include at least all of the following with respect to the industry:

(1) The total number of jobs created or retained during the previous year;

(2) The total number of Ohio-based contractors that employ skilled construction trades;

(3) The number of employees who are residents of this state;

(4) The total economic impact;

(5) A review of the state's regional workforce development plans required by the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, that outline workforce development efforts including goals and benchmarks toward maximizing job training, education, and job creation opportunities in the state.

(B) Upon the completion of the office's annual Ohio workforce report, the office shall provide an electronic copy of the report to the president and minority leader of the senate and the speaker and minority leader of the house of representatives and post it on the office's internet web site.

SECTION 2. That existing sections 121.08, 122.136, 122.21, 122.25, 122.37, 122.64, 122.89, 122.94, 122.941, 127.14, 149.311, 150.10, 166.13, 166.18, 184.02, 1551.34, 3731.02, 4740.06, and 6301.12 of the Revised Code are hereby repealed.

SECTION 3. (A) The Chancellor of the Ohio Board of Regents, in consultation with the parties specified in division (B) of this section, shall develop recommendations for increasing access to and participation in programs for adults who have not obtained a high school diploma that offer credentials equivalent to a high school diploma and also provide career pathways, such as an associate degree, industry credential, or other type of career training.

(B) In developing recommendations under division (A) of this section, the Chancellor shall consult with all of the following:

(1) The Superintendent of Public Instruction;

(2) Representatives of the Governor's Office of Workforce Transformation, the Department of Job and Family Services, and the Ohio Association of Community Colleges;

(3) Representatives of career-technical planning districts that provide post-secondary workforce education;

(4) Representatives of programs that provide adult basic and literacy education;

(5) Representatives of any other interested parties at the Chancellor's

discretion.

(C) Not later than December 31, 2014, the Chancellor shall prepare a report of the recommendations developed under division (A) of this section and submit it to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

SECTION 4. Notwithstanding Section 503.80 of Am. Sub. H.B. 59 of the 130th General Assembly, no money shall be appropriated or transferred from the Medicaid Reserve Fund (Fund 5Y80) except as provided in Section 6 of this act or by another act of the General Assembly.

SECTION 5. At the end of fiscal year 2015, the Director of Budget and Management shall transfer any unexpended, unencumbered cash balance from the Medicaid Reserve Fund (Fund 5Y80) back to the General Revenue Fund.

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*Speaker* \_\_\_\_\_ *of the House of Representatives.*

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*President* \_\_\_\_\_ *of the Senate.*

Passed \_\_\_\_\_, 20\_\_\_\_

Approved \_\_\_\_\_, 20\_\_\_\_

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*Governor.*

Am. Sub. H. B. No. 486

130th G.A.

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

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*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the \_\_\_ day of \_\_\_\_\_, A. D. 20\_\_\_\_.

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*Secretary of State.*

File No. \_\_\_\_\_ Effective Date \_\_\_\_\_