



Ohio Legislative Service Commission

Bill Analysis

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H.B. 357

129th General Assembly
(As Introduced)

Reps. Ramos, Pillich, R. Hagan, Foley, Phillips, Fende, Antonio, Letson, Murray, Weddington

BILL SUMMARY

- Requires an economic development agency, such as JobsOhio or the Department of Development, to obtain Controlling Board approval prior to awarding economic development assistance to any person who will relocate employment positions from one taxing district to another or eliminate employment positions.
- Requires the economic development agency to submit to the Board certain information regarding the proposed relocation or elimination of employment positions.
- Prohibits the Board from approval of the assistance unless the agency has demonstrated good cause for the relocation or elimination of employment positions.

CONTENT AND OPERATION

Controlling Board approval for economic development assistance

The bill requires an economic development agency, such as JobsOhio, the Department of Development (see **COMMENT**), or any other state agency authorized to award economic development assistance, to obtain Controlling Board approval before granting economic development assistance to any person who, at or near the time of receiving the assistance or receiving approval to receive the assistance, will relocate or decrease the payroll of one or more substantially similar employment positions from one taxing district to another or will eliminate a position at the person's original location.¹ "Economic development assistance" means any grant, loan, guarantee, or job

¹ R.C. 9.662(A) and (B).

creation or retention tax credit authorized by the Revised Code. "Taxing district" means a geographical area in which the aggregate property tax rate is uniform.²

When seeking approval from the Board, an economic development agency must submit to the Board the following information:³

(1) The number of full-time equivalent (FTE) positions that would be relocated or eliminated from the original location (the old street address);

(2) The number of FTE positions that would be relocated or gained at the new location (the proposed new street address);

(3) The change or estimated change in payroll at both the original and new locations;

(4) An estimate of the decrease in tax revenue that would be received by each taxing unit encompassing the original location ("Taxing unit" means any subdivision or other governmental district having authority to levy taxes on the property in the district or issue bonds that constitute a charge against the property of the district, including conservancy districts, metropolitan park districts, sanitary districts, road districts, and other districts);⁴

(5) An estimate of the increase in tax revenue that would be received by each taxing unit encompassing the new location;

(6) An explanation of the value or advantages of the employment relocation or elimination.

The Controlling Board may not approve such economic development assistance unless the agency demonstrates, to the satisfaction of the Board, good cause for the relocation or elimination. Good cause includes substantial enhancements of production or employment, more efficient utilization of existing infrastructure, enhanced transportation capacity, or other causes recognized by the Board.⁵

² R.C. 9.662(A).

³ R.C. 9.662(A) and (C).

⁴ R.C. 9.662(A); R.C. 5705.01 (not in the bill).

⁵ R.C. 9.662(B).

COMMENT

The Department of Development was renamed as the Development Services Agency and its duties were substantially modified in Am. Sub. S.B. 314 of the 129th General Assembly.

HISTORY

ACTION	DATE
Introduced	10-26-11

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