(131st General Assembly)
(Substitute Senate Bill Number 235)

AN ACT

To amend sections 122.121, 149.311, 339.02, 339.05, 749.07, 749.18, 951.02, 951.13, 1711.50, 1711.57, 4141.01, 4141.25, 4141.30, 4727.02, 4727.03, 4727.06, 4727.10, 4727.11, 4727.12, 4727.19, 4727.20, 5709.20, 5709.45, 5726.01, 5739.02, and 5739.03, to enact sections 718.60, 4175.01, 4175.02, 4175.03, 4175.04, 4175.05, 4175.06, 4175.07, 4175.08, and 5709.52 of the Revised Code, and to repeal Section 4 of Sub. H.B. 5 of the 130th General Assembly to authorize political subdivisions to exempt from property taxation the increased value of property on which industrial or commercial development is planned for up to six years, to make changes to Ohio's unemployment compensation law, and to modify laws governing other state and local government authority and operations.

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

SECTION 1. That sections 122.121, 149.311, 339.02, 339.05, 749.07, 749.18, 951.02, 951.13, 1711.50, 1711.57, 4141.01, 4141.25, 4141.30, 4727.02, 4727.03, 4727.06, 4727.10, 4727.11, 4727.12, 4727.19, 4727.20, 5709.20, 5709.45, 5726.01, 5739.02, and 5739.03 be amended and sections 718.60, 4175.01, 4175.02, 4175.03, 4175.04, 4175.05, 4175.06, 4175.07, 4175.08, and 5709.52 of the Revised Code be enacted to read as follows:

Sec. 122.121. (A) If a local organizing committee, endorsing municipality, or endorsing county enters into a joinder undertaking with a site selection organization, the local organizing committee, endorsing municipality, or endorsing county may apply to the director of development services, on a form and in the manner prescribed by the director, for a grant based on the projected incremental increase in the receipts from the tax imposed under section 5739.02 of the Revised Code within the market area designated under division (C) of this section, for the two-week period that ends at the end of the day after the date on which a game will be held, that is directly attributable, as determined by the director, to the preparation for and presentation of the game. The director shall determine the projected incremental increase in the tax imposed under section 5739.02 of the Revised Code by using a formula approved by the destination marketing association international for event impact or another formula of similar purpose approved by the director. The local organizing committee, endorsing municipality, or endorsing county is eligible to receive a grant under this section only if the projected incremental increase in receipts from the tax imposed under section 5739.02 of the Revised Code, as determined by the director, exceeds two hundred fifty thousand dollars. The amount of the grant shall be not less than fifty per cent of the projected incremental increase in receipts, as determined by the director, but shall not exceed five hundred thousand dollars. The director shall not issue grants with a total value of more than one million dollars in any fiscal

year, and shall not issue any grant before July 1, 2013.

(B) If the director of development services approves an application for a local organizing committee, endorsing municipality, or endorsing county and that local organizing committee, endorsing municipality, or endorsing county enters into a joinder agreement with a site selection organization, the local organizing committee, endorsing municipality, or endorsing county shall file a copy of the joinder agreement with the director. The grant shall be used exclusively by the local organizing committee, endorsing municipality, or endorsing county to fulfill a portion of its obligations to a site selection organization under game support contracts, which obligations may include the payment of costs relating to the preparations necessary for the conduct of the game, including acquiring, renovating, or constructing facilities; to pay the costs of conducting the game; and to assist the local organizing committee, endorsing municipality, or endorsing county in providing assurances required by a site selection organization sponsoring one or more games.

(C) For the purposes of division (A) of this section, the director of development services, in consultation with the tax commissioner, shall designate the market area for a game. The market area shall consist of the combined statistical area, as defined by the United States office of management and budget, in which an endorsing municipality or endorsing county is located.

(D) A local organizing committee, endorsing municipality, or endorsing county shall provide information required by the director of development services and tax commissioner to enable the director and commissioner to fulfill their duties under this section, including annual audited statements of any financial records required by a site selection organization and data obtained by the local organizing committee, endorsing municipality, or endorsing county relating to attendance at a game and to the economic impact of the game. A local organizing committee, an endorsing municipality, or an endorsing county shall provide an annual audited financial statement if so required by the director and commissioner, not later than the end of the fourth month after the date the period covered by the financial statement ends.

(E) Within thirty days after the game, the local organizing committee, endorsing municipality, or endorsing county shall report to the director of development services about the economic impact of the game. The report shall be in the form and substance required by the director, including, but not limited to, a final income statement for the event showing total revenue and expenditures and revenue and expenditures in the market area for the game, and ticket sales for the game and any related activities for which admission was charged. The director shall determine, based on the reported information and the exercise of reasonable judgment, the incremental increase in receipts from the tax imposed under section 5739.02 of the Revised Code directly attributable to the game. If the actual incremental increase in such receipts is less than the projected incremental increase in receipts, the director may require the local organizing committee, endorsing municipality, or endorsing county to refund to the state all or a portion of the grant.

(F) No disbursement may be made under this section if the director of development services determines that it would be used for the purpose of soliciting the relocation of a professional sports franchise located in this state.

(G) This section may not be construed as creating or requiring a state guarantee of obligations imposed on an endorsing municipality or endorsing county under a game support contract or any other agreement relating to hosting one or more games in this state.

(H) Beginning in fiscal year 2018 and in each fiscal year thereafter, an amount equal to the unexpended, unencumbered balance of the immediately preceding fiscal year's appropriation for grants awarded under this section is hereby reappropriated to the development services agency for the same purpose for the current fiscal year.

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.

(10) "Catalytic project" means the rehabilitation of an historic building, the rehabilitation of which will foster economic development within two thousand five hundred feet of the historic building.

(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)(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)(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.

(6) The director of development services may approve the application of, and issue a rehabilitation tax credit certificate to, the owner of a catalytic project, provided the application otherwise meets the criteria described in divisions (C) and (D) of this section. The director may not ~~issue~~ approve more than one application for a rehabilitation tax credit certificate under division (D)(6) of this section during each state fiscal biennium. The director shall not approve an application for a rehabilitation tax credit certificate under division (D)(6) of this section during the state fiscal biennium beginning July 1, 2017, or during any state fiscal biennium thereafter. The director shall consider the following criteria in determining whether to ~~issue~~ approve an application for a certificate under division (D)(6) of this section:

(a) Whether the historic building is a catalytic project;

(b) The effect issuance of the certificate would have on the availability of credits for other applicants that qualify for a credit certificate within the credit dollar limit described in division (D)(2) of this section;

(c) The number of jobs, if any, the catalytic project will create.

(7)(a) The owner or qualified lessee of a historic building may apply for a rehabilitation tax credit certificate under both divisions (B) and (D)(6) of this section. In such a case, the director of development services shall consider each application at the time the application is submitted.

(b) The director of development services shall not issue more than one certificate under this section with respect to the same qualified rehabilitation expenditures.

(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 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, 5733.47, 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, 5733.47, 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.

(H) Notwithstanding sections 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code, the certificate owner of a tax credit certificate issued under division (D)(6) of this section may claim a tax credit equal to twenty-five per cent of the dollar amount indicated on the certificate for a total credit of not more than twenty-five million dollars. The credit claimed by such a certificate owner for any calendar year, tax year, or taxable year under section 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the Revised Code shall not exceed five million dollars. If the certificate owner is eligible for more than five million dollars in total credits, the certificate owner may carry forward the balance of the credit in excess of the amount claimed for that year for not more than five ensuing calendar years, tax years, or taxable years. If the credit claimed in any calendar year, tax year, or taxable year exceeds the tax otherwise due, the excess shall be refunded to the taxpayer.

(I) The director of development services, in consultation with the director of budget and management, shall develop and adopt a system of tracking any information necessary to anticipate the impact of credits issued under this section on tax revenues for current and future fiscal years. Such information may include the number of applications approved, the estimated rehabilitation expenditures and rehabilitation period associated with such applications, the number and amount of tax credit certificates issued, and any other information the director of budget and management requires for the purposes of this division.

Sec. 339.02. (A) As used in this section, "area served by the hospital" means the geographic area, whether or not included within the county, from which a county hospital regularly draws patients.

(B) Unless a board of county hospital trustees for the county is in existence in accordance with this section, such board shall be created pursuant to this section after the board of county commissioners first determines by resolution to establish a county hospital. Copies of such resolution shall be certified to the probate judge of the county senior in point of service and to the judge, other than a probate judge, of the court of common pleas of the county senior in point of service. The board of county commissioners together with the probate judge of the county senior in point of service and

the judge of the court of common pleas of the county senior in point of service shall, within ten days after such certification, appoint a board of county hospital trustees.

(C) In making appointments to a board of county hospital trustees, both of the following apply with respect to the individuals who may be appointed:

(1) Members shall be electors and representative of the area served by the hospital, except that not more than two members may be electors of the area served by the hospital that is outside the county in which the hospital is located.

(2) A physician may serve as a member, including a physician who is authorized to admit and treat patients at the hospital, except as follows:

(a) Not more than two physicians may serve as members at the same time;

(b) No physician who is employed by the hospital may serve as a member.

(D) A board of county hospital trustees shall be composed of six members, unless the board of county commissioners determines that the board of trustees can more effectively function with eight or ten members in which case there may be eight or ten members, as designated by the board of county commissioners.

(E) With respect to the initial appointment of members to a board of county hospital trustees, all of the following apply:

(1) When the board is composed of six members, their terms of office shall be one for one year, one for two years, one for three years, one for four years, one for five years, and one for six years from the first Monday of March thereafter.

(2) When the board is composed of eight members, their terms of office shall be one for one year, one for two years, two for three years, one for four years, one for five years, and two for six years from the first Monday of March thereafter.

(3) When the board is composed of ten members, their terms of office shall be two for one year, one for two years, two for three years, two for four years, one for five years, and two for six years from the first Monday of March thereafter.

(F) Except as provided in division (G)(2) of this section, all of the following apply with respect to vacancies on a board of county hospital trustees:

(1) Annually, on the first Monday of March, the board of county commissioners together with the probate judge of the county senior in point of service and the judge of the court of common pleas of the county senior in point of service shall appoint or reappoint for a term of six years a sufficient number of members to replace those members whose terms have expired.

(2) The appointing authority shall fill a vacancy not later than six months after the vacancy occurs. If the vacancy remains unfilled on that date, the remaining members of the board, by majority vote, shall appoint an individual to fill the vacancy.

(3) The appointing authority may fill a vacancy by seeking nominations from a selection committee consisting of one county commissioner designated by the board of county commissioners, the chair of the board of county hospital trustees, and the county hospital administrator. If nominations for filling a vacancy are sought from a selection committee, the committee shall nominate at least three individuals for the vacancy. The appointing authority may fill the vacancy by appointing one of the nominated individuals or by appointing another individual selected by the appointing authority.

(4) Any member appointed to fill a vacancy occurring prior to the expiration date of the term for which the member's predecessor was appointed shall hold office as a member for the remainder of that term.

(G)(1) The board of county commissioners together with the probate judge senior in point of service and the judge of the court of common pleas senior in point of service in any county in which a board of county hospital trustees has been appointed may expand the number of members to eight or to ten. When the number of members is increased to eight, one shall be appointed for a three-year and one for a six-year term from the first Monday of March thereafter. When the number of members is increased from six to ten, the term for additional members shall be: one for one year, one for three years, one for four years, and one for six years from the first Monday of March thereafter. When the number of members is increased from eight to ten, the term for additional members shall be: one for one year and one for four years from the first Monday of March thereafter. Thereafter, except as provided in division (G)(2) of this section, upon the expiration of the term of office of each member, the vacancy shall be filled in the manner specified in division (F) of this section.

(2) The board of county commissioners together with the probate judge senior in point of service and the judge of the court of common pleas senior in point of service may reduce the number of members of a board of county hospital trustees to eight or to six. The reduction shall occur on expiration of a member's term of office, at which time no appointment shall be made. While the board of county commissioners and the judges are in the process of reducing the number of members, the board of county hospital trustees may consist of nine or seven members for one year.

(H) Any member of a board of county hospital trustees may be removed from office by the appointing authority for neglect of duty, misconduct, or malfeasance in office. The member shall be informed in writing of the charges and afforded an opportunity for a hearing before the appointing authority. The appointing authority shall not remove a member from office for political reasons.

(I) The board of county commissioners may provide members of a board of county hospital trustees a stipend for their service or require the members to serve without compensation. The members shall be allowed their necessary and reasonable expenses incurred in the performance of their duties, including the cost of their participation in any continuing education programs or developmental programs that the members consider necessary. Allowable stipends and expenses shall be paid out of the funds provided for the county hospital.

(J) The persons selected to be members of a board of county hospital trustees shall forthwith be notified, by mail, of their appointment. When a board is initially appointed, the notice shall state a time, not more than ten days later, when such board shall meet at the county seat of such county to organize. On the date stated, the board shall meet and organize.

(K) A board of county hospital trustees shall organize by electing one of its number as chairperson and such other officers as specified in the board's rules. Four members of a six-member board constitute a quorum, five members constitute a quorum of an eight-member board, and six members constitute a quorum of a ten-member board.

A board of county hospital trustees shall hold meetings at least quarterly, shall adopt necessary rules of procedure, and shall keep a record of its proceedings and a strict account of all its receipts, disbursements, and expenditures. On completion of the construction and equipping of a county hospital, the board shall file such account with the board of county commissioners and make

final settlement with the board of county commissioners for the construction and equipping of the hospital.

Members of the board of county hospital trustees may attend board meetings by means of communications equipment authorized under this division by rule of the board, including by video conference or teleconference. Notwithstanding division (C) of section 121.22 of the Revised Code, board members who attend a board meeting by means of authorized communications equipment shall be considered present in person at the meeting, shall be permitted to vote, and shall be counted for purposes of determining whether a quorum is present at the meeting.

The board of county hospital trustees shall maintain a record of any vote or other action taken at a board meeting conducted by means of authorized communications equipment. The record also shall identify the members attending the board meeting by means of authorized communications equipment.

The board of county hospital trustees shall adopt rules designating the communications equipment that is authorized for use during board meetings. The board also shall adopt rules that establish procedures and guidelines for using authorized communications equipment during board meetings and that ensure verification of the identity of any board members attending board meetings by such means.

Sec. 339.05. (A) A board of county hospital trustees may adopt, annually, bidding procedures and purchasing or leasing policies provided through a joint purchasing arrangement sponsored by a nonprofit organization, for services, supplies, and equipment, that are routinely used in the operation of the hospital and that cost in excess of the amount specified in section 307.86 of the Revised Code as the amount above which purchases must be competitively bid. If a board of county hospital trustees adopts those policies and procedures, and if the board of county commissioners approves them, the board of county hospital trustees may follow those policies and procedures in lieu of following the competitive bidding procedures of sections 307.86 to 307.92 of the Revised Code.

(B) Notwithstanding section 307.86 of the Revised Code, the board of county hospital trustees is exempt from competitive bidding as required under that section if the board, by a unanimous vote of its members, makes a determination that a real and present emergency exists, and either of the following applies:

(1) The estimated cost is less than one hundred thousand dollars.

(2) There is actual physical damage to structures or equipment.

The board shall enter the determination of emergency and the reasons for it in the minutes of its proceedings.

(C) For purposes of this section, a vote is unanimous if all members of a board of county hospital trustees are present, or a lesser number of members of the board if not all members are present, provided that the number of members present constitutes a quorum. Board members participating in a vote by means of authorized communications equipment in accordance with section 339.02 of the Revised Code are considered to be present in person and may vote on matters under this section.

(D) Whenever a contract of purchase, lease, or construction is exempted from competitive bidding because the estimated cost is less than one hundred thousand dollars, but the estimated cost is fifty thousand dollars or more, the board shall solicit informal estimates from not fewer than three

persons who could perform the contract, before awarding the contract. With regard to each such contract, the board shall maintain a record of the informal estimates, including the name of each person from whom an informal estimate was solicited. The board shall maintain the record for the longer of at least one year after the contract is awarded or an amount of time required by the federal government.

Sec. 718.60. (A) There is hereby created the municipal income tax net operating loss review committee for the purpose of evaluating and quantifying the potential fiscal impact to municipal corporations levying an income tax of requiring such municipal corporations to allow taxpayers to carry forward net operating losses for five years. The committee is a public body for the purposes of section 121.22 of the Revised Code.

(B) The committee shall be composed of the following members:

(1) Two members of the house of representatives who are not of the same political party, appointed by the speaker of the house of representatives;

(2) Two members of the senate who are not of the same political party, appointed by the president of the senate;

(3) Three members representing municipal income taxpayers, appointed by the speaker of the house of representatives;

(4) Three members representing municipal corporations that levy an income tax in calendar year 2016, appointed by the president of the senate. At least two of the members appointed under division (B)(4) of this section shall represent municipal corporations that do not allow taxpayers to carry forward net operating losses to future taxable years.

(5) One member appointed by the governor, who shall serve as the chairperson of the committee.

An appointed member shall serve until the member resigns or is removed by the member's appointing authority. Vacancies shall be filled in the same manner as original appointments. A vacancy on the committee does not impair the right of the other members to exercise all the functions of the committee.

The committee shall meet at the call of the chairperson. The presence of a majority of the members of the committee constitutes a quorum for the conduct of business of the committee. The concurrence of at least a majority of the members of the committee is necessary to approve the report issued by the committee under division (D) of this section. Members of the committee shall not be compensated or reimbursed for members' expenses.

(C)(1) As used in this section, "reporting municipal corporation" means any municipal corporation that does not allow net operating losses incurred before January 1, 2017, to be carried forward and utilized to offset income or net profit generated in such municipal corporation in future taxable years.

(2) On or before August 31, 2021, each reporting municipal corporation shall report to the municipal income tax net operating loss review committee the difference between (a) the municipal corporation's actual municipal income tax revenue received for taxable years ending in 2018 and 2019 and (b) the projected amount of municipal income tax revenue that the municipal corporation would have received for taxable years ending in 2018 and 2019 if the municipal corporation were not required to allow net operating losses incurred in prior taxable years to be carried forward to taxable

years ending in 2018 or 2019. Each municipal corporation's calculations shall be made using the microsimulation model adopted by the committee at its meeting on May 5, 2016, but applied to taxable years ending in 2018 and 2019.

(D) The municipal income tax net operating loss review committee shall review the information reported by municipal corporations under division (C) of this section and calculate the total of the revenue effects reported by such municipal corporations. On or before May 1, 2022, the committee shall issue a written report to the speaker and minority leader of the house of representatives and the president and minority leader of the senate reporting the committee's findings and the estimated revenue impact of requiring municipal corporations levying an income tax to allow net operating loss to be carried forward for five years. The report shall contain recommendations to address revenue shortfalls, which may include, but which shall not be limited to, the use of supplemental funds from the local government fund to mitigate those shortfalls.

(E) Nothing in this section delays or otherwise affects the taxable years to which division (E)(8) of section 718.01 of the Revised Code applies as prescribed in that division.

(F) The municipal income tax net operating loss review committee shall cease to exist on May 1, 2022.

Sec. 749.07. The board of hospital commissioners shall hold regular meetings at such time and place as is agreed upon, and shall keep a complete record of its proceedings. No contract which the board enters into shall be valid until concurred in at a regular meeting by a majority of all the members thereof, and such concurrence entered on the minutes of its proceedings.

Members of the board of hospital commissioners may attend board meetings by means of communications equipment authorized under this section by rule of the board, including by video conference or teleconference. Notwithstanding division (C) of section 121.22 of the Revised Code, board members who attend a board meeting by means of authorized communications equipment shall be considered present in person at the meeting, shall be permitted to vote, and shall be counted for purposes of determining whether a quorum is present at the meeting.

The board of hospital commissioners shall maintain a record of any vote or other action taken at a board meeting conducted by means of authorized communications equipment. The record also shall identify the members attending the board meeting by means of authorized communications equipment.

The board of hospital commissioners shall adopt rules designating the communications equipment that is authorized for use during board meetings. The board also shall adopt rules that establish procedures and guidelines for using authorized communications equipment during board meetings and that ensure verification of the identity of any board members attending board meetings by such means.

Sec. 749.18. If an agreement under section 749.16 of the Revised Code concerns or includes participation of a joint township hospital district, or of a county, in the maintenance and operation of a municipal hospital, the municipal corporation may establish a board of governors to exercise, subject to such further limitations as are imposed by the agreement, the powers vested in the board of hospital commissioners, provided that any such limitations shall not deny the board of governors the authority to retain counsel, to institute legal action in its own name, or to employ any other lawful means, for the collection of delinquent accounts. The board of governors may include in its

membership representatives of a participating district who are electors of the district, or of a participating county who are electors of that county or an adjacent county, as are provided for in the agreement.

Except as otherwise provided in this section, the municipal members of the board of governors shall consist of the mayor and at least three resident freeholders of the municipal corporation, at least one of whom shall be a doctor of medicine, to be appointed by the mayor with the consent of the legislative authority. However, if necessary to secure qualified individuals to serve on the board of governors, the municipal members of the board may be residents of the county in which the municipal corporation is located or of an adjacent county.

The term of office of municipal members of the board of governors shall be as provided in section 749.05 of the Revised Code and vacancies on the board with respect to those members shall be filled as provided in that section. Unless otherwise provided in the agreement, any vacancy on the board with respect to a member appointed by a participating joint township hospital district or county shall be filled by the appointing body not later than ninety days after the vacancy occurs and if the vacancy remains unfilled on that date, the remaining members of the board, by majority vote, shall appoint an individual to fill the vacancy. Unless otherwise provided in the agreement, vacancies on the board with respect to any other members shall be filled by the remaining members of the board, by majority vote. Any member appointed to fill a vacancy occurring prior to the expiration date of the term for which the member's predecessor was appointed shall hold office as a member for the remainder of that term.

The board of governors, subject to the terms of the agreement, shall establish regulations and elect officers as its members determine. The members shall be entitled to the compensation for their services provided by the agreement.

Members of the board of governors may attend board meetings by means of communications equipment authorized under this section by rule of the board, including by video conference or teleconference. Notwithstanding division (C) of section 121.22 of the Revised Code, board members who attend a board meeting by means of authorized communications equipment shall be considered present in person at the meeting, shall be permitted to vote, and shall be counted for purposes of determining whether a quorum is present at the meeting.

The board of governors shall maintain a record of any vote or other action taken at a board meeting conducted by means of authorized communications equipment. The record also shall identify the members attending the board meeting by means of authorized communications equipment.

The board of governors shall adopt rules designating the communications equipment that is authorized for use during board meetings. The board also shall adopt rules that establish procedures and guidelines for using authorized communications equipment during board meetings and that ensure verification of the identity of any board members attending board meetings by such means.

Sec. 951.02. No person, who is the owner or keeper of horses, mules, cattle, bison, sheep, goats, swine, llamas, alpacas, or ~~geese~~ poultry, shall permit them to run at large in the public road, highway, street, lane, or alley, or upon unenclosed land, or cause the animals to be herded, kept, or detained for the purpose of grazing on premises other than those owned or lawfully occupied by the owner or keeper of the animals.

Sec. 951.13. The person or county, township, city, or village whose law enforcement officer takes an animal running at large in violation of section 951.02 of the Revised Code is entitled to receive from the owner or keeper of the animal the following compensation:

(A) For taking and advertising each ~~horse, mule, head of cattle, bison, swine, sheep, goat, llama, alpaca, or goose~~ animal, five dollars;

(B) Reasonable expenses actually incurred for keeping each animal ~~described in division (A) of this section~~.

Compensation for taking, advertising, and keeping a single herd or flock shall not exceed fifty dollars when the flock or herd belongs to one person.

Sec. 1711.50. As used in sections 1711.50 to 1711.57 of the Revised Code:

(A) "Amusement ride" means any mechanical, aquatic, or inflatable device, or combination of those devices that carries or conveys passengers on, along, around, over, or through a fixed or restricted course or within a defined area for the purpose of providing amusement, pleasure, or excitement. "Amusement ride" includes carnival rides, bungee jumping facilities, and fair rides, but does not include passenger tramways as defined in section 4169.01 of the Revised Code, manufactured rock climbing walls in climbing facilities regulated under Chapter 4175. of the Revised Code, or amusement rides operated solely at trade shows for a limited period of time. For purposes of this division, "trade show" means a place of exhibition not open to the general public where amusement ride manufacturers display, promote, operate, and sell amusement rides to prospective purchasers.

(B) "Temporary amusement ride" means an amusement ride that is relocated at least once per year with or without disassembly.

(C) "Permanent amusement ride" means an amusement ride that is erected to remain a lasting part of the premises.

(D) "Owner" means any person who owns or leases and controls or manages the operation of an amusement ride, and includes individuals, partnerships, corporations, both profit and nonprofit, and the state and any of its political subdivisions and their departments or agencies.

(E) "Operation" means the use or operation, or both, of an amusement ride with riders.

(F) "Rider" means any person who sits, stands, or is otherwise conveyed or carried as a passenger on an amusement ride, but does not include employees or agents of the owner of the amusement ride.

(G) "Amusement ride operator" means any person causing the amusement ride to go, stop, or perform its function.

(H) "Reassembly" means the installation, erection, or reconstruction of the main mechanical, safety, electrical, or electronic components of an amusement ride following transportation or storage and prior to operation. Replacement of mechanical, safety, electrical, or electronic components of an amusement ride for the purpose of repair or maintenance is not reassembly.

(I) "Repair" means to restore an amusement ride to a condition equal to or better than original design specifications.

(J) "Maintenance" means the preservation and upkeep of an amusement ride for the purpose of maintaining its designed operational capability.

(K) "Inspection" means a physical examination of an amusement ride by an inspector for the

purpose of approving the application for a permit. "Inspection" includes a reinspection.

(L) "Accident" means an occurrence during the operation of an amusement ride that results in death or injury requiring immediate hospital admission.

(M) "Serious injury" means an injury that does not require immediate hospital admission but does require medical treatment, other than first aid, by a physician.

(N) "First aid" means the one-time treatment or subsequent observation of scratches, cuts not requiring stitches, burns, splinters, and contusions or a diagnostic procedure, including examinations and x-rays, that does not ordinarily require medical treatment even though provided by a physician or other licensed professional personnel.

(O) "Advisory council" means the advisory council on amusement ride safety created by section 1711.51 of the Revised Code.

(P) "Safe operation" means, except as provided in section 1711.57 of the Revised Code, the practical application of maintenance, inspection, and operational processes, as indicated by the manufacturer, owner, or advisory council, that secures a rider from threat of physical danger, harm, or loss.

(Q) "Private facility" means any facility that is accessible only to members of the facility and not accessible to the general public, even upon payment of a fee or charge, and that requires approval for membership by a membership committee representing the current members who have a policy requiring monetary payment to belong to the facility.

(R) "Bungee jumping" means a fall or jump from a height by an individual who is attached to an elastic cord that prevents the individual from hitting the ground, water, or other solid, semi-solid, liquid, or elastic surface.

(S) "Bungee jumping facility" means a device or structure utilized for bungee jumping.

(T) "Kiddie ride" means an amusement ride designed for use by children under thirteen years of age who are unaccompanied by another person. "Kiddie ride" includes a roller coaster that is not more than forty feet in elevation at any point on the ride.

(U) "Climbing facility" has the same meaning as in section 4175.01 of the Revised Code.

Sec. 1711.57. Sections 1711.50 to 1711.57 of the Revised Code do not apply to any of the following:

(A) A private facility;

(B) A single-passenger coin-operated ride that is manually, mechanically, or electrically operated, is customarily placed either singly or in groups in a public location, and does not normally require the supervision or services of an amusement ride operator;

(C) Nonmechanized playground equipment, including swings, stationary spring-mounted animal features, rider-propelled merry-go-rounds, climbers, slides, rock climbing walls, trampolines, and swinging gates, except where an admission fee is charged for usage or an admission fee is charged to areas where such equipment is located;

(D) Devices regulated or licensed by the federal aviation administration or the federal railroad administration in the United States department of transportation, the department of transportation, or the bureau of motor vehicles in the department of public safety;

(E) Vessels regulated by the department of natural resources under Chapters 1547. and 1548. of the Revised Code or under the jurisdiction of the United States coast guard;

(F) Tractors, trucks, or similar vehicles at competition events;

(G) Automobiles or motorcycles at competition events;

(H) Animals ridden in competitive events or shows;

(I) Physical fitness devices;

(J) Devices to which the definition of "safe operation" in section 1711.50 of the Revised Code does not apply as determined by the director of agriculture, including mechanized bulls, surfboards, zip lines, vertical wind tunnels, skateboard or bicycle rodeo devices, cable wakeboard or ski facilities, or other devices that are not intended or manufactured to secure the rider from threat of physical danger, harm, or loss.

(K) A manufactured climbing wall that is located in a climbing facility, as defined and regulated by Chapter 4175. of the Revised Code.

Sec. 4141.01. As used in this chapter, unless the context otherwise requires:

(A)(1) "Employer" means the state, its instrumentalities, its political subdivisions and their instrumentalities, Indian tribes, and any individual or type of organization including any partnership, limited liability company, association, trust, estate, joint-stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee, or the successor thereof, or the legal representative of a deceased person who subsequent to December 31, 1971, or in the case of political subdivisions or their instrumentalities, subsequent to December 31, 1973:

(a) Had in employment at least one individual, or in the case of a nonprofit organization, subsequent to December 31, 1973, had not less than four individuals in employment for some portion of a day in each of twenty different calendar weeks, in either the current or the preceding calendar year whether or not the same individual was in employment in each such day; or

(b) Except for a nonprofit organization, had paid for service in employment wages of fifteen hundred dollars or more in any calendar quarter in either the current or preceding calendar year; or

(c) Had paid, subsequent to December 31, 1977, for employment in domestic service in a local college club, or local chapter of a college fraternity or sorority, cash remuneration of one thousand dollars or more in any calendar quarter in the current calendar year or the preceding calendar year, or had paid subsequent to December 31, 1977, for employment in domestic service in a private home cash remuneration of one thousand dollars in any calendar quarter in the current calendar year or the preceding calendar year:

(i) For the purposes of divisions (A)(1)(a) and (b) of this section, there shall not be taken into account any wages paid to, or employment of, an individual performing domestic service as described in this division.

(ii) An employer under this division shall not be an employer with respect to wages paid for any services other than domestic service unless the employer is also found to be an employer under division (A)(1)(a), (b), or (d) of this section.

(d) As a farm operator or a crew leader subsequent to December 31, 1977, had in employment individuals in agricultural labor; and

(i) During any calendar quarter in the current calendar year or the preceding calendar year, paid cash remuneration of twenty thousand dollars or more for the agricultural labor; or

(ii) Had at least ten individuals in employment in agricultural labor, not including agricultural

workers who are aliens admitted to the United States to perform agricultural labor pursuant to sections 1184(c) and 1101(a)(15)(H) of the "Immigration and Nationality Act," 66 Stat. 163, 189, 8 U.S.C.A. 1101(a)(15)(H)(ii)(a), 1184(c), for some portion of a day in each of the twenty different calendar weeks, in either the current or preceding calendar year whether or not the same individual was in employment in each day; or

(e) Is not otherwise an employer as defined under division (A)(1)(a) or (b) of this section; and

(i) For which, within either the current or preceding calendar year, service, except for domestic service in a private home not covered under division (A)(1)(c) of this section, is or was performed with respect to which such employer is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment fund;

(ii) Which, as a condition for approval of this chapter for full tax credit against the tax imposed by the "Federal Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, is required, pursuant to such act to be an employer under this chapter; or

(iii) Who became an employer by election under division (A)(4) or (5) of this section and for the duration of such election; or

(f) In the case of the state, its instrumentalities, its political subdivisions, and their instrumentalities, and Indian tribes, had in employment, as defined in divisions (B)(2)(a) and (B)(2)(l) of this section, at least one individual;

(g) For the purposes of division (A)(1)(a) of this section, if any week includes both the thirty-first day of December and the first day of January, the days of that week before the first day of January shall be considered one calendar week and the days beginning the first day of January another week.

(2) Each individual employed to perform or to assist in performing the work of any agent or employee of an employer is employed by such employer for all the purposes of this chapter, whether such individual was hired or paid directly by such employer or by such agent or employee, provided the employer had actual or constructive knowledge of the work. All individuals performing services for an employer of any person in this state who maintains two or more establishments within this state are employed by a single employer for the purposes of this chapter.

(3) An employer subject to this chapter within any calendar year is subject to this chapter during the whole of such year and during the next succeeding calendar year.

(4) An employer not otherwise subject to this chapter who files with the director of job and family services a written election to become an employer subject to this chapter for not less than two calendar years shall, with the written approval of such election by the director, become an employer subject to this chapter to the same extent as all other employers as of the date stated in such approval, and shall cease to be subject to this chapter as of the first day of January of any calendar year subsequent to such two calendar years only if at least thirty days prior to such first day of January the employer has filed with the director a written notice to that effect.

(5) Any employer for whom services that do not constitute employment are performed may file with the director a written election that all such services performed by individuals in the employer's employ in one or more distinct establishments or places of business shall be deemed to constitute employment for all the purposes of this chapter, for not less than two calendar years. Upon written approval of the election by the director, such services shall be deemed to constitute

employment subject to this chapter from and after the date stated in such approval. Such services shall cease to be employment subject to this chapter as of the first day of January of any calendar year subsequent to such two calendar years only if at least thirty days prior to such first day of January such employer has filed with the director a written notice to that effect.

(B)(1) "Employment" means service performed by an individual for remuneration under any contract of hire, written or oral, express or implied, including service performed in interstate commerce and service performed by an officer of a corporation, without regard to whether such service is executive, managerial, or manual in nature, and without regard to whether such officer is a stockholder or a member of the board of directors of the corporation, unless it is shown to the satisfaction of the director that such individual has been and will continue to be free from direction or control over the performance of such service, both under a contract of service and in fact. The director shall adopt rules to define "direction or control."

(2) "Employment" includes:

(a) Service performed after December 31, 1977, by an individual in the employ of the state or any of its instrumentalities, or any political subdivision thereof or any of its instrumentalities or any instrumentality of more than one of the foregoing or any instrumentality of any of the foregoing and one or more other states or political subdivisions and without regard to divisions (A)(1)(a) and (b) of this section, provided that such service is excluded from employment as defined in the "Federal Unemployment Tax Act," 53 Stat. 183, 26 U.S.C.A. 3301, 3306(c)(7) and is not excluded under division (B)(3) of this section; or the services of employees covered by voluntary election, as provided under divisions (A)(4) and (5) of this section;

(b) Service performed after December 31, 1971, by an individual in the employ of a religious, charitable, educational, or other organization which is excluded from the term "employment" as defined in the "Federal Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, solely by reason of section 26 U.S.C.A. 3306(c)(8) of that act and is not excluded under division (B)(3) of this section;

(c) Domestic service performed after December 31, 1977, for an employer, as provided in division (A)(1)(c) of this section;

(d) Agricultural labor performed after December 31, 1977, for a farm operator or a crew leader, as provided in division (A)(1)(d) of this section;

(e) Service not covered under division (B)(1) of this section which is performed after December 31, 1971:

(i) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages other than milk, laundry, or dry-cleaning services, for the individual's employer or principal;

(ii) As a traveling or city salesperson, other than as an agent-driver or commission-driver, engaged on a full-time basis in the solicitation on behalf of and in the transmission to the salesperson's employer or principal except for sideline sales activities on behalf of some other person of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale, or supplies for use in their business operations, provided that for the purposes of division (B)(2)(e)(ii) of this section, the services shall be deemed employment if the contract of service contemplates that substantially all of the services are to be

performed personally by the individual and that the individual does not have a substantial investment in facilities used in connection with the performance of the services other than in facilities for transportation, and the services are not in the nature of a single transaction that is not a part of a continuing relationship with the person for whom the services are performed.

(f) An individual's entire service performed within or both within and without the state if:

(i) The service is localized in this state.

(ii) The service is not localized in any state, but some of the service is performed in this state and either the base of operations, or if there is no base of operations then the place from which such service is directed or controlled, is in this state or the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed but the individual's residence is in this state.

(g) Service not covered under division (B)(2)(f)(ii) of this section and performed entirely without this state, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other state, the Virgin Islands, Canada, or of the United States, if the individual performing such service is a resident of this state and the director approves the election of the employer for whom such services are performed; or, if the individual is not a resident of this state but the place from which the service is directed or controlled is in this state, the entire services of such individual shall be deemed to be employment subject to this chapter, provided service is deemed to be localized within this state if the service is performed entirely within this state or if the service is performed both within and without this state but the service performed without this state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions;

(h) Service of an individual who is a citizen of the United States, performed outside the United States except in Canada after December 31, 1971, or the Virgin Islands, after December 31, 1971, and before the first day of January of the year following that in which the United States secretary of labor approves the Virgin Islands law for the first time, in the employ of an American employer, other than service which is "employment" under divisions (B)(2)(f) and (g) of this section or similar provisions of another state's law, if:

(i) The employer's principal place of business in the United States is located in this state;

(ii) The employer has no place of business in the United States, but the employer is an individual who is a resident of this state; or the employer is a corporation which is organized under the laws of this state, or the employer is a partnership or a trust and the number of partners or trustees who are residents of this state is greater than the number who are residents of any other state; or

(iii) None of the criteria of divisions (B)(2)(f)(i) and (ii) of this section is met but the employer has elected coverage in this state or the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under this chapter.

(i) For the purposes of division (B)(2)(h) of this section, the term "American employer" means an employer who is an individual who is a resident of the United States; or a partnership, if two-thirds or more of the partners are residents of the United States; or a trust, if all of the trustees are residents of the United States; or a corporation organized under the laws of the United States or of any state, provided the term "United States" includes the states, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

(j) Notwithstanding any other provisions of divisions (B)(1) and (2) of this section, service, except for domestic service in a private home not covered under division (A)(1)(c) of this section, with respect to which a tax is required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund, or service, except for domestic service in a private home not covered under division (A)(1)(c) of this section, which, as a condition for full tax credit against the tax imposed by the "Federal Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, is required to be covered under this chapter.

(k) Construction services performed by any individual under a construction contract, as defined in section 4141.39 of the Revised Code, if the director determines that the employer for whom services are performed has the right to direct or control the performance of the services and that the individuals who perform the services receive remuneration for the services performed. The director shall presume that the employer for whom services are performed has the right to direct or control the performance of the services if ten or more of the following criteria apply:

(i) The employer directs or controls the manner or method by which instructions are given to the individual performing services;

(ii) The employer requires particular training for the individual performing services;

(iii) Services performed by the individual are integrated into the regular functioning of the employer;

(iv) The employer requires that services be provided by a particular individual;

(v) The employer hires, supervises, or pays the wages of the individual performing services;

(vi) A continuing relationship between the employer and the individual performing services exists which contemplates continuing or recurring work, even if not full-time work;

(vii) The employer requires the individual to perform services during established hours;

(viii) The employer requires that the individual performing services be devoted on a full-time basis to the business of the employer;

(ix) The employer requires the individual to perform services on the employer's premises;

(x) The employer requires the individual performing services to follow the order of work established by the employer;

(xi) The employer requires the individual performing services to make oral or written reports of progress;

(xii) The employer makes payment to the individual for services on a regular basis, such as hourly, weekly, or monthly;

(xiii) The employer pays expenses for the individual performing services;

(xiv) The employer furnishes the tools and materials for use by the individual to perform services;

(xv) The individual performing services has not invested in the facilities used to perform services;

(xvi) The individual performing services does not realize a profit or suffer a loss as a result of the performance of the services;

(xvii) The individual performing services is not performing services for more than two employers simultaneously;

(xviii) The individual performing services does not make the services available to the general

public;

(xix) The employer has a right to discharge the individual performing services;

(xx) The individual performing services has the right to end the individual's relationship with the employer without incurring liability pursuant to an employment contract or agreement.

(l) Service performed by an individual in the employ of an Indian tribe as defined by section 4(e) of the "Indian Self-Determination and Education Assistance Act," 88 Stat. 2204 (1975), 25 U.S.C.A. 450b(e), including any subdivision, subsidiary, or business enterprise wholly owned by an Indian tribe provided that the service is excluded from employment as defined in the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 and 3306(c)(7) and is not excluded under division (B)(3) of this section.

(3) "Employment" does not include the following services if they are found not subject to the "Federal Unemployment Tax Act," 84 Stat. 713 (1970), 26 U.S.C.A. 3301 to 3311, and if the services are not required to be included under division (B)(2)(j) of this section:

(a) Service performed after December 31, 1977, in agricultural labor, except as provided in division (A)(1)(d) of this section;

(b) Domestic service performed after December 31, 1977, in a private home, local college club, or local chapter of a college fraternity or sorority except as provided in division (A)(1)(c) of this section;

(c) Service performed after December 31, 1977, for this state or a political subdivision as described in division (B)(2)(a) of this section when performed:

(i) As a publicly elected official;

(ii) As a member of a legislative body, or a member of the judiciary;

(iii) As a military member of the Ohio national guard;

(iv) As an employee, not in the classified service as defined in section 124.11 of the Revised Code, serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or similar emergency;

(v) In a position which, under or pursuant to law, is designated as a major nontenured policymaking or advisory position, not in the classified service of the state, or a policymaking or advisory position the performance of the duties of which ordinarily does not require more than eight hours per week.

(d) In the employ of any governmental unit or instrumentality of the United States;

(e) Service performed after December 31, 1971:

(i) Service in the employ of an educational institution or institution of higher education, including those operated by the state or a political subdivision, if such service is performed by a student who is enrolled and is regularly attending classes at the educational institution or institution of higher education; or

(ii) By an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a full-time program, taken for credit at the institution, which combines academic instruction with work experience, if the service is an integral part of the program, and the institution has so certified to the employer, provided that this subdivision shall not apply to service performed in a program

established for or on behalf of an employer or group of employers.

(f) Service performed by an individual in the employ of the individual's son, daughter, or spouse and service performed by a child under the age of eighteen in the employ of the child's father or mother;

(g) Service performed for one or more principals by an individual who is compensated on a commission basis, who in the performance of the work is master of the individual's own time and efforts, and whose remuneration is wholly dependent on the amount of effort the individual chooses to expend, and which service is not subject to the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311. Service performed after December 31, 1971:

(i) By an individual for an employer as an insurance agent or as an insurance solicitor, if all this service is performed for remuneration solely by way of commission;

(ii) As a home worker performing work, according to specifications furnished by the employer for whom the services are performed, on materials or goods furnished by such employer which are required to be returned to the employer or to a person designated for that purpose.

(h) Service performed after December 31, 1971:

(i) In the employ of a church or convention or association of churches, or in an organization which is operated primarily for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches;

(ii) By a duly ordained, commissioned, or licensed minister of a church in the exercise of the individual's ministry or by a member of a religious order in the exercise of duties required by such order; or

(iii) In a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market, by an individual receiving such rehabilitation or remunerative work.

(i) Service performed after June 30, 1939, with respect to which unemployment compensation is payable under the "Railroad Unemployment Insurance Act," 52 Stat. 1094 (1938), 45 U.S.C. 351;

(j) Service performed by an individual in the employ of any organization exempt from income tax under section 501 of the "Internal Revenue Code of 1954," if the remuneration for such service does not exceed fifty dollars in any calendar quarter, or if such service is in connection with the collection of dues or premiums for a fraternal beneficial society, order, or association and is performed away from the home office or is ritualistic service in connection with any such society, order, or association;

(k) Casual labor not in the course of an employer's trade or business; incidental service performed by an officer, appraiser, or member of a finance committee of a bank, building and loan association, savings and loan association, or savings association when the remuneration for such incidental service exclusive of the amount paid or allotted for directors' fees does not exceed sixty dollars per calendar quarter is casual labor;

(l) Service performed in the employ of a voluntary employees' beneficial association providing for the payment of life, sickness, accident, or other benefits to the members of such

association or their dependents or their designated beneficiaries, if admission to a membership in such association is limited to individuals who are officers or employees of a municipal or public corporation, of a political subdivision of the state, or of the United States and no part of the net earnings of such association inures, other than through such payments, to the benefit of any private shareholder or individual;

(m) Service performed by an individual in the employ of a foreign government, including service as a consular or other officer or employee or of a nondiplomatic representative;

(n) Service performed in the employ of an instrumentality wholly owned by a foreign government if the service is of a character similar to that performed in foreign countries by employees of the United States or of an instrumentality thereof and if the director finds that the secretary of state of the United States has certified to the secretary of the treasury of the United States that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States and of instrumentalities thereof;

(o) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(p) Service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to state law, and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered or approved pursuant to state law;

(q) Service performed by an individual under the age of eighteen in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(r) Service performed in the employ of the United States or an instrumentality of the United States immune under the Constitution of the United States from the contributions imposed by this chapter, except that to the extent that congress permits states to require any instrumentalities of the United States to make payments into an unemployment fund under a state unemployment compensation act, this chapter shall be applicable to such instrumentalities and to services performed for such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers, individuals, and services, provided that if this state is not certified for any year by the proper agency of the United States under section 3304 of the "Internal Revenue Code of 1954," the payments required of such instrumentalities with respect to such year shall be refunded by the director from the fund in the same manner and within the same period as is provided in division (E) of section 4141.09 of the Revised Code with respect to contributions erroneously collected;

(s) Service performed by an individual as a member of a band or orchestra, provided such service does not represent the principal occupation of such individual, and which service is not subject to or required to be covered for full tax credit against the tax imposed by the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311.

(t) Service performed in the employ of a day camp whose camping season does not exceed twelve weeks in any calendar year, and which service is not subject to the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311. Service performed after December 31,

1971:

(i) In the employ of a hospital, if the service is performed by a patient of the hospital, as defined in division (W) of this section;

(ii) For a prison or other correctional institution by an inmate of the prison or correctional institution;

(iii) Service performed after December 31, 1977, by an inmate of a custodial institution operated by the state, a political subdivision, or a nonprofit organization.

(u) Service that is performed by a nonresident alien individual for the period the individual temporarily is present in the United States as a nonimmigrant under division (F), (J), (M), or (Q) of section 101(a)(15) of the "Immigration and Nationality Act," 66 Stat. 163, 8 U.S.C.A. 1101, as amended, that is excluded under section 3306(c)(19) of the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311.

(v) Notwithstanding any other provisions of division (B)(3) of this section, services that are excluded under divisions (B)(3)(g), (j), (k), and (l) of this section shall not be excluded from employment when performed for a nonprofit organization, as defined in division (X) of this section, or for this state or its instrumentalities, or for a political subdivision or its instrumentalities or for Indian tribes;

(w) Service that is performed by an individual working as an election official or election worker if the amount of remuneration received by the individual during the calendar year for services as an election official or election worker is less than one thousand dollars;

(x) Service performed for an elementary or secondary school that is operated primarily for religious purposes, that is described in subsection 501(c)(3) and exempt from federal income taxation under subsection 501(a) of the Internal Revenue Code, 26 U.S.C.A. 501;

(y) Service performed by a person committed to a penal institution.

(z) Service performed for an Indian tribe as described in division (B)(2)(l) of this section when performed in any of the following manners:

(i) As a publicly elected official;

(ii) As a member of an Indian tribal council;

(iii) As a member of a legislative or judiciary body;

(iv) In a position which, pursuant to Indian tribal law, is designated as a major nontenured policymaking or advisory position, or a policymaking or advisory position where the performance of the duties ordinarily does not require more than eight hours of time per week;

(v) As an employee serving on a temporary basis in the case of a fire, storm, snow, earthquake, flood, or similar emergency.

(aa) Service performed after December 31, 1971, for a nonprofit organization, this state or its instrumentalities, a political subdivision or its instrumentalities, or an Indian tribe as part of an unemployment work-relief or work-training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision, thereof, by an individual receiving the work-relief or work-training.

(bb) Participation in a learn to earn program as defined in section 4141.293 of the Revised Code.

(4) If the services performed during one half or more of any pay period by an employee for

the person employing that employee constitute employment, all the services of such employee for such period shall be deemed to be employment; but if the services performed during more than one half of any such pay period by an employee for the person employing that employee do not constitute employment, then none of the services of such employee for such period shall be deemed to be employment. As used in division (B)(4) of this section, "pay period" means a period, of not more than thirty-one consecutive days, for which payment of remuneration is ordinarily made to the employee by the person employing that employee. Division (B)(4) of this section does not apply to services performed in a pay period by an employee for the person employing that employee, if any of such service is excepted by division (B)(3)(o) of this section.

(C) "Benefits" means money payments payable to an individual who has established benefit rights, as provided in this chapter, for loss of remuneration due to the individual's unemployment.

(D) "Benefit rights" means the weekly benefit amount and the maximum benefit amount that may become payable to an individual within the individual's benefit year as determined by the director.

(E) "Claim for benefits" means a claim for waiting period or benefits for a designated week.

(F) "Additional claim" means the first claim for benefits filed following any separation from employment during a benefit year; "continued claim" means any claim other than the first claim for benefits and other than an additional claim.

(G)~~(1)~~ "Wages" means remuneration paid to an employee by each of the employee's employers with respect to employment; except that wages shall not include that part of remuneration paid during any calendar year to an individual by an employer or such employer's predecessor in interest in the same business or enterprise, which in any calendar year is in excess of ~~eight thousand two hundred fifty dollars on and after January 1, 1992; eight thousand five hundred dollars on and after January 1, 1993; eight thousand seven hundred fifty dollars on and after January 1, 1994; and~~ nine thousand dollars on and after January 1, 1995; nine thousand five hundred dollars on and after January 1, 2018; and nine thousand dollars on and after January 1, 2020. Remuneration in excess of such amounts shall be deemed wages subject to contribution to the same extent that such remuneration is defined as wages under the "Federal Unemployment Tax Act," 84 Stat. 714 (1970), 26 U.S.C.A. 3301 to 3311, as amended. The remuneration paid an employee by an employer with respect to employment in another state, upon which contributions were required and paid by such employer under the unemployment compensation act of such other state, shall be included as a part of remuneration in computing the amount specified in this division.

~~(2) Notwithstanding division (G)(1) of this section, if, as of the computation date for any calendar year, the director determines that the level of the unemployment compensation fund is sixty per cent or more below the minimum safe level as defined in section 4141.25 of the Revised Code, then, effective the first day of January of the following calendar year, wages subject to this chapter shall not include that part of remuneration paid during any calendar year to an individual by an employer or such employer's predecessor in interest in the same business or enterprise which is in excess of nine thousand dollars. The increase in the dollar amount of wages subject to this chapter under this division shall remain in effect from the date of the director's determination pursuant to division (G)(2) of this section and thereafter notwithstanding the fact that the level in the fund may subsequently become less than sixty per cent below the minimum safe level.~~

(H)(1) "Remuneration" means all compensation for personal services, including commissions and bonuses and the cash value of all compensation in any medium other than cash, except that in the case of agricultural or domestic service, "remuneration" includes only cash remuneration. Gratuities customarily received by an individual in the course of the individual's employment from persons other than the individual's employer and which are accounted for by such individual to the individual's employer are taxable wages.

The reasonable cash value of compensation paid in any medium other than cash shall be estimated and determined in accordance with rules prescribed by the director, provided that "remuneration" does not include:

(a) Payments as provided in divisions (b)(2) to (b)(20) of section 3306 of the "Federal Unemployment Tax Act," 84 Stat. 713, 26 U.S.C.A. 3301 to 3311, as amended;

(b) The payment by an employer, without deduction from the remuneration of the individual in the employer's employ, of the tax imposed upon an individual in the employer's employ under section 3101 of the "Internal Revenue Code of 1954," with respect to services performed after October 1, 1941.

(2) "Cash remuneration" means all remuneration paid in cash, including commissions and bonuses, but not including the cash value of all compensation in any medium other than cash.

(I) "Interested party" means the director and any party to whom notice of a determination of an application for benefit rights or a claim for benefits is required to be given under section 4141.28 of the Revised Code.

(J) "Annual payroll" means the total amount of wages subject to contributions during a twelve-month period ending with the last day of the second calendar quarter of any calendar year.

(K) "Average annual payroll" means the average of the last three annual payrolls of an employer, provided that if, as of any computation date, the employer has had less than three annual payrolls in such three-year period, such average shall be based on the annual payrolls which the employer has had as of such date.

(L)(1) "Contributions" means the money payments to the state unemployment compensation fund required of employers by section 4141.25 of the Revised Code and of the state and any of its political subdivisions electing to pay contributions under section 4141.242 of the Revised Code. Employers paying contributions shall be described as "contributory employers."

(2) "Payments in lieu of contributions" means the money payments to the state unemployment compensation fund required of reimbursing employers under sections 4141.241 and 4141.242 of the Revised Code.

(M) An individual is "totally unemployed" in any week during which the individual performs no services and with respect to such week no remuneration is payable to the individual.

(N) An individual is "partially unemployed" in any week if, due to involuntary loss of work, the total remuneration payable to the individual for such week is less than the individual's weekly benefit amount.

(O) "Week" means the calendar week ending at midnight Saturday unless an equivalent week of seven consecutive calendar days is prescribed by the director.

(1) "Qualifying week" means any calendar week in an individual's base period with respect to which the individual earns or is paid remuneration in employment subject to this chapter. A calendar

week with respect to which an individual earns remuneration but for which payment was not made within the base period, when necessary to qualify for benefit rights, may be considered to be a qualifying week. The number of qualifying weeks which may be established in a calendar quarter shall not exceed the number of calendar weeks in the quarter.

(2) "Average weekly wage" means the amount obtained by dividing an individual's total remuneration for all qualifying weeks during the base period by the number of such qualifying weeks, provided that if the computation results in an amount that is not a multiple of one dollar, such amount shall be rounded to the next lower multiple of one dollar.

(P) "Weekly benefit amount" means the amount of benefits an individual would be entitled to receive for one week of total unemployment.

(Q)(1) "Base period" means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year, except as provided in division (Q)(2) of this section.

(2) If an individual does not have sufficient qualifying weeks and wages in the base period to qualify for benefit rights, the individual's base period shall be the four most recently completed calendar quarters preceding the first day of the individual's benefit year. Such base period shall be known as the "alternate base period." If information as to weeks and wages for the most recent quarter of the alternate base period is not available to the director from the regular quarterly reports of wage information, which are systematically accessible, the director may, consistent with the provisions of section 4141.28 of the Revised Code, base the determination of eligibility for benefits on the affidavit of the claimant with respect to weeks and wages for that calendar quarter. The claimant shall furnish payroll documentation, where available, in support of the affidavit. The determination based upon the alternate base period as it relates to the claimant's benefit rights, shall be amended when the quarterly report of wage information from the employer is timely received and that information causes a change in the determination. As provided in division (B) of section 4141.28 of the Revised Code, any benefits paid and charged to an employer's account, based upon a claimant's affidavit, shall be adjusted effective as of the beginning of the claimant's benefit year. No calendar quarter in a base period or alternate base period shall be used to establish a subsequent benefit year.

(3) The "base period" of a combined wage claim, as described in division (H) of section 4141.43 of the Revised Code, shall be the base period prescribed by the law of the state in which the claim is allowed.

(4) For purposes of determining the weeks that comprise a completed calendar quarter under this division, only those weeks ending at midnight Saturday within the calendar quarter shall be utilized.

(R)(1) "Benefit year" with respect to an individual means the fifty-two week period beginning with the first day of that week with respect to which the individual first files a valid application for determination of benefit rights, and thereafter the fifty-two week period beginning with the first day of that week with respect to which the individual next files a valid application for determination of benefit rights after the termination of the individual's last preceding benefit year, except that the application shall not be considered valid unless the individual has had employment in six weeks that is subject to this chapter or the unemployment compensation act of another state, or

the United States, and has, since the beginning of the individual's previous benefit year, in the employment earned three times the average weekly wage determined for the previous benefit year. The "benefit year" of a combined wage claim, as described in division (H) of section 4141.43 of the Revised Code, shall be the benefit year prescribed by the law of the state in which the claim is allowed. Any application for determination of benefit rights made in accordance with section 4141.28 of the Revised Code is valid if the individual filing such application is unemployed, has been employed by an employer or employers subject to this chapter in at least twenty qualifying weeks within the individual's base period, and has earned or been paid remuneration at an average weekly wage of not less than twenty-seven and one-half per cent of the statewide average weekly wage for such weeks. For purposes of determining whether an individual has had sufficient employment since the beginning of the individual's previous benefit year to file a valid application, "employment" means the performance of services for which remuneration is payable.

(2) Effective for benefit years beginning on and after December 26, 2004, any application for determination of benefit rights made in accordance with section 4141.28 of the Revised Code is valid if the individual satisfies the criteria described in division (R)(1) of this section, and if the reason for the individual's separation from employment is not disqualifying pursuant to division (D)(2) of section 4141.29 or section 4141.291 of the Revised Code. A disqualification imposed pursuant to division (D)(2) of section 4141.29 or section 4141.291 of the Revised Code must be removed as provided in those sections as a requirement of establishing a valid application for benefit years beginning on and after December 26, 2004.

(3) The statewide average weekly wage shall be calculated by the director once a year based on the twelve-month period ending the thirtieth day of June, as set forth in division (B)(3) of section 4141.30 of the Revised Code, rounded down to the nearest dollar. Increases or decreases in the amount of remuneration required to have been earned or paid in order for individuals to have filed valid applications shall become effective on Sunday of the calendar week in which the first day of January occurs that follows the twelve-month period ending the thirtieth day of June upon which the calculation of the statewide average weekly wage was based.

(4) As used in this division, an individual is "unemployed" if, with respect to the calendar week in which such application is filed, the individual is "partially unemployed" or "totally unemployed" as defined in this section or if, prior to filing the application, the individual was separated from the individual's most recent work for any reason which terminated the individual's employee-employer relationship, or was laid off indefinitely or for a definite period of seven or more days.

(S) "Calendar quarter" means the period of three consecutive calendar months ending on the thirty-first day of March, the thirtieth day of June, the thirtieth day of September, and the thirty-first day of December, or the equivalent thereof as the director prescribes by rule.

(T) "Computation date" means the first day of the third calendar quarter of any calendar year.

(U) "Contribution period" means the calendar year beginning on the first day of January of any year.

(V) "Agricultural labor," for the purpose of this division, means any service performed prior to January 1, 1972, which was agricultural labor as defined in this division prior to that date, and service performed after December 31, 1971:

(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife;

(2) In the employ of the owner or tenant or other operator of a farm in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by hurricane, if the major part of such service is performed on a farm;

(3) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section 15 (g) of the "Agricultural Marketing Act," 46 Stat. 1550 (1931), 12 U.S.C. 1141j, as amended, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(4) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity, but only if the operator produced more than one half of the commodity with respect to which such service is performed;

(5) In the employ of a group of operators of farms, or a cooperative organization of which the operators are members, in the performance of service described in division (V)(4) of this section, but only if the operators produced more than one-half of the commodity with respect to which the service is performed;

(6) Divisions (V)(4) and (5) of this section shall not be deemed to be applicable with respect to service performed:

(a) In connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or

(b) On a farm operated for profit if the service is not in the course of the employer's trade or business.

As used in division (V) of this section, "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities and orchards.

(W) "Hospital" means an institution which has been registered or licensed by the Ohio department of health as a hospital.

(X) "Nonprofit organization" means an organization, or group of organizations, described in section 501(c)(3) of the "Internal Revenue Code of 1954," and exempt from income tax under section 501(a) of that code.

(Y) "Institution of higher education" means a public or nonprofit educational institution, including an educational institution operated by an Indian tribe, which:

(1) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent;

(2) Is legally authorized in this state or by the Indian tribe to provide a program of education

beyond high school; and

(3) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation.

For the purposes of this division, all colleges and universities in this state are institutions of higher education.

(Z) For the purposes of this chapter, "states" includes the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

(AA) "Alien" means, for the purposes of division (A)(1)(d) of this section, an individual who is an alien admitted to the United States to perform service in agricultural labor pursuant to sections 214 (c) and 101 (a)(15)(H) of the "Immigration and Nationality Act," 66 Stat. 163, 8 U.S.C.A. 1101.

(BB)(1) "Crew leader" means an individual who furnishes individuals to perform agricultural labor for any other employer or farm operator, and:

(a) Pays, either on the individual's own behalf or on behalf of the other employer or farm operator, the individuals so furnished by the individual for the service in agricultural labor performed by them;

(b) Has not entered into a written agreement with the other employer or farm operator under which the agricultural worker is designated as in the employ of the other employer or farm operator.

(2) For the purposes of this chapter, any individual who is a member of a crew furnished by a crew leader to perform service in agricultural labor for any other employer or farm operator shall be treated as an employee of the crew leader if:

(a) The crew leader holds a valid certificate of registration under the "Farm Labor Contractor Registration Act of 1963," 90 Stat. 2668, 7 U.S.C. 2041; or

(b) Substantially all the members of the crew operate or maintain tractors, mechanized harvesting or crop-dusting equipment, or any other mechanized equipment, which is provided by the crew leader; and

(c) If the individual is not in the employment of the other employer or farm operator within the meaning of division (B)(1) of this section.

(3) For the purposes of this division, any individual who is furnished by a crew leader to perform service in agricultural labor for any other employer or farm operator and who is not treated as in the employment of the crew leader under division (BB)(2) of this section shall be treated as the employee of the other employer or farm operator and not of the crew leader. The other employer or farm operator shall be treated as having paid cash remuneration to the individual in an amount equal to the amount of cash remuneration paid to the individual by the crew leader, either on the crew leader's own behalf or on behalf of the other employer or farm operator, for the service in agricultural labor performed for the other employer or farm operator.

(CC) "Educational institution" means an institution other than an institution of higher education as defined in division (Y) of this section, including an educational institution operated by an Indian tribe, which:

(1) Offers participants, trainees, or students an organized course of study or training designed to transfer to them knowledge, skills, information, doctrines, attitudes, or abilities from, by, or under

the guidance of an instructor or teacher; and

(2) Is approved, chartered, or issued a permit to operate as a school by the state board of education, other government agency, or Indian tribe that is authorized within the state to approve, charter, or issue a permit for the operation of a school.

For the purposes of this division, the courses of study or training which the institution offers may be academic, technical, trade, or preparation for gainful employment in a recognized occupation.

(DD) "Cost savings day" means any unpaid day off from work in which employees continue to accrue employee benefits which have a determinable value including, but not limited to, vacation, pension contribution, sick time, and life and health insurance.

Sec. 4141.25. (A) The director of job and family services shall determine as of each computation date the contribution rate of each contributing employer subject to this chapter for the next succeeding contribution period. The director shall determine a standard rate of contribution or an experience rate for each contributing employer. Once a rate of contribution has been established under this section for a contribution period, except as provided in division (D) of section 4141.26 of the Revised Code, that rate shall remain effective throughout such contribution period. The rate of contribution shall be determined in accordance with the following requirements:

(1) An employer whose experience does not meet the terms of division (A)(2) of this section shall be assigned a standard rate of contribution. Effective for contribution periods beginning on and after January 1, 1998, an employer's standard rate of contribution shall be a rate of two and seven-tenths per cent, except that the rate for employers engaged in the construction industry shall be the average contribution rate computed for the construction industry or a rate of two and seven-tenths per cent, whichever is greater. The standard rate set forth in this division shall be applicable to a nonprofit organization whose election to make payments in lieu of contributions is voluntarily terminated or canceled by the director under section 4141.241 of the Revised Code, and thereafter pays contributions as required by this section. If such nonprofit organization had been a contributory employer prior to its election to make payments in lieu of contributions, then any prior balance in the contributory account shall become part of the reactivated account.

As used in division (A) of this section, "the average contribution rate computed for the construction industry" means the most recent annual average rate attributable to the construction industry as prescribed by the director.

(2) A contributing employer subject to this chapter shall qualify for an experience rate only if there have been four consecutive quarters, ending on the thirtieth day of June immediately prior to the computation date, throughout which the employer's account was chargeable with benefits. Upon meeting the qualifying requirements provided in division (A)(2) of this section, the director shall calculate the total credits to each employer's account consisting of the contributions other than mutualized contributions including all contributions paid prior to the computation date for all past periods plus:

(a) The contributions owing on the computation date that are paid within thirty days after the computation date, and credited to the employer's account;

(b) All voluntary contributions paid by an employer pursuant to division (B) of section 4141.24 of the Revised Code.

(3) The director also shall determine the benefits which are chargeable to each employer's

account and which were paid prior to the computation date with respect to weeks of unemployment ending prior to the computation date. The director then shall determine the positive or negative balance of each employer's account by calculating the excess of such contributions and interest over the benefits chargeable, or the excess of such benefits over such contributions and interest. Any resulting negative balance then shall be subject to adjustment as provided in division (A)(2) of section 4141.24 of the Revised Code after which the positive or negative balance shall be expressed in terms of a percentage of the employer's average annual payroll. If the total standing to the credit of an employer's account exceeds the total charges, as provided in this division, the employer has a positive balance and if such charges exceed such credits the employer has a negative balance. Each employer's contribution rate shall then be determined in accordance with the following schedule:

Contribution Rate Schedule

	If, as of the computation date the contribution rate balance of an employer's account as a percentage of the employer's average annual payroll is	The employer's contribution rate for the next succeeding contribution period shall be
(a)	A negative balance of:	
	20.0% or more	6.5%
	19.0% but less than 20.0%	6.4%
	17.0% but less than 19.0%	6.3%
	15.0% but less than 17.0%	6.2%
	13.0% but less than 15.0%	6.1%
	11.0% but less than 13.0%	6.0%
	9.0% but less than 11.0%	5.9%
	5.0% but less than 9.0%	5.7%
	4.0% but less than 5.0%	5.5%
	3.0% but less than 4.0%	5.3%
	2.0% but less than 3.0%	5.1%
	1.0% but less than 2.0%	4.9%
	more than 0.0% but less than 1.0%	4.8%
(b)	A 0.0% or a positive balance of less than 1.0%	4.7%
(c)	A positive balance of:	
	1.0% or more, but less than 1.5%	4.6%

1.5% or more, but less than 2.0%	4.5%
2.0% or more, but less than 2.5%	4.3%
2.5% or more, but less than 3.0%	4.0%
3.0% or more, but less than 3.5%	3.8%
3.5% or more, but less than 4.0%	3.5%
4.0% or more, but less than 4.5%	3.3%
4.5% or more, but less than 5.0%	3.0%
5.0% or more, but less than 5.5%	2.8%
5.5% or more, but less than 6.0%	2.5%
6.0% or more, but less than 6.5%	2.2%
6.5% or more, but less than 7.0%	2.0%
7.0% or more, but less than 7.5%	1.8%
7.5% or more, but less than 8.0%	1.6%
8.0% or more, but less than 8.5%	1.4%
8.5% or more, but less than 9.0%	1.3%
9.0% or more, but less than 9.5%	1.1%
9.5% or more, but less than 10.0%	1.0%
10.0% or more, but less than 10.5%	.9%
10.5% or more, but less than 11.0%	.7%
11.0% or more, but less than 11.5%	.6%
11.5% or more, but less than 12.0%	.5%
12.0% or more, but less than 12.5%	.4%
12.5% or more, but less than 13.0%	.3%
13.0% or more, but less than 14.0%	.2%
14.0% or more	.1%

(d) The contribution rates shall be as specified in divisions (a), (b), and (c) of the contribution rate schedule except that notwithstanding the amendments made to division (a) of the contribution rate schedule in this section, if, as of the computation date: for 1991, the negative balance is 5.0% or more, the contribution rate shall be 5.7%; for 1992, if the negative balance is 11.0% or more, the contribution rate shall be 6.0%; and for 1993, if the negative balance is 17.0% or more, the contribution rate shall be 6.3%. Thereafter, the contribution rates shall be as specified in the contribution rate schedule.

(B)(1) The director shall establish and maintain a separate account to be known as the

"mutualized account." As of each computation date there shall be charged to this account:

(a) As provided in division (A)(2) of section 4141.24 of the Revised Code, an amount equal to the sum of that portion of the negative balances of employer accounts which exceeds the applicable limitations as such balances are computed under division (A) of this section as of such date;

(b) An amount equal to the sum of the negative balances remaining in employer accounts which have been closed during the year immediately preceding such computation date pursuant to division (E) of section 4141.24 of the Revised Code;

(c) An amount equal to the sum of all benefits improperly paid preceding such computation date which are not recovered but which are not charged to an employer's account, or which after being charged, are credited back to an employer's account;

(d) An amount equal to the sum of any other benefits paid preceding such computation date which, under this chapter, are not chargeable to an employer's account;

(e) An amount equal to the sum of any refunds made during the year immediately preceding such computation date of erroneously collected mutualized contributions required by this division which were previously credited to this account;

(f) An amount equal to the sum of any repayments made to the federal government during the year immediately preceding such computation date of amounts which may have been advanced by it to the unemployment compensation fund under section 1201 of the "Social Security Act," 49 Stat. 648 (1935), 42 U.S.C. 301;

(g) Any amounts appropriated by the general assembly out of funds paid by the federal government, under section 903 of the "Social Security Act," to the account of this state in the federal unemployment trust fund.

(2) As of every computation date there shall be credited to the mutualized account provided for in this division:

(a) The proceeds of the mutualized contributions as provided in this division;

(b) Any positive balances remaining in employer accounts which are closed as provided in division (E) of section 4141.24 of the Revised Code;

(c) Any benefits improperly paid which are recovered but which cannot be credited to an employer's account;

(d) All amounts which may be paid by the federal government under section 903 of the "Social Security Act" to the account of this state in the federal unemployment trust fund;

(e) Amounts advanced by the federal government to the account of this state in the federal unemployment trust fund under section 1201 of the "Social Security Act" to the extent such advances have been repaid to or recovered by the federal government;

(f) Interest credited to the Ohio unemployment trust fund as deposited with the secretary of the treasury of the United States;

(g) Amounts deposited into the unemployment compensation fund for penalties collected pursuant to division (A)(4) of section 4141.35 of the Revised Code.

(3) Annually, as of the computation date, the director shall determine the total credits and charges made to the mutualized account during the preceding twelve months and the overall condition of the account. The director shall issue an annual statement containing this information and

such other information as the director deems pertinent, including a report that the sum of the balances in the mutualized account, employers' accounts, and any subsidiary accounts equal the balance in the state's unemployment trust fund maintained under section 904 of the "Social Security Act."

(4) As used in this division:

(a) "Fund as of the computation date" means as of any computation date, the aggregate amount of the unemployment compensation fund, including all contributions owing on the computation date that are paid within thirty days thereafter, all payments in lieu of contributions that are paid within sixty days after the computation date, all reimbursements of the federal share of extended benefits described in section 4141.301 of the Revised Code that are owing on the computation date, and all interest earned by the fund and received on or before the computation date from the federal government.

(b) "Minimum safe level" means an amount equal to two standard deviations above the average of the adjusted annual average unemployment compensation benefit payment from 1970 to the most recent calendar year prior to the computation date, as determined by the director pursuant to division (B)(4)(b) of this section. To determine the adjusted annual payment of unemployment compensation benefits, the director first shall multiply the number of weeks compensated during each calendar year beginning with 1970 by the most recent annual average weekly unemployment compensation benefit payment and then compute the average and standard deviation of the resultant products.

(c) "Annual average weekly unemployment compensation benefit payment" means the amount resulting from dividing the unemployment compensation benefits paid from the benefit account maintained within the unemployment compensation fund pursuant to section 4141.09 of the Revised Code, by the number of weeks compensated during the same time period.

(5) If, as of any computation date, the charges to the mutualized account during the entire period subsequent to the computation date, July 1, 1966, made in accordance with division (B)(1) of this section, exceed the credits to such account including mutualized contributions during such period, made in accordance with division (B)(2) of this section, the amount of such excess charges shall be recovered during the next contribution period. To recover such amount, the director shall compute the percentage ratio of such excess charges to the average annual payroll of all employers eligible for an experience rate under division (A) of this section. The percentage so determined shall be computed to the nearest tenth of one per cent and shall be an additional contribution rate to be applied to the wages paid by each employer whose rate is computed under the provisions of division (A) of this section in the contribution period next following such computation date, but such percentage shall not exceed five-tenths of one per cent; however, when there are any excess charges in the mutualized account, as computed in this division, then the mutualized contribution rate shall not be less than one-tenth of one per cent.

(6) If the fund as of the computation date is above or below minimum safe level, the contribution rates provided for in each classification in division (A)(3) of this section for the next contribution period shall be adjusted as follows:

(a) If the fund is thirty per cent or more above minimum safe level, the contribution rates provided in division (A)(3) of this section shall be decreased two-tenths of one per cent.

(b) If the fund is more than fifteen per cent but less than thirty per cent above minimum safe

level, the contribution rates provided in division (A)(3) of this section shall be decreased one-tenth of one per cent.

(c) If the fund is more than fifteen per cent but less than thirty per cent below minimum safe level, the contribution rates of all employers shall be increased twenty-five one-thousandths of one per cent plus a per cent increase calculated and rounded pursuant to division (B)(6)(g) of this section.

(d) If the fund is more than thirty per cent but less than forty-five per cent below minimum safe level, the contribution rates of all employers shall be increased seventy-five one-thousandths of one per cent plus a per cent increase calculated and rounded pursuant to division (B)(6)(g) of this section.

(e) If the fund is more than forty-five per cent but less than sixty per cent below minimum safe level, the contribution rates of all employers shall be increased one-eighth of one per cent plus a per cent increase calculated and rounded pursuant to division (B)(6)(g) of this section.

(f) If the fund is sixty per cent or more below minimum safe level, the contribution rates of all employers shall be increased two-tenths of one per cent plus a per cent increase calculated and rounded pursuant to division (B)(6)(g) of this section.

(g) The additional per cent increase in contribution rates required by divisions (B)(6)(c), (d), (e), and (f) of this section that is payable by each individual employer shall be calculated in the following manner. The flat rate increase required by a particular division shall be ~~increased by the amount required under division (B)(7) of this section, if applicable, and that sum shall be~~ multiplied by three and the product divided by the average experienced-rated contribution rate for all employers as determined by the director for the most recent calendar year. The resulting quotient shall be multiplied by an individual employer's contribution rate determined pursuant to division (A)(3) of this section. The resulting product shall be rounded to the nearest tenth of one per cent, added to the flat rate increase required by division (B)(6)(c), (d), (e), or (f) of this section, as appropriate, and the total shall be rounded to the nearest tenth of one per cent. As used in division (B)(6)(g) of this section, the "average experienced-rated contribution rate" means the most recent annual average contribution rate reported by the director contained in report RS 203.2 less the mutualized and minimum safe level contribution rates included in such rate.

(h) If any of the increased contribution rates of division (B)(6)(c), (d), (e), or (f) of this section are imposed, the rate shall remain in effect for the calendar year in which it is imposed and for each calendar year thereafter until the director determines as of the computation date for calendar year 1991 and as of the computation date for any calendar year thereafter pursuant to this section, that the level of the unemployment compensation fund equals or exceeds the minimum safe level as defined in division (B)(4)(b) of this section. Nothing in division (B)(6)(h) of this section shall be construed as restricting the imposition of the increased contribution rates provided in divisions (B)(6)(c), (d), (e), and (f) of this section if the fund falls below the percentage of the minimum safe level as specified in those divisions.

(7)~~(a) If, as of the computation date, an outstanding balance for advances made to the state under section 1201 of the "Social Security Act," 42 U.S.C. 1321, exists, the contribution rates of all contributory employers subject to an experience rate under division (A)(2) of this section shall be increased, as determined by the director, in an amount up to five-tenths of one per cent for the purpose of eliminating the principal on any outstanding balance of the advances.~~

~~(b) If the increase in contribution rates under division (B)(7)(a) of this section is imposed, the increase shall remain in effect for each calendar year thereafter until the earlier of the following:~~

~~(i) The principal on any outstanding balance of the advances has been eliminated.~~

~~(ii) The director determines that the total credits allowable against the tax imposed by section 3301 of the "Federal Unemployment Tax Act," 26 U.S.C. 3301, for employers of the state will be reduced pursuant to section 3302(c)(2) of the "Federal Unemployment Tax Act," 26 U.S.C. 3302(c)(2) for that calender year.~~

~~(8)~~ The additional contributions required by division (B)(5) of this section shall be credited to the mutualized account. The additional contributions required by ~~divisions~~ division (B)(6) ~~and (7)~~ of this section shall be credited fifty per cent to individual employer accounts and fifty per cent to the mutualized account.

(C) If an employer makes a payment of contributions which is less than the full amount required by this section and sections 4141.23, 4141.24, 4141.241, 4141.242, 4141.25, 4141.26, and 4141.27 of the Revised Code, such partial payment shall be applied first against the mutualized contributions required under this chapter. Any remaining partial payment shall be credited to the employer's individual account.

(D) Whenever there are any increases in contributions resulting from an increase in wages subject to contributions as defined in division (G) of section 4141.01 of the Revised Code, or from an increase in the mutualized rate of contributions provided in division (B) of this section, or from a revision of the contribution rate schedule provided in division (A) of this section, except for that portion of the increase attributable to a change in the positive or negative balance in an employer's account, which increases become effective after a contract for the construction of real property, as defined in section 5701.02 of the Revised Code, has been entered into, the contractee upon written notice by a prime contractor shall reimburse the contractor for all increased contributions paid by the prime contractor or by subcontractors upon wages for services performed under the contract. Upon reimbursement by the contractee to the prime contractor, the prime contractor shall reimburse each subcontractor for the increased contributions.

(E) Effective only for the contribution period beginning on January 1, 1996, and ending on December 31, 1996, mutualized contributions collected or received by the director pursuant to division (B)(5) of this section and amounts credited to the mutualized account pursuant to division (B)~~(8)~~ (7) of this section shall be deposited into or credited to the unemployment compensation benefit reserve fund that is created under division (F) of this section, except that amounts collected, received, or credited in excess of two hundred million dollars shall be deposited into or credited to the unemployment trust fund established pursuant to section 4141.09 of the Revised Code.

(F) The state unemployment compensation benefit reserve fund is hereby created as a trust fund in the custody of the treasurer of state and shall not be part of the state treasury. The fund shall consist of all moneys collected or received as mutualized contributions pursuant to division (B)(5) of this section and amounts credited to the mutualized account pursuant to division (B)~~(8)~~ (7) of this section as provided by division (E) of this section. All moneys in the fund shall be used solely to pay unemployment compensation benefits in the event that funds are no longer available for that purpose from the unemployment trust fund established pursuant to section 4141.09 of the Revised Code.

(G) The balance in the unemployment compensation benefit reserve fund remaining at the

end of the contribution period beginning January 1, 2000, and any mutualized contribution amounts for the contribution period beginning on January 1, 1996, that may be received after December 31, 2000, shall be deposited into the unemployment trust fund established pursuant to section 4141.09 of the Revised Code. Income earned on moneys in the state unemployment compensation benefit reserve fund shall be available for use by the director only for the purposes described in division (I) of this section, and shall not be used for any other purpose.

(H) The unemployment compensation benefit reserve fund balance shall be added to the unemployment trust fund balance in determining the minimum safe level tax to be imposed pursuant to division (B) of this section and shall be included in the mutualized account balance for the purpose of determining the mutualized contribution rate pursuant to division (B)(5) of this section.

(I) All income earned on moneys in the unemployment compensation benefit reserve fund from the investment of the fund by the treasurer of state shall accrue to the department of job and family services automation administration fund, which is hereby established in the state treasury. Moneys within the automation administration fund shall be used to meet the costs related to automation of the department and the administrative costs related to collecting and accounting for unemployment compensation benefit reserve fund revenue. Any funds remaining in the automation administration fund upon completion of the department's automation projects that are funded by that fund shall be deposited into the unemployment trust fund established pursuant to section 4141.09 of the Revised Code.

(J) The director shall prepare and submit monthly reports to the unemployment compensation advisory commission with respect to the status of efforts to collect and account for unemployment compensation benefit reserve fund revenue and the costs related to collecting and accounting for that revenue. The director shall obtain approval from the unemployment compensation advisory commission for expenditure of funds from the department of job and family services automation administration fund. Funds may be approved for expenditure for purposes set forth in division (I) of this section only to the extent that federal or other funds are not available.

Sec. 4141.30. (A) All benefits shall be paid through public employment offices in accordance with such rules as the director of job and family services prescribes.

(B) With the exceptions in division (B)(4) of this section, benefits are payable to each eligible and qualified individual on account of each week of involuntary total unemployment after the specified waiting period at the weekly benefit amount determined by:

(1) Computing the individual's average weekly wage as defined in division (O)(2) of section 4141.01 of the Revised Code;

(2) Determining the individual's dependency class under division (E) of this section;

(3) Computing the individual's weekly benefit amount to be fifty per cent of the individual's average weekly wage except, that the individual's weekly benefit amount shall not exceed the maximum amount shown for the individual's dependency class in the following table:

Dependency Class	Maximum Weekly Benefit Amount
A	$147
B	223

C 233

Effective Sunday of the calendar week in which January 1, 1988, occurs and on each similar day of each year thereafter, the current maximum weekly benefit amount for each dependency class shall be adjusted based on the statewide average weekly wage. Any percentage increase in such statewide average weekly wage between the wage computed for the current year and the wage computed for the preceding year shall be used to increase the maximum amounts then in effect by the same percentage. Such increased amounts will be effective with respect to ~~applications~~ applications for benefit rights filed during the fifty-two consecutive calendar weeks beginning with such Sunday date.

The director shall calculate the statewide average weekly wage based on the average weekly earnings of all workers in employment subject to this chapter during the preceding twelve-month period ending the thirtieth day of June. The calculation shall be made in the following manner:

(a) The sum of the total monthly employment reported for the previous twelve-month period shall be divided by twelve to determine the average monthly employment;

(b) The sum of the total wages reported for the previous twelve-month period shall be divided by the average monthly employment to determine the average annual wage;

(c) The average annual wage shall be divided by fifty-two to determine the statewide average weekly wage.

In the computation of the weekly benefit amount, any resulting amount not a multiple of one dollar shall be rounded to the next lower multiple of one dollar. In the computation of the adjusted maximum benefit amounts, based on the statewide average weekly wage, any resulting amount not a multiple of one dollar shall be rounded to the next lower multiple of one dollar.

(4) Effective Sunday of the calendar week in which January 1, occurs for calendar years 1988 through 1993, the maximum weekly benefit amount payable for an individual's dependency class for those years shall be computed in accordance with this division, with an additional increase added to the prior year's increase equal to one-sixth of total percentage increase that otherwise would have been available in calendar years 1983, 1984, 1985, 1986, and 1987, if in those years an adjustment in the maximum weekly benefit amount would have been made pursuant to this division.

(5) Effective Sunday of the calendar week in which January 1, 1991, occurs, the maximum weekly benefit amounts computed under divisions (B)(3) and (4) of this section shall not exceed the following amounts:

(a) For dependency class A, fifty per cent of the statewide average weekly wage;

(b) For dependency class B, sixty per cent of the statewide average weekly wage;

(c) For dependency class C, sixty-six and two-thirds per cent of the statewide average weekly wage.

Division (B)(5) of this section applies to all new claims filed on and after the Sunday of the calendar week in which January 1, 1991, occurs, provided that the maximum weekly benefit amounts established for the dependency classes prior to such date apply to all claims until the maximum weekly benefit amounts as determined pursuant to division (B)(5) of this section equal or exceed the maximum weekly benefit amounts in effect prior to such date.

(6) For the time period beginning on January 1, 2018, and ending January 1, 2020, no individual's weekly benefit amount shall exceed the maximum weekly benefit amounts in effect on

the effective date of this section.

(C) Benefits are payable to each partially unemployed individual otherwise eligible on account of each week of involuntary partial unemployment after the specified waiting period in an amount equal to the individual's weekly benefit amount less that part of the remuneration payable to the individual with respect to such week which is in excess of twenty per cent of the individual's weekly benefit amount, and the resulting amount rounded to the next lower multiple of one dollar.

(D) The total benefits to which an individual is entitled in any benefit year, whether for partial or total unemployment, or both, shall not exceed the lesser of the following two amounts: (1) an amount equal to twenty-six times the individual's weekly benefit amount determined in accordance with division (B) of this section and this division, or (2) an amount computed by taking the sum of twenty times the individual's weekly benefit amount for the first twenty base period qualifying weeks plus one times the weekly benefit amount for each additional qualifying week beyond the first twenty qualifying weeks in the individual's base period.

(E) Each eligible and qualified individual shall be assigned a dependency class in accordance with the following schedule:

Class	Description of Dependents
A	No dependents, or has insufficient wages to qualify for more than the maximum weekly benefit amount as provided under dependency class A
B	One or two dependents
C	Three or more dependents

As used in this division "dependent" means:

(1) Any natural child, stepchild, or adopted child of the individual claiming benefits for whom such individual at the beginning of the individual's current benefit year is supplying and for at least ninety consecutive days, or for the duration of the parental relationship if it existed less than ninety days, immediately preceding the beginning of such benefit year, has supplied more than one-half of the cost of support and if such child on the beginning date of such benefit year was under eighteen years of age, or if unable to work because of permanent physical or mental disability;

(2) The legally married wife or husband of the individual claiming benefits for whom more than one-half the cost of support has been supplied by such individual for at least ninety consecutive days, or for the duration of the marital relationship if it has existed for less than ninety days, immediately preceding the beginning of such individual's current benefit year and such wife or husband was living with such individual and had an average weekly income, in such period, not in excess of twenty-five per cent of the claimant's average weekly wage.

(3) If both the husband and wife qualify for benefit rights with overlapping benefit years, only one of them may qualify for a dependency class other than A.

Sec. 4175.01. As used in this chapter:

(A) "Climbing facility operator" means a person who owns, manages, controls, directs, or has operational responsibility for a climbing facility.

(B) "Climber" means a person in a climbing facility for the purpose of recreational or competitive climbing. "Climber" includes any person entering a climbing facility as an invitee, whether or not the person pays consideration to enter.

(C) "Climbing facility" means a facility or premises used by the public not located in an amusement park, carnival, or on public land designed and built for the sport of rock climbing, recreational climbing, or competitive climbing, including ascending, descending, and traversing over simulated rock surfaces that use belay systems in their normal operation.

(D) "Floor supervisor" means an employee of the climbing facility who has responsibility for all of the following:

(1) Observing, supervising, or monitoring activity in the climbing facility;

(2) Instructing or assisting climbers in the climbing facility;

(3) Enforcing the climbing facility's rules.

(E) "Personal protective equipment" means clothing, garments, harnesses, or other items designed to protect a climber from injury while rock climbing.

(F) "Spectator" means a person who is present in a climbing facility only for the purpose of observing recreational or competitive climbing.

Sec. 4175.02. The general assembly finds that the sport of rock climbing is practiced by a large number of Ohio citizens, provides a wholesome and healthy family activity that should be encouraged, promotes physical fitness, and significantly contributes to the economy of this state. The general assembly further finds that the sport of rock climbing contains both inherent and other risks that can be hazardous to climbers and that those other risks should be managed. Therefore, defining the duties and responsibilities of climbing facility operators and climbers is in the public interest.

Sec. 4175.03. Each climbing facility operator shall do all of the following:

(A) Maintain a policy of liability insurance in accordance with section 4175.08 of the Revised Code;

(B) Comply with all manufacturer instructions and requirements regarding the manufactured climbing wall, including the operation, inspection, repair, modification, or replacement of the wall or a component of the wall;

(C) Comply with all manufacturer instructions and requirements for use of climbing facility-owned personal protective equipment, including the operation, inspection, repair, modification, or replacement of the personal protective equipment;

(D) Post rules and warnings for climbers and spectators. The rules and warnings must be clearly legible and be in a conspicuous location in the climbing facility.

(E) Conduct an orientation of the climbing facility for all climbers. The orientation shall contain a notice of climber responsibility as described in section 4175.05 of the Revised Code.

(F) Maintain the walls, flooring, anchors, holds, ropes, connectors, and facility-owned personal protective equipment in serviceable condition;

(G) Conduct criminal history inquiries of all individuals eighteen years of age or older who seek employment for the positions of manager, assistant manager, instructor, route setter, coach,

assistant coach, or similar positions. The climbing facility owner shall require each applicant for employment in these positions who are eighteen years of age or older to provide consent to a criminal records check, in accordance with section 109.572 of the Revised Code, as part of the applicant's application for employment. The bureau of criminal identification and investigation shall comply with a criminal records check made pursuant to this section.

(H) Maintain sufficient staffing to control access to the facility, supervise the facility during its hours of operation, and provide emergency assistance as needed;

(I) Maintain sufficient records for the operation of the climbing facility, including:

(1) A record of all purchases of facility-owned personal protective equipment;

(2) A record of all inspections, maintenance, or repairs conducted on the manufactured climbing wall, excluding holds;

(3) A record of all inspections on facility-owned personal protective equipment.

(J) Comply with all applicable state and local building, fire, and zoning requirements;

(K)(1) Conduct inspections of the manufactured climbing wall per the manufacturer's instructions or every four years, whichever is sooner;

(2) The inspection shall be conducted by either of the following:

(a) The manufacturer or the manufacturer's representative;

(b) A licensed professional engineer.

(3) Evidence of such an inspection shall be filed with the department of commerce.

Sec. 4175.04. (A) Climbing facility employees shall have adequate knowledge of the following:

(1) The manufactured climbing wall, including any requirements of the climbing wall manufacturer or the climbing facility owner or operator;

(2) The facility-owned personal protective equipment prior to use, including the equipment manufacturer's instructions;

(3) The location of all safety equipment, such as first aid kits, fire extinguishers, and the nearest telephone for routine or emergency service;

(4) The climbing facility's emergency procedures.

(B) Climbing facility employees shall perform a daily pre-use visual inspection of the climbing facility.

(C) The climbing facility floor supervisor shall do all of the following while on duty:

(1) Be in a position to observe the facility;

(2) Monitor activity in the facility;

(3) Assist climbers in meeting the responsibilities for climbers established in section 4175.05 of the Revised Code;

(4) Issue warnings, reprimands, or penalties to climbers for violations of section 4175.05 of the Revised Code.

(D) No person shall act as a floor supervisor unless the person has received the training appropriate for the duties established in division (C) of this section.

(E) No climbing facility employee shall work at the facility while under the influence of alcohol or a controlled substance.

Sec. 4175.05. (A) Each climber acknowledges that there are inherent and other risks

associated with participation in the sport of rock climbing. Each climber accepts the inherent and other risks of climbing, of which a reasonably prudent person is aware.

(B) Each climber shall comply with all of the following:

(1) Read all warnings and obey all rules of the climbing facility;

(2) Obey all written and oral warnings and instructions of facility staff;

(3) Read and follow the manufacturer's instructions for use of personal protective equipment;

(4) Prior to each use, inspect any personal protective equipment used by the climber, and replace the equipment as needed and according to the manufacturer's instructions;

(5) Refrain from acting in a manner that may cause or contribute to the injury of the climber or any other person;

(6) Exercise good judgment and act in a responsible manner while climbing.

(C) No climber shall climb while under the influence of alcohol or a controlled substance.

Sec. 4175.06. Climbers have knowledge of and expressly assume the risks and legal responsibility for any losses that result from any of the following:

(A) Falls and crashes into the climbing wall, holds, rocks, or other obstacles;

(B) Risks associated with crossing or climbing up or down;

(C) Equipment failure;

(D) The climber's physical strength, coordination, sense of balance, and ability to follow or give directions while climbing, belaying, lifting, or spotting;

(E) Fatigue, chill, or dizziness;

(F) The actions of other individuals, which are not attributable to a breach of the climbing facility operator's duties under section 4175.03 or 4175.08 of the Revised Code.

Sec. 4175.07. The express assumption of risk established in section 4175.06 of the Revised Code serves as a complete defense against liability in a tort or other civil action against a climbing facility operator by a climber for injuries resulting from the assumed risks of climbing enumerated in that section. The contributory fault provisions of sections 2315.32 to 2315.36 of the Revised Code do not apply unless the operator has breached the operator's duties under section 4175.03 or 4175.08 of the Revised Code.

Sec. 4175.08. (A) The owner of a climbing facility shall file with the department of commerce a certificate of insurance evidencing that each climbing facility owned by the owner has liability insurance in effect with an insurer authorized or approved to write such insurance in this state.

(B) The insurance policy required by division (A) of this section shall provide coverage in the following amounts:

(1) Not less than five hundred thousand dollars because of bodily injury or death of one person in each occurrence;

(2) Not less than one million dollars because of bodily injury to or death of two or more persons in each occurrence.

(C) The insurance policy required by division (A) of this section may include a deductible clause, provided that any settlement made by the insurance company with an injured party or the injured party's legal representative shall be paid as though the deductible clause did not apply.

(D) Each policy, by its original terms or an endorsement, shall do both of the following:

(1) Obligate the insurer that the insurer will not cancel the policy without thirty days' written notice and a complete report of the reasons for such cancellation being given to the department;

(2) Obligate the insurer that the insurer will, within twenty-four hours, report to the department if it pays a claim or reserves any amount to pay an anticipated claim that reduces the liability insurance coverage to a limit of less than one million dollars because of bodily injury to or death of two or more persons in each occurrence.

(E) If the insurance policy is canceled during its term or lapses for any reason, including coverage reduced below the required amount, the owner shall replace the policy with another policy fully complying with the requirements of this section prior to permitting a climber to use the climbing facility.

(F) If the owner fails to file a certificate of insurance for new or replacement insurance, the owner shall cease all operations under the permit immediately upon the cancellation or lapse of the insurance and further obligations shall not be conducted without the specific approval of the department, which shall be given after the owner has complied with this section.

Sec. 4727.02. No person shall act as a pawnbroker, or advertise, transact, or solicit business as a pawnbroker, without first having obtained a license from the superintendent of financial institutions. A person shall obtain a separate license for each place of business at which the person acts or transacts business as a pawnbroker.

Sec. 4727.03. (A) As used in this section, "experience and fitness in the capacity involved" means that the applicant for a pawnbroker's license demonstrates sufficient financial responsibility, reputation, and experience in the pawnbroker business, or in a related business, to act as a pawnbroker in compliance with this chapter. "Experience and fitness in the capacity involved" shall be determined by:

(1) Prior or current ownership or management of, or employment in, a pawnshop;

(2) Demonstration to the satisfaction of the superintendent of financial institutions of a thorough working knowledge of all pawnbroker laws and rules as they relate to the actual operation of a pawnshop.

A demonstration shall include a demonstration of an ability to properly complete forms, knowledge of how to properly calculate interest and storage charges, and knowledge of legal notice and forfeiture procedures. The final determination of whether an applicant's demonstration is adequate rests with the superintendent.

(3) A submission by the applicant and any stockholders, owners, managers, directors, or officers of the pawnshop, and employees of the applicant to a police record check; and

(4) Liquid assets in a minimum amount of one hundred twenty-five thousand dollars at the time of applying for initial licensure and demonstration of the ability to maintain the liquid assets at a minimum amount of ~~fifty~~ seventy-five thousand dollars for the duration of holding a valid pawnbroker's license. If an applicant holds a pawnbroker's license at the time of application or is applying for more than one license, this requirement shall be met separately for each license.

(B) The superintendent may grant a license to act as a pawnbroker to any person of good character and having experience and fitness in the capacity involved to engage in the business of pawnbroking upon the payment to the superintendent of a license fee determined by the superintendent pursuant to section 1321.20 of the Revised Code. A license is not transferable or

assignable.

(C) The superintendent may consider an application withdrawn and may retain the investigation fee required under division (D) of this section if both of the following are true:

(1) An application for a license does not contain all of the information required under division (B) of this section.

(2) The information is not submitted to the superintendent within ninety days after the superintendent requests the information from the applicant in writing.

(D) The superintendent shall require an applicant for a pawnbroker's license to pay to the superintendent a nonrefundable initial investigation fee of two hundred dollars, which is for the exclusive use of the state.

(E)(1) Except as otherwise provided in division (E)(2) of this section, a pawnbroker's license issued by the superintendent expires on the thirtieth day of June next following the date of its issuance, and may be renewed annually by the thirtieth day of June in accordance with the standard renewal procedure set forth in Chapter 4745. of the Revised Code. Fifty per cent of the annual license fee shall be for the use of the state, and fifty per cent shall be paid by the state to the municipal corporation, or if outside the limits of any municipal corporation, to the county, in which the office of the licensee is located. All such fees payable to municipal corporations or counties shall be paid annually.

(2) A pawnbroker's license issued or renewed by the superintendent on or after January 1, 2006, expires on the thirtieth day of June in the even-numbered year next following the date of its issuance or renewal, as applicable, and may be renewed biennially by the thirtieth day of June in accordance with the standard renewal procedure set forth in Chapter 4745. of the Revised Code. Fifty per cent of the biennial license fee shall be for the use of the state, and fifty per cent shall be paid by the state to the municipal corporation, or if outside the limits of any municipal corporation, to the county, in which the office of the licensee is located. All such fees payable to municipal corporations or counties shall be paid biennially.

(F) The fee for renewal of a license shall be equivalent to the fee for an initial license established by the superintendent pursuant to section 1321.20 of the Revised Code. Any licensee who wishes to renew the pawnbroker's license but who fails to do so on or before the date the license expires shall reapply for licensure in the same manner and pursuant to the same requirements as for initial licensure, unless the licensee pays to the superintendent on or before the thirty-first day of August of the year the license expires, a late renewal penalty of one hundred dollars in addition to the regular renewal fee. Any licensee who fails to renew the license on or before the date the license expires is prohibited from acting as a pawnbroker until the license is renewed or a new license is issued under this section. Any licensee who renews a license between the first day of July and the thirty-first day of August of the year the license expires is not relieved from complying with this division. The superintendent may refuse to issue to or renew the license of any licensee who violates this division.

(G) No license shall be granted to any person not a resident of or the principal office of which is not located in the municipal corporation or county designated in such license unless that applicant, in writing and in due form approved by and filed with the superintendent, first appoints an agent, a resident of the state, and city or county where the office is to be located, upon whom all judicial and

other process, or legal notice, directed to the applicant may be served. In case of the death, removal from the state, or any legal disability or any disqualification of any such agent, service of such process or notice may be made upon the superintendent.

The superintendent may, upon notice to the licensee and reasonable opportunity to be heard, suspend or revoke any license or assess a penalty against the licensee if the licensee, or the licensee's officers, agents, or employees, has violated this chapter. Any penalty shall be appropriate to the violation but in no case shall the penalty be less than two hundred nor more than two thousand dollars. Whenever, for any cause, a license is suspended or revoked, the superintendent shall not issue another license to the licensee nor to the legal spouse of the licensee, nor to any business entity of which the licensee is an officer or member or partner, nor to any person employed by the licensee, until the expiration of at least two years from the date of revocation or suspension of the license. The superintendent shall deposit all penalties allocated pursuant to this section into the state treasury to the credit of the consumer finance fund.

Any proceedings for the revocation or suspension of a license or to assess a penalty against a licensee are subject to Chapter 119. of the Revised Code.

(H) If a licensee surrenders or chooses not to renew the pawnbroker's license, the licensee shall notify the superintendent thirty days prior to the date on which the licensee intends to close the licensee's business as a pawnbroker. Prior to the date, the licensee shall do either of the following with respect to all active loans:

(1) Dispose of an active loan by selling the loan to another person holding a valid pawnbroker's license issued under this section;

(2) Reduce the rate of interest on pledged articles held as security for a loan to eight per cent per annum or less effective on the date that the pawnbroker's license is no longer valid.

Sec. 4727.06. (A) No pawnbroker shall charge, receive, or demand interest for any loan in excess of ~~five~~ six per cent per month or fraction of a month on the unpaid principal. Interest shall be computed on a monthly basis on the amount of the principal remaining unpaid on the first day of the month and shall not be compounded.

(B) In addition to the rate of interest limitation imposed pursuant to division (A) of this section, the licensee may charge no more than:

(1) ~~Four~~ Six dollars per month or fraction of a month for all pledged articles held as security or stored for a loan, to be agreed to in writing at the time the loan is made;

(2) Four dollars plus the actual cost of shipping, when the licensee is to deliver or forward the pledged article by express or parcel post to the pledgor;

(3) ~~Two dollars for the loss of the original statement issued to the pledgor by the licensee pursuant to section 4727.07 of the Revised Code upon redemption of the pledged articles;~~

~~(4) Two~~ Five dollars for the cost of notifying a pledgor by mail that the pledged articles may be forfeited to the licensee pursuant to section 4727.11 of the Revised Code.

(C) A licensee who complies with the requirements or procedures of this state pursuant to the application of the "Brady Handgun Violence Protection Act," 107 Stat. 1536 (1993), 18 U.S.C.A. 922, as amended, may charge any fee the licensee is required by law to pay in order to comply with such requirements or procedures. The licensee may charge no more than ~~two~~ ten dollars for providing services in compliance with such requirements or procedures.

(D) A ~~pledgor~~ licensee may ~~pay~~ accept a portion of the outstanding principal loan balance at any time. A pledgor may redeem a pawn loan at any time after ~~seventy-two hours have passed since~~ the pledge was made. A pledgor may not prepay interest or storage charges, other than the current month, except when the pledgor redeems the pledged property. Prepayment of interest and storage charges may not occur at the time the loan is originated.

Sec. 4727.10. (A) No person licensed as a pawnbroker shall recklessly receive any pledge or purchase any articles from any minor~~;~~ or from any person who is at the time intoxicated or under the influence of a controlled substance~~;~~.

(B) No person licensed as a pawnbroker shall receive any pledge or purchase any articles from any person who is known or believed by the licensee to be a thief or a receiver of stolen property~~, or~~ .

(C) No person licensed as a pawnbroker shall receive any pledge or purchase any articles from any person identified in writing to the licensee by the chief of police of a municipal corporation or township, the sheriff, or the state highway patrol as a known or suspected thief or receiver of stolen property.

(D) Division (C) of this section is a strict liability offense and section 2901.20 of the Revised Code does not apply.

Sec. 4727.11. (A) If a pledgor fails to pay interest and fees to a person licensed as a pawnbroker on a pawn loan for ~~two~~ three months from the date of the loan or the date on which the last interest payment is due, the licensee shall notify the pledgor by United States postal mail, with proof of mailing, to the last place of address given by the pledgor, that unless the pledgor redeems the pledged property or pays all interest due and ~~storage charges~~ fees within thirty days from the date the notice is mailed, the pledged property shall be forfeited to the licensee. If the pledgor fails to redeem or pay all interest due and ~~storage charges~~ fees within the period specified in the notice, the licensee becomes the owner of the pledged property.

(B) In the event that any article or property is redeemed by a person other than the pledgor, the pledgor shall sign the pledgor's copy of the statement required under section 4727.07 of the Revised Code, which copy shall be presented by the person to the licensee. The licensee shall verify the name of the person redeeming the article or property, and shall record the person's name and driver's license number, or other personal identification number, on the licensee's copy of the statement, and shall require the person to sign this copy.

(C) In the event that any articles or property pledged are lost or rendered inoperable due to negligence of the licensee, the licensee shall replace the articles or property with identical articles or property, except that if the licensee cannot reasonably obtain identical articles or property, the licensee shall replace the articles or property with like articles or property.

(D) When an account is paid in full, the licensee shall return the pledged article immediately to the pledgor. In the event the pledgor sells, transfers, or assigns the pledge, the licensee shall verify the name of the person redeeming the pledge and record that person's name, driver's license number, and signature on the permanent copy of the statement of pledge required pursuant to section 4727.07 of the Revised Code. The licensee also shall obtain the signature of the pledgor, or other person redeeming the pledge, upon a separate record of the transaction, that acknowledges the total dollar amount paid for redemption and the date of redemption. All records shall be kept in the licensee's

place of business.

Sec. 4727.12. (A) A person licensed as a pawnbroker ~~shall retain any and all goods or articles pledged with the licensee until the expiration of seventy-two hours after the pledge is made, and~~ shall retain any goods or articles purchased by the licensee until the expiration of fifteen days after the purchase is made. The licensee may dispose of such goods or articles sooner with the written permission of the chief of police of the municipal corporation or township in which the licensee's place of business is located or, if the place of business is not located within a municipal corporation or township that has a chief of police, with the written permission of the sheriff of the county in which the business is located.

(B) If the chief of police or sheriff to whom the licensee makes available the information required by section 4727.09 of the Revised Code has probable cause to believe that the article described therein is stolen property, the chief or sheriff shall notify the licensee in writing. Upon receipt of such a notice, the licensee shall retain the article until the expiration of thirty days after the day on which the licensee is first required to make available the information required by section 4727.09 of the Revised Code, unless the chief or sheriff notifies the licensee in writing that the licensee is not required to retain the article until such expiration.

(C) If the chief or sheriff receives a report that property has been stolen and determines the identity of the person claiming to be the true owner of the allegedly stolen property that has been purchased or pawned and is held by a licensee, and informs the licensee of the ~~true owner's~~ claimant's identity, the licensee may restore the allegedly stolen property to the ~~true owner~~ claimant directly.

If a licensee fails to restore the allegedly stolen property, the ~~true owner~~ claimant may recover the property from the licensee in an action at law.

(D) If the licensee returns the allegedly stolen property to the ~~true owner~~ claimant, the licensee may charge the person who pledged or sold the allegedly stolen property to the licensee, and any person who acted in consort with the pledgor or the seller to defraud the licensee, the amount the licensee paid or loaned for the allegedly stolen property, plus interest and storage charges provided for in section 4727.06 of the Revised Code.

Sec. 4727.19. (A) Effective with the two-year period that begins June 30, ~~2000~~ 2017, and every two-year period thereafter, each person licensed as a pawnbroker under this chapter shall ~~complete~~ have at least one person employed at the licensee's place of business who has completed by the end of the period at least ~~twelve~~ eight hours of continuing education instruction offered in a course or program approved by the superintendent of financial institutions after consultation with an industry representative selected by the superintendent.

(B) ~~Any person licensed under this chapter who has more than three employees shall designate an individual to the superintendent as a salesperson. Effective with the two-year period that begins June 30, 2000, and every two-year period thereafter, a salesperson shall complete by the end of the period at least eight hours of continuing education instruction offered in a course or program approved by the superintendent in consultation with a designated industry representative.~~

~~(C) Each location of those persons licensed under this chapter who have three or more employees shall have at least one salesperson who meets the continuing education requirements of this section.~~

~~(D)~~ The superintendent, in accordance with ~~chapter~~ Chapter 119. of the Revised Code, may

suspend, revoke, or refuse to renew the license of any licensee who fails to comply with this section.

~~(E)~~ (C) The superintendent, in accordance with ~~chapter~~ Chapter 119. of the Revised Code, may adopt rules regarding continuing education fees, locations, times, frequency, and waivers of requirements.

Sec. 4727.20. (A) No person licensed as a pawnbroker under this chapter shall conduct business in this state, unless the licensee does either of the following:

(1) Maintains liquid assets in a minimum amount of ~~fifty~~ seventy-five thousand dollars;

(2) Obtains a surety bond issued by a bonding company or insurance company authorized to do business in this state. The bond shall be in favor of the superintendent of financial institutions and in the penal sum of at least ~~twenty-five~~ fifty thousand dollars. The licensee shall file a copy of the bond with the superintendent. The bond shall be for the exclusive benefit of any person injured by a licensee's violation of this chapter. The aggregate liability of the surety for any and all breaches of the conditions of the bond shall not exceed the penal sum of the bond.

(B) The licensee shall give notice to the superintendent by certified mail, return receipt requested, of any action that is brought against the licensee and of any judgment that is entered against the licensee by a person injured by a violation of this chapter. The notice shall provide details sufficient to identify the action or judgment and shall be filed with the superintendent within ten days after the commencement of the action or notice to the licensee of entry of a judgment. The surety, within ten days after it pays any claim or judgment, shall give notice to the superintendent by certified mail, return receipt requested, of the payment, with details sufficient to identify the person and the claim or judgment paid.

(C) Whenever the penal sum of the surety bond is reduced by one or more recoveries or payments, the licensee shall furnish a new or additional bond under this section, so that the total or aggregate penal sum of the bond or bonds equals the sum required by this section, or shall furnish an endorsement executed by the surety reinstating the bond to the required penal sum of the bond.

(D) The liability of the surety on the bond to the superintendent and to any person injured by a violation of this chapter is not affected in any way by any misrepresentation, breach of warranty, or failure to pay the premium, by any act or omission upon the part of the licensee, by the insolvency or bankruptcy of the licensee, or by the insolvency of the licensee's estate. The liability for any act or omission that occurs during the term of the surety bond shall be maintained and in effect for at least two years after the date on which the surety bond is terminated or canceled.

(E) The licensee shall not cancel the surety bond except upon notice to the superintendent by certified mail, return receipt requested. The cancellation is not effective prior to thirty days after the superintendent receives the notice.

(F) No licensee shall fail to comply with this section.

Sec. 5709.20. As used in sections 5709.20 to 5709.27 of the Revised Code:

(A) "Air contaminant" means particulate matter, dust, fumes, gas, mist, smoke, vapor, or odorous substances, or any combination thereof.

(B) "Air pollution control facility" means any property designed, constructed, or installed for the primary purpose of eliminating or reducing the emission of, or ground level concentration of, air contaminants generated at an industrial or commercial plant or site that renders air harmful or inimical to the public health or to property within this state, or such property installed on or after

November 1, 1993, at a petroleum refinery for the primary purpose of eliminating or reducing substances within fuel that otherwise would create the emission of air contaminants upon the combustion of fuel.

(C) "Energy conversion" means the conversion of fuel or power usage and consumption from natural gas to an alternate fuel or power source other than propane, butane, naphtha, or fuel oil; or the conversion of fuel or power usage and consumption from fuel oil to an alternate fuel or power source other than natural gas, propane, butane, or naphtha.

(D) "Energy conversion facility" means any additional property or equipment designed, constructed, or installed after December 31, 1974, for use at an industrial or commercial plant or site for the primary purpose of energy conversion.

(E) "Exempt facility" means any of the facilities defined in division (B), (D), (F), (I), (K), or (L) of this section for which an exempt facility certificate is issued pursuant to section 5709.21 or for which a certificate remains valid under section 5709.201 of the Revised Code.

(F) "Noise pollution control facility" means any property designed, constructed, or installed for use at an industrial or commercial plant or site for the primary purpose of eliminating or reducing, at that plant or site, the emission of sound which is harmful or inimical to persons or property, or materially reduces the quality of the environment, as shall be determined by the director of environmental protection within such standards for noise pollution control facilities and standards for environmental noise necessary to protect public health and welfare as may be promulgated by the United States environmental protection agency. In the absence of such United States environmental protection agency standards, the determination shall be made in accordance with generally accepted current standards of good engineering practice in environmental noise control.

(G) "Solid waste" means such unwanted residual solid or semi-solid material as results from industrial operations, including those of public utility companies, and commercial, distribution, research, agricultural, and community operations, including garbage, combustible or noncombustible, street dirt, and debris.

(H) "Solid waste energy conversion" means the conversion of solid waste into energy and the utilization of such energy for some useful purpose.

(I) "Solid waste energy conversion facility" means any property or equipment designed, constructed, or installed after December 31, 1974, for use at an industrial or a commercial plant or site for the primary purpose of solid waste energy conversion.

(J) "Thermal efficiency improvement" means the recovery and use of waste heat or waste steam produced incidental to electric power generation, industrial process heat generation, lighting, refrigeration, or space heating.

(K) "Thermal efficiency improvement facility" means any property or equipment designed, constructed, or installed after December 31, 1974, for use at an industrial or a commercial plant or site for the primary purpose of thermal efficiency improvement.

(L) "Industrial water pollution control facility" means any property designed, constructed, or installed for the primary purpose of collecting or conducting industrial waste to a point of disposal or treatment; reducing, controlling, or eliminating water pollution caused by industrial waste; or reducing, controlling, or eliminating the discharge into a disposal system of industrial waste or what would be industrial waste if discharged into the waters of this state. This division applies only to

property related to an industrial water pollution control facility placed into operation or initially capable of operation after December 31, 1965, and installed pursuant to the approval of the environmental protection agency, department of natural resources, or any other governmental agency having authority to approve the installation of industrial water pollution control facilities. The definitions in section 6111.01 of the Revised Code, as applicable, apply to the terms used in this division.

(M) Property designed, constructed, installed, used, or placed in operation primarily for the safety, health, protection, or benefit, or any combination thereof, of personnel of a business, or primarily for a business's own benefit, is not an "exempt facility."

Sec. 5709.45. (A) As used in sections 5709.45 to 5709.47 of the Revised Code:

(1) "Downtown redevelopment district" or "district" means an area not more than ten acres enclosed by a continuous boundary in which at least one historic building is being, or will be, rehabilitated.

(2) "Historic building" and "rehabilitation" have the same meanings as in section 149.311 of the Revised Code.

(3) "Public infrastructure improvement" has the same meaning as in section 5709.40 of the Revised Code.

(4) "Improvement" means the increase in the assessed value of real property that would first appear on the tax list after the effective date of an ordinance adopted under this section were it not for the exemption granted by the ordinance.

(5) "Innovation district" means an area located entirely within a downtown redevelopment district, enclosed by a continuous boundary, and equipped with a high-speed broadband network capable of download speeds of at least one hundred gigabits per second.

(6) "Qualified business" means a business primarily engaged, or primarily organized to engage, in a trade or business that involves research and development, technology transfer, bio-technology, information technology, or the application of new technology developed through research and development or acquired through technology transfer.

(7) "Information technology" means the branch of technology devoted to the study and application of data and the processing thereof; the automatic acquisition, storage, manipulation or transformation, management, movement, control, display, switching, interchange, transmission or reception of data, and the development or use of hardware, software, firmware, and procedures associated with this processing. "Information technology" includes matters concerned with the furtherance of computer science and technology, design, development, installation, and implementation of information systems and applications that in turn will be licensed or sold to a specific target market. "Information technology" does not include the creation of a distribution method for existing products and services.

(8) "Research and development" means designing, creating, or formulating new or enhanced products, equipment, or processes, and conducting scientific or technological inquiry and experimentation in the physical sciences with the goal of increasing scientific knowledge that may reveal the bases for new or enhanced products, equipment, or processes.

(9) "Technology transfer" means the transfer of technology from one sector of the economy to another, including the transfer of military technology to civilian applications, civilian technology

to military applications, or technology from public or private research laboratories to military or civilian applications.

(B) For the purposes of promoting rehabilitation of historic buildings, creating jobs, and encouraging economic development in commercial and mixed-use commercial and residential areas, the legislative authority of a municipal corporation may adopt an ordinance creating a downtown redevelopment district and declaring improvements to parcels within the district to be a public purpose and exempt from taxation. Downtown redevelopment districts shall not be created in areas used exclusively for residential purposes and shall not be utilized for development or redevelopment of residential areas.

The ordinance shall specify all of the following:

(1) The boundary of the district;

(2) The county treasurer's permanent parcel number associated with each parcel included in the district;

(3) The parcel or parcels within the district that include a historic building that is being or will be rehabilitated;

(4) The proposed life of the district;

(5) An economic development plan for the district that includes all of the following:

(a) A statement describing the principal purposes and goals to be served by creating the district;

(b) An explanation of how the municipal corporation will collaborate with businesses and property owners within the district to develop strategies for achieving such purposes and goals;

(c) A plan for using the service payments provided for in section 5709.46 of the Revised Code to promote economic development and job creation within the district.

Not more than seventy per cent of improvements to parcels within a downtown redevelopment district may be exempted from taxation under this section. A district may not include a parcel that is ~~or has been~~ exempted from taxation under this section or section 5709.40 or 5709.41 of the Revised Code on the effective date of the ordinance. Except as provided in division (F) of this section, the life of a downtown redevelopment district shall not exceed ten years.

A municipal corporation may adopt more than one ordinance under division (B) of this section. A single such ordinance may create more than one downtown redevelopment district.

(C) For the purposes of attracting and facilitating growth of qualified businesses and supporting the economic development efforts of business incubators and accelerators, the legislative authority of a municipal corporation may designate an innovation district within a proposed or existing downtown redevelopment district. The life of the innovation district shall be identical to the downtown redevelopment district in which the innovation district is located. In addition to the requirements in division (B) of this section, an ordinance creating a downtown redevelopment district that includes an innovation district shall specify all of the following:

(1) The boundary of the innovation district;

(2) The permanent parcel number associated with each parcel included in the innovation district;

(3) An economic development plan for the innovation district that meets the criteria prescribed by division (B)(5) of this section.

(D) At least thirty days before adopting an ordinance under division (B) of this section, the legislative authority of the municipal corporation shall conduct a public hearing on the proposed ordinance and the accompanying economic development plan. At least thirty days before the public hearing, the legislative authority shall give notice of the public hearing and the proposed ordinance by first class mail to every real property owner whose property is located within the boundaries of the proposed district that is the subject of the proposed ordinance.

(E) Revenue derived from downtown redevelopment district service payments may be used by the municipal corporation for any of the following purposes:

(1) To finance or support loans, deferred loans, or grants to owners of historic buildings within the downtown redevelopment district. Such loans or grants shall be awarded upon the condition that the loan or grant amount may be used by the owner only to rehabilitate the historic building. A municipal corporation that awards a loan or grant under this division shall develop a plan for tracking the loan or grant recipient's use of the loan or grant and monitoring the progress of the recipient's rehabilitation project.

(2) To make contributions to a special improvement district for use under section 1710.14 of the Revised Code, to a community improvement corporation for use under section 1724.12 of the Revised Code, or to a nonprofit corporation, as defined in section 1702.01 of the Revised Code, the primary purpose of which is redeveloping historic buildings and historic districts for use by the corporation to rehabilitate a historic building within the downtown redevelopment district or to otherwise promote or enhance the district. Amounts contributed under division (E)(2) of this section shall not exceed the property tax revenue that would have been generated by twenty per cent of the assessed value of the exempted improvements within the downtown redevelopment district.

(3) To finance or support loans to owners of one or more buildings located within the district that do not qualify as historic buildings. Such loans shall be awarded upon the condition that the loan amount may be used by the owner only to make repairs and improvements to the building or buildings. A municipal corporation that awards a loan under this division shall develop a plan for tracking the loan recipient's use of the loan and monitoring the progress of the recipient's repairs or improvements.

(4) To finance public infrastructure improvements within the downtown redevelopment district. If revenue generated by the downtown redevelopment district will be used to finance public infrastructure improvements, the economic development plan described by division (B)(5) of this section shall identify specific projects that are being or will be undertaken within the district and describe how such infrastructure improvements will accommodate additional demands on the existing infrastructure within the district. A municipal corporation shall not use service payments derived from a downtown redevelopment district to repair or replace police or fire equipment.

(5) To finance or support loans, deferred loans, or grants to qualified businesses or to incubators and accelerators that provide services and capital to qualified businesses within an innovation district. Such loans or grants shall be awarded upon the condition that the loan or grant shall be used by the recipient to start or develop one or more qualified businesses within the innovation district. A municipal corporation that awards a loan or grant under this division shall develop a plan for tracking the loan or grant recipient's use of the loan or grant and monitoring the establishment and growth of the qualified business.

(F) Notwithstanding division (B) of this section, improvements to parcels located within a downtown redevelopment district may be exempted from taxation under this section for up to thirty years if either of the following apply:

(1) The ordinance creating the redevelopment district specifies that payments in lieu of taxes shall be paid to the city, local, or exempted village, and joint vocational school district or districts in which the redevelopment district is located in the amount of the taxes that would have been payable to the school district or districts if the improvements had not been exempted from taxation.

(2) The municipal corporation creating the district obtains the approval under division (G) of this section of the board of education of each city, local, and exempted village school district within which the district will be located.

(G)(1) The legislative authority of a municipal corporation seeking the approval of a school district for the purpose of division (G)(2) of this section shall send notice of the proposed ordinance to the school district not later than forty-five business days before it intends to adopt the ordinance. The notice shall include a copy of the proposed ordinance and shall indicate the date on which the legislative authority intends to adopt the ordinance. The board of education of the school district, by resolution adopted by a majority of the board, may do any of the following:

(a) Approve the exemption for the number of years specified in the proposed ordinance;

(b) Disapprove the exemption for the number of years in excess of ten;

(c) Approve the exemption on the condition that the legislative authority and the board negotiate an agreement providing for compensation to the school district equal in value to a percentage of the amount of taxes exempted in the eleventh and subsequent years of the exemption period or other mutually agreeable compensation. If an agreement is negotiated under this division, the legislative authority shall compensate all joint vocational school districts within which the downtown redevelopment district is located at the same rate and under the same terms received by the city, local, or exempted village school district.

(2) The board of education shall certify a resolution adopted under division (G)(1) of this section to the legislative authority of the municipal corporation not later than fourteen days before the date the legislative authority intends to adopt the ordinance as indicated in the notice. If the board of education approves the ordinance or negotiates a mutually acceptable compensation agreement with the legislative authority, the legislative authority may enact the ordinance in its current form. If the board disapproves of the ordinance and fails to negotiate a mutually acceptable compensation agreement with the legislative authority, the legislative authority may exempt improvements to parcels within the downtown redevelopment district for not more than ten years. If the board fails to certify a resolution to the legislative authority within the time prescribed by this division, the legislative authority may adopt the ordinance and may exempt improvements to parcels within the downtown redevelopment district for the period of time specified in the notice delivered to the board of education. The legislative authority may adopt the ordinance at any time after the board of education certifies its resolution approving the exemption to the legislative authority or, if the board approves the exemption on the condition that a mutually acceptable compensation agreement be negotiated, at any time after the compensation agreement is agreed to by the board and the legislative authority.

(3) If a board of education has adopted a resolution waiving its right to approve exemptions

from taxation under this section and the resolution remains in effect, approval of exemptions by the board is not required under division (G) of this section. If a board of education has adopted a resolution allowing a legislative authority to deliver the notice required under division (G)(1) of this section fewer than forty-five business days before the legislative authority's adoption of the ordinance, the legislative authority shall deliver the notice to the board not later than the number of days before such adoption as prescribed by the board in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board shall certify a copy of the resolution to the legislative authority. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the legislative authority.

(4) If the legislative authority is not required by division (G) of this section to notify the board of education of the legislative authority's intent to create a downtown redevelopment district, the legislative authority shall comply with the notice requirements imposed under section 5709.83 of the Revised Code, unless the board has adopted a resolution under that section waiving its right to receive such a notice.

(H) Service payments in lieu of taxes that are attributable to any amount by which the effective tax rate of either a renewal levy with an increase or a replacement levy exceeds the effective tax rate of the levy renewed or replaced, or that are attributable to an additional levy, for a levy authorized by the voters for any of the following purposes on or after January 1, 2006, and which are provided pursuant to an ordinance creating a downtown redevelopment district under division (B) of this section shall be distributed to the appropriate taxing authority as required under division (C) of section 5709.46 of the Revised Code in an amount equal to the amount of taxes from that additional levy or from the increase in the effective tax rate of such renewal or replacement levy that would have been payable to that taxing authority from the following levies were it not for the exemption authorized under division (B) of this section:

(1) A tax levied under division (L) of section 5705.19 or section 5705.191 of the Revised Code for community mental retardation and developmental disabilities programs and services pursuant to Chapter 5126. of the Revised Code;

(2) A tax levied under division (Y) of section 5705.19 of the Revised Code for providing or maintaining senior citizens services or facilities;

(3) A tax levied under section 5705.22 of the Revised Code for county hospitals;

(4) A tax levied by a joint-county district or by a county under section 5705.19, 5705.191, or 5705.221 of the Revised Code for alcohol, drug addiction, and mental health services or facilities;

(5) A tax levied under section 5705.23 of the Revised Code for library purposes;

(6) A tax levied under section 5705.24 of the Revised Code for the support of children services and the placement and care of children;

(7) A tax levied under division (Z) of section 5705.19 of the Revised Code for the provision and maintenance of zoological park services and facilities under section 307.76 of the Revised Code;

(8) A tax levied under section 511.27 or division (H) of section 5705.19 of the Revised Code for the support of township park districts;

(9) A tax levied under division (A), (F), or (H) of section 5705.19 of the Revised Code for parks and recreational purposes of a joint recreation district organized pursuant to division (B) of section 755.14 of the Revised Code;

(10) A tax levied under section 1545.20 or 1545.21 of the Revised Code for park district purposes;

(11) A tax levied under section 5705.191 of the Revised Code for the purpose of making appropriations for public assistance; human or social services; public relief; public welfare; public health and hospitalization; and support of general hospitals;

(12) A tax levied under section 3709.29 of the Revised Code for a general health district program.

(I) An exemption from taxation granted under this section commences with the tax year specified in the ordinance so long as the year specified in the ordinance commences after the effective date of the ordinance. If the ordinance specifies a year commencing before the effective date of the ordinance or specifies no year whatsoever, the exemption commences with the tax year in which an exempted improvement first appears on the tax list and that commences after the effective date of the ordinance. In lieu of stating a specific year, the ordinance may provide that the exemption commences in the tax year in which the value of an improvement exceeds a specified amount or in which the construction of one or more improvements is completed, provided that such tax year commences after the effective date of the ordinance.

Except as otherwise provided in this division, the exemption ends on the date specified in the ordinance as the date the improvement ceases to be a public purpose or the downtown redevelopment district expires, whichever occurs first. The exemption of an improvement within a downtown redevelopment district may end on a later date, as specified in the ordinance, if the legislative authority and the board of education of the city, local, or exempted village school district within which the parcel or district is located have entered into a compensation agreement under section 5709.82 of the Revised Code with respect to the improvement, and the board of education has approved the term of the exemption under division (G) of this section, but in no case shall the improvement be exempted from taxation for more than thirty years. Exemptions shall be claimed and allowed in the same manner as in the case of other real property exemptions. If an exemption status changes during a year, the procedure for the apportionment of the taxes for that year is the same as in the case of other changes in tax exemption status during the year.

(J) Additional municipal financing of the projects and services described in division (E) of this section may be provided by any methods that the municipal corporation may otherwise use for financing such projects and services. If the municipal corporation issues bonds or notes to finance such projects and services and pledges money from the municipal downtown redevelopment district fund to pay the interest on and principal of the bonds or notes, the bonds or notes are not subject to Chapter 133. of the Revised Code.

(K) The municipal corporation, not later than fifteen days after the adoption of an ordinance under this section, shall submit to the director of development services a copy of the ordinance. On or before the thirty-first day of March of each year, the municipal corporation shall submit a status report to the director of development services. The report shall indicate, in the manner prescribed by the director, the progress of the projects and services during each year that an exemption remains in effect, including a summary of the receipts from service payments in lieu of taxes; expenditures of money from the funds created under section 5709.47 of the Revised Code; a description of the projects and services financed with such expenditures; and a quantitative summary of changes in

employment and private investment resulting from each project and service.

(L) Nothing in this section shall be construed to prohibit a legislative authority from declaring to be a public purpose improvements with respect to more than one parcel.

(M)(1) The owner of real property located in a downtown redevelopment district may enter into an agreement with the municipal corporation that created the district to impose a redevelopment charge on the property to cover all or part of the cost of services, facilities, and improvements provided within the district under division (E) of this section. The agreement shall include the following:

(a) The amount of the redevelopment charge. The redevelopment charge may be a fixed dollar amount or an amount determined on the basis of the assessed valuation of the property or all or part of the profits, gross receipts, or other revenues of a business operating on the property, including rentals received from leases of the property. If the property is leased to one or more tenants, the redevelopment charge may be itemized as part of the lease rate.

(b) The termination date of the redevelopment charge. The redevelopment charge shall not be charged after the expiration or termination of the downtown redevelopment district.

(c) The terms by which the municipal corporation shall collect the redevelopment charge.

(d) The purposes for which the redevelopment charge may be used by the municipal corporation. The redevelopment charge shall be used only for those purposes described by division (E) of this section. The agreement may specify any or all of such purposes.

(2) Redevelopment charges collected by a municipal corporation under division (M) of this section shall be deposited to the municipal downtown redevelopment district fund created under section 5709.47 of the Revised Code.

(3) An agreement by a property owner under division (M) of this section is hereby deemed to be a covenant running with the land. The covenant is fully binding on behalf of and enforceable by the municipal corporation against any person acquiring an interest in the land and all of that person's successors and assigns.

(4) No purchase agreement for real estate or any interest in real estate upon which a redevelopment charge is levied shall be enforceable by the seller or binding upon the purchaser unless the purchase agreement specifically refers to the redevelopment charge. If a conveyance of such real estate or interest in such real estate is made pursuant to a purchase agreement that does not make such reference, the redevelopment charge shall continue to be a covenant running with the land fully binding on behalf of and enforceable by the municipal corporation against the person accepting the conveyance pursuant to the purchase agreement.

(5) If a redevelopment charge is not paid when due, the overdue amount shall be collected according to the terms of the agreement. If the agreement does not specify a procedure for collecting overdue redevelopment charges, the municipal corporation may certify the charge to the county auditor. The county auditor shall enter the unpaid charge on the tax list and duplicate of real property opposite the parcel against which it is charged and certify the charge to the county treasurer. The unpaid redevelopment charge is a lien on property against which it is charged from the date the charge is entered on the tax list, and shall be collected in the manner provided for the collection of real property taxes. Once the charge is collected, it shall be paid immediately to the municipal corporation.

Sec. 5709.52. (A) As used in this section:

(1) "Newly developable property" means a parcel of real property on which no commercial, agricultural, or industrial operations are currently being conducted and on which construction of one or more commercial or industrial buildings or structures is planned but for which a certificate of occupancy has not yet been issued.

(2) "Redevelopment property" means a parcel of real property on which one or more commercial or industrial buildings or structures are or were situated, no commercial, agricultural, or industrial operations are currently being conducted, and construction or reconstruction of new commercial or industrial buildings or structures is planned but for which a certificate of occupancy following completion of the construction or reconstruction has not yet been issued.

(3) "Commercial or industrial building or structure" means a building or structure classified as to use for tax purposes as commercial or industrial that, prior to its use or occupation, requires a certificate of occupancy. "Commercial or industrial building or structure" does not include a building or structure any part of which is to be used as a dwelling.

(4) "Remnant parcel" means a parcel resulting from a subdividing plat that includes original property.

(5) "Original property" means newly developable property or redevelopment property subject to an exemption under division (C) of this section for a tax year.

(6) "Unexempted value" means the taxable value of original property for the tax year preceding the first tax year for which the property is subject to an exemption under division (C) of this section.

(7) "Subdividing plat" means a plat subdividing land that is approved by the board of county commissioners, municipal corporation legislative authority, or municipal, county, or regional planning or platting commission having authority to approve plats in the territory in which newly developable property or redevelopment property is situated.

(8) "Certificate of occupancy" means a valid certificate of occupancy issued for a commercial or industrial building or structure by the building official having jurisdiction over that building or structure.

(9) "Increase in the taxable value" or "increase in value" means the amount by which the taxable value of a parcel as it would have appeared on the tax list and duplicate of real and public utility property for a tax year exceeds the unexempted value of that parcel.

(10) "Political subdivision" means a municipal corporation, township, or county.

(11) "Legislative body" means the legislative authority of a municipal corporation, a board of township trustees, or a board of county commissioners.

(B)(1)(a) The owner of newly developable property or redevelopment property may submit an application to exempt the increase in value of such property from taxation under this section to one of the following:

(i) Except as provided in division (B)(1)(a)(iii) of this section, if the property is located in a municipal corporation, to the municipal corporation;

(ii) Except as provided in division (B)(1)(a)(iii) of this section, if the property is located in the unincorporated area of a township, to the township or the county;

(iii) If any portion of the value of the property is exempted from taxation under section

5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code, to the municipal corporation, township, or county that authorized that exemption.

(b) An application filed under division (B)(1) of this section shall include both of the following:

(i) A statement attesting to each of the following:

(I) That the parcel is newly developable property or redevelopment property;

(II) If the parcel is newly developable property, that either the parcel is zoned to permit construction of a new commercial or industrial building or structure or no applicable zoning regulation prohibits construction of a new commercial or industrial building or structure on that parcel;

(III) If the parcel is redevelopment property, that either the property is zoned to permit construction or reconstruction of a new commercial or industrial building or structure or no applicable zoning regulation prohibits construction or reconstruction of a new commercial or industrial building or structure on that parcel.

(ii) A certificate obtained from the county treasurer stating that there are no outstanding real property taxes, assessments, penalties, or charges that are due and unpaid with respect to the property on the date the certificate is issued. For the purposes of this division, taxes and assessments are due and unpaid if they remain unpaid on the date they are required to be paid as prescribed by section 323.12 of the Revised Code.

(2) If an application submitted under division (B)(1) of this section is complete, the legislative body of a political subdivision receiving the application, by resolution or ordinance, may declare that the development or redevelopment of a parcel that is the subject of the application is a public purpose and that increases in the taxable value of the parcel shall be exempted from taxation as provided in this section. A board of township trustees or board of county commissioners shall not adopt a resolution under this section with respect to a parcel that is the subject of a resolution that has been adopted by a board of county commissioners or board of township trustees, respectively, under division (B)(2) of this section. A resolution or ordinance adopted under division (B)(2) of this section shall specify the tax year for which the exemption from taxation shall commence, which shall be the tax year in which the application is filed or the ensuing tax year, and the term of the exemption, which shall be for six tax years except as provided in division (C) of this section.

Before adopting an ordinance or resolution under division (B)(2) of this section, a legislative body shall do both of the following:

(a) Notify the board of education of each city, local, exempted village, or joint vocational school district in which the parcel is located of the legislative body's intent to adopt such an ordinance or resolution with respect to that parcel;

(b) If the legislative body is a board of township trustees or board of county commissioners, notify the board of commissioners of the county or the board of trustees of the township, respectively, in which the parcel is located of the legislative body's intent to adopt such a resolution with respect to that parcel.

(C) Any increase in the taxable value of newly developable property or redevelopment property is exempted from taxation beginning with the tax year specified in the ordinance or resolution adopted under division (B)(2) of this section and for the five ensuing tax years, except that

the exemption shall not apply to any tax year in which one of the following occurs or any ensuing year:

(1) The owner obtains a certificate of occupancy for a commercial or industrial building or structure located on the property.

(2) The owner transfers title to the property to another person.

(3) Applicable zoning regulations change in such a manner that construction of a new commercial or industrial building or structure is no longer permitted.

(4) Subject to division (D) of this section, a subdividing plat that includes the property is presented to the county auditor under section 5713.18 of the Revised Code.

(5) Any commercial, agricultural, or industrial operations are conducted on the property.

(D)(1) If the event described in division (C)(4) of this section occurs, any increase in the taxable value of remnant parcels is exempted from taxation beginning with the tax year in which the subdividing plat is presented to the county auditor. The taxable value of each remnant parcel for that tax year shall equal the same proportion of the unexempted value that the true value in money of the remnant parcel for that tax year bears to the aggregate true value in money of all remnant parcels for that tax year. Remnant parcels remain subject to the exemption authorized under division (D) of this section until the earlier of the last tax year for which the exemption applies or the tax year immediately preceding the tax year in which one of the events described in divisions (C)(1) to (5) of this section occurs with respect to any remnant parcel, subject to division (D)(2) of this section.

(2) If the event described in division (C)(4) of this section occurs with respect to a remnant parcel for which a portion of the remnant parcel's value is exempted for the preceding tax year under this section, the taxable value of each parcel resulting from the subdivision of the remnant parcel for the tax year in which the subdividing plat is presented to the county auditor shall equal the same proportion of the taxable value attributable to the remnant parcel under division (D)(1) of this section that the true value in money of the resultant parcel for that tax year bears to the aggregate true value in money of all such resultant parcels for that tax year.

(3) Nothing in division (D) of this section authorizes an exemption from taxation for parcels that do not include original property.

(E) No exemption from taxation is authorized under this section for the increase in value of newly developable property or redevelopment property unless the owner of the property files an application for exemption as required by section 5715.27 of the Revised Code.

(F) A recoupment charge shall be levied on a parcel the increase in value of which was exempted from taxation under this section if either of the following events occurs:

(1) The owner transfers title to the parcel to another person, provided that owner made no improvements to the parcel from the date the owner filed an application under division (B) of this section to the date of that transfer.

(2) Commercial, agricultural, or industrial operations are conducted on the parcel before the owner obtains a certificate of occupancy for the commercial or industrial building or structure located on the parcel.

The charge shall equal the difference between the amount of real property taxes paid with respect to the parcel for the three tax years immediately preceding the year in which the event occurs and the amount of such taxes that would have been due for those three years if no portion of the value

of the parcel was exempted under this section for those years.

The county auditor shall place the charge as a separate item on the tax list for the tax year in which the event occurs or the occurrence of the event is discovered. The charge shall constitute a lien of the state upon the parcel as of the first day of January of the tax year in which the charge is levied and shall continue until discharged. The charge shall be collected by the county treasurer in the same manner and at the same time as real property taxes levied against the parcel.

Upon the collection of any charge levied under this division and any penalties and interest arising thereon, the auditor, after deducting all fees allowed on the collection of money on the tax list and duplicate, shall distribute the full amount thereof among taxing units in proportion to the per cent of the total real property taxes levied upon the parcel in the preceding tax year by each taxing unit. Money distributed under this division to a taxing unit shall be allocated among its various funds in the same proportion that the real property taxes levied during the preceding tax year that are required to be paid into each fund bear to the total real property taxes levied during that year.

Sec. 5726.01. As used in this chapter:

(A) "Affiliated group" means a group of two or more persons with fifty per cent or greater of the value of each person's ownership interests owned or controlled directly, indirectly, or constructively through related interests by common owners during all or any portion of the taxable year, and the common owners. "Affiliated group" includes, but is not limited to, any person eligible to be included in a consolidated elected taxpayer group under section 5751.011 of the Revised Code or a combined taxpayer group under section 5751.012 of the Revised Code.

(B) "Bank organization" means any of the following:

(1) A national bank organized and operating as a national bank association pursuant to the "National Bank Act," 13 Stat. 100 (1864), 12 U.S.C. 21, et seq.;

(2) A federal savings association or federal savings bank chartered under 12 U.S.C. 1464;

(3) A bank, banking association, trust company, savings and loan association, savings bank, or other banking institution that is organized or incorporated under the laws of the United States, any state, or a foreign country;

(4) Any corporation organized and operating pursuant to 12 U.S.C. 611, et seq.;

(5) Any agency or branch of a foreign bank, as those terms are defined in 12 U.S.C. 3101~~;~~

~~(6) An entity licensed as a small business investment company under the "Small Business Investment Act of 1958," 72 Stat. 689, 15 U.S.C. 661, et seq~~.

"Bank organization" does not include an institution organized under the "Federal Farm Loan Act," 39 Stat. 360 (1916), or a successor of such an institution, a company chartered under the "Farm Credit Act of 1933," 48 Stat. 257, or a successor of such a company, an association formed pursuant to 12 U.S.C. 2279c-1, an insurance company, or a credit union.

(C) "Call report" means the consolidated reports of condition and income prescribed by the federal financial institutions examination council that a person is required to file with a federal regulatory agency pursuant to 12 U.S.C. 161, 12 U.S.C. 324, or 12 U.S.C. 1817.

(D) "Captive finance company" means a person that derived at least seventy-five per cent of its gross income for the current taxable year and the two taxable years preceding the current taxable year from one or more of the following transactions:

(1) Financing transactions with members of its affiliated group;

(2) Financing transactions with or for customers of products manufactured or sold by a member of its affiliated group;

(3) Financing transactions with or for a distributor or franchisee that sells, leases, or services a product manufactured or sold by a member of the person's affiliated group;

(4) Financing transactions with or for a supplier to a member of the person's affiliated group in connection with the member's manufacturing business;

(5) Issuing bonds or other publicly traded debt instruments for the benefit of the affiliated group;

(6) Short-term or long-term investments whereby the person invests the cash reserves of the affiliated group and the affiliated group utilizes the proceeds from the investments.

For the purposes of division (D) of this section, "financing transaction" means making or selling loans, extending credit, leasing, earning or receiving subvention, including interest supplements and other support costs related thereto, or acquiring, selling, or servicing accounts receivable, notes, loans, leases, debt, or installment obligations that arise from the sale or lease of tangible personal property or the performance of services, and "gross income" has the same meaning as in section 61 of the Internal Revenue Code and includes income from transactions between the captive finance company and other members of its affiliated group.

A person that has not been in continuous existence for the two taxable years preceding the current taxable year qualifies as a "captive finance company" for purposes of division (D) of this section if the person derived at least seventy-five per cent of its gross income for the period of its existence from one or more of the transactions described in divisions (D)(1) to (6) of this section.

"Captive finance company" does not include a small dollar lender.

(E) "Credit union" means a nonprofit cooperative financial institution organized or chartered under the laws of this state, any other state, or the United States.

(F) "Diversified savings and loan holding company" has the same meaning as in 12 U.S.C. 1467a, as that section existed on January 1, 2012.

(G) "Document of creation" means the articles of incorporation of a corporation, articles of organization of a limited liability company, registration of a foreign limited liability company, certificate of limited partnership, registration of a foreign limited partnership, registration of a domestic or foreign limited liability partnership, or registration of a trade name.

(H) "Financial institution" means a bank organization, a holding company of a bank organization, or a nonbank financial organization, except when one of the following applies:

(1) If two or more such entities are consolidated for the purposes of filing an FR Y-9, "financial institution" means a group consisting of all entities that are included in the FR Y-9.

(2) If two or more such entities are consolidated for the purposes of filing a call report, "financial institution" means a group consisting of all entities that are included in the call report and that are not included in a group described in division (H)(1) of this section.

(3) If a bank organization is owned directly by a grandfathered unitary savings and loan holding company or directly or indirectly by an entity that was a grandfathered unitary savings and loan holding company on January 1, 2012, "financial institution" means a group consisting only of that bank organization and the entities included in that bank organization's call report, notwithstanding division (H)(1) or (2) of this section.

"Financial institution" does not include a diversified savings and loan holding company, a grandfathered unitary savings and loan holding company, any entity that was a grandfathered unitary savings and loan holding company on January 1, 2012, or any entity that is not a bank organization or owned by a bank organization and that is owned directly or indirectly by an entity that was a grandfathered unitary savings and loan holding company on January 1, 2012.

(I) "FR Y-9" means the consolidated or parent-only financial statements that a holding company is required to file with the federal reserve board pursuant to 12 U.S.C. 1844. In the case of a holding company required to file both consolidated and parent-only financial statements, "FR Y-9" means the consolidated financial statements that the holding company is required to file.

(J) "Grandfathered unitary savings and loan holding company" means an entity described in 12 U.S.C. 1467a(c)(9)(C), as that section existed on December 31, 1999.

(K) "Gross receipts" means all items of income, without deduction for expenses. If the reporting person for a taxpayer is a holding company, "gross receipts" includes all items of income reported on the FR Y-9 filed by the holding company. If the reporting person for a taxpayer is a bank organization, "gross receipts" includes all items of income reported on the call report filed by the bank organization. If the reporting person for a taxpayer is a nonbank financial organization, "gross receipts" includes all items of income reported in accordance with generally accepted accounting principles.

(L) "Insurance company" means every corporation, association, and society engaged in the business of insurance of any character, or engaged in the business of entering into contracts substantially amounting to insurance of any character, or of indemnifying or guaranteeing against loss or damage, or acting as surety on bonds or undertakings. "Insurance company" also includes any health insuring corporation as defined in section 1751.01 of the Revised Code.

(M)(1) "Nonbank financial organization" means every person that is not a bank organization or a holding company of a bank organization and that engages in business primarily as a small dollar lender. "Nonbank financial organization" does not include an institution organized under the "Federal Farm Loan Act," 39 Stat. 360 (1916), or a successor of such an institution, an insurance company, a captive finance company, a credit union, an institution organized and operated exclusively for charitable purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or a person that facilitates or services one or more securitizations for a bank organization, a holding company of a bank organization, a captive finance company, or any member of the person's affiliated group.

(2) A person is engaged in business primarily as a small dollar lender if the person has, for the taxable year, gross income from the activities described in division (O) of this section that exceeds the person's gross income from all other activities. As used in division (M) of this section, "gross income" has the same meaning as in section 61 of the Internal Revenue Code, and income from transactions between the person and the other members of the affiliated group shall be eliminated, and any sales, exchanges, and other dispositions of commercial paper to persons outside the affiliated group produces gross income only to the extent the proceeds from such transactions exceed the affiliated group's basis in such commercial paper.

(N) "Reporting person" means one of the following:

(1) In the case of a financial institution described in division (H)(1) of this section, the top-

tier holding company required to file an FR Y-9.

(2) In the case of a financial institution described in division (H)(2) or (3) of this section, the bank organization required to file the call report.

(3) In the case of a bank organization or nonbank financial organization that is not included in a group described in division (H)(1) or (2) of this section, the bank organization or nonbank financial organization.

(O) "Small dollar lender" means any person engaged primarily in the business of loaning money to individuals, provided that the loan amounts do not exceed five thousand dollars and the duration of the loans do not exceed twelve months. A "small dollar lender" does not include a bank organization, credit union, or captive finance company.

(P) "Tax year" means the calendar year for which the tax levied under section 5726.02 of the Revised Code is required to be paid.

(Q) "Taxable year" means the calendar year preceding the year in which an annual report is required to be filed under section 5726.03 of the Revised Code.

(R) "Taxpayer" means a financial institution subject to the tax levied under section 5726.02 of the Revised Code.

(S) "Total equity capital" means the sum of the common stock at par value, perpetual preferred stock and related surplus, other surplus not related to perpetual preferred stock, retained earnings, accumulated other comprehensive income, treasury stock, unearned employee stock ownership plan shares, and other equity components of a financial institution. "Total equity capital" shall not include any noncontrolling (minority) interests as reported on an FR Y-9 or call report, unless such interests are in a bank organization or a bank holding company.

(T) "Total Ohio equity capital" means the portion of the total equity capital of a financial institution apportioned to Ohio pursuant to section 5726.05 of the Revised Code.

(U) "Holding company" does not include a diversified savings and loan holding company, a grandfathered unitary savings and loan holding company, any entity that was a grandfathered unitary savings and loan holding company on January 1, 2012, or any entity that is not a bank organization or owned by a bank organization and that is owned directly or indirectly by an entity that was a grandfathered unitary savings and loan holding company on January 1, 2012.

(V) "Securitization" means transferring one or more assets to one or more persons and subsequently issuing securities backed by the right to receive payment from the asset or assets so transferred.

Sec. 5739.02. For the purpose of providing revenue with which to meet the needs of the state, for the use of the general revenue fund of the state, for the purpose of securing a thorough and efficient system of common schools throughout the state, for the purpose of affording revenues, in addition to those from general property taxes, permitted under constitutional limitations, and from other sources, for the support of local governmental functions, and for the purpose of reimbursing the state for the expense of administering this chapter, an excise tax is hereby levied on each retail sale made in this state.

(A)(1) The tax shall be collected as provided in section 5739.025 of the Revised Code. The rate of the tax shall be five and three-fourths per cent. The tax applies and is collectible when the sale is made, regardless of the time when the price is paid or delivered.

(2) In the case of the lease or rental, with a fixed term of more than thirty days or an indefinite term with a minimum period of more than thirty days, of any motor vehicles designed by the manufacturer to carry a load of not more than one ton, watercraft, outboard motor, or aircraft, or of any tangible personal property, other than motor vehicles designed by the manufacturer to carry a load of more than one ton, to be used by the lessee or renter primarily for business purposes, the tax shall be collected by the vendor at the time the lease or rental is consummated and shall be calculated by the vendor on the basis of the total amount to be paid by the lessee or renter under the lease agreement. If the total amount of the consideration for the lease or rental includes amounts that are not calculated at the time the lease or rental is executed, the tax shall be calculated and collected by the vendor at the time such amounts are billed to the lessee or renter. In the case of an open-end lease or rental, the tax shall be calculated by the vendor on the basis of the total amount to be paid during the initial fixed term of the lease or rental, and for each subsequent renewal period as it comes due. As used in this division, "motor vehicle" has the same meaning as in section 4501.01 of the Revised Code, and "watercraft" includes an outdrive unit attached to the watercraft.

A lease with a renewal clause and a termination penalty or similar provision that applies if the renewal clause is not exercised is presumed to be a sham transaction. In such a case, the tax shall be calculated and paid on the basis of the entire length of the lease period, including any renewal periods, until the termination penalty or similar provision no longer applies. The taxpayer shall bear the burden, by a preponderance of the evidence, that the transaction or series of transactions is not a sham transaction.

(3) Except as provided in division (A)(2) of this section, in the case of a sale, the price of which consists in whole or in part of the lease or rental of tangible personal property, the tax shall be measured by the installments of that lease or rental.

(4) In the case of a sale of a physical fitness facility service or recreation and sports club service, the price of which consists in whole or in part of a membership for the receipt of the benefit of the service, the tax applicable to the sale shall be measured by the installments thereof.

(B) The tax does not apply to the following:

(1) Sales to the state or any of its political subdivisions, or to any other state or its political subdivisions if the laws of that state exempt from taxation sales made to this state and its political subdivisions;

(2) Sales of food for human consumption off the premises where sold;

(3) Sales of food sold to students only in a cafeteria, dormitory, fraternity, or sorority maintained in a private, public, or parochial school, college, or university;

(4) Sales of newspapers and sales or transfers of magazines distributed as controlled circulation publications;

(5) The furnishing, preparing, or serving of meals without charge by an employer to an employee provided the employer records the meals as part compensation for services performed or work done;

(6) Sales of motor fuel upon receipt, use, distribution, or sale of which in this state a tax is imposed by the law of this state, but this exemption shall not apply to the sale of motor fuel on which a refund of the tax is allowable under division (A) of section 5735.14 of the Revised Code; and the tax commissioner may deduct the amount of tax levied by this section applicable to the price of

motor fuel when granting a refund of motor fuel tax pursuant to division (A) of section 5735.14 of the Revised Code and shall cause the amount deducted to be paid into the general revenue fund of this state;

(7) Sales of natural gas by a natural gas company or municipal gas utility, of water by a water-works company, or of steam by a heating company, if in each case the thing sold is delivered to consumers through pipes or conduits, and all sales of communications services by a telegraph company, all terms as defined in section 5727.01 of the Revised Code, and sales of electricity delivered through wires;

(8) Casual sales by a person, or auctioneer employed directly by the person to conduct such sales, except as to such sales of motor vehicles, watercraft or outboard motors required to be titled under section 1548.06 of the Revised Code, watercraft documented with the United States coast guard, snowmobiles, and all-purpose vehicles as defined in section 4519.01 of the Revised Code;

(9)(a) Sales of services or tangible personal property, other than motor vehicles, mobile homes, and manufactured homes, by churches, organizations exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, or nonprofit organizations operated exclusively for charitable purposes as defined in division (B)(12) of this section, provided that the number of days on which such tangible personal property or services, other than items never subject to the tax, are sold does not exceed six in any calendar year, except as otherwise provided in division (B)(9)(b) of this section. If the number of days on which such sales are made exceeds six in any calendar year, the church or organization shall be considered to be engaged in business and all subsequent sales by it shall be subject to the tax. In counting the number of days, all sales by groups within a church or within an organization shall be considered to be sales of that church or organization.

(b) The limitation on the number of days on which tax-exempt sales may be made by a church or organization under division (B)(9)(a) of this section does not apply to sales made by student clubs and other groups of students of a primary or secondary school, or a parent-teacher association, booster group, or similar organization that raises money to support or fund curricular or extracurricular activities of a primary or secondary school.

(c) Divisions (B)(9)(a) and (b) of this section do not apply to sales by a noncommercial educational radio or television broadcasting station.

(10) Sales not within the taxing power of this state under the Constitution or laws of the United States or the Constitution of this state;

(11) Except for transactions that are sales under division (B)(3)(r) of section 5739.01 of the Revised Code, the transportation of persons or property, unless the transportation is by a private investigation and security service;

(12) Sales of tangible personal property or services to churches, to organizations exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, and to any other nonprofit organizations operated exclusively for charitable purposes in this state, no part of the net income of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which consists of carrying on propaganda or otherwise attempting to influence legislation; sales to offices administering one or more homes for the aged or one or more hospital facilities exempt under section 140.08 of the Revised Code; and sales to organizations described in division (D) of section 5709.12 of the Revised Code.

"Charitable purposes" means the relief of poverty; the improvement of health through the alleviation of illness, disease, or injury; the operation of an organization exclusively for the provision of professional, laundry, printing, and purchasing services to hospitals or charitable institutions; the operation of a home for the aged, as defined in section 5701.13 of the Revised Code; the operation of a radio or television broadcasting station that is licensed by the federal communications commission as a noncommercial educational radio or television station; the operation of a nonprofit animal adoption service or a county humane society; the promotion of education by an institution of learning that maintains a faculty of qualified instructors, teaches regular continuous courses of study, and confers a recognized diploma upon completion of a specific curriculum; the operation of a parent-teacher association, booster group, or similar organization primarily engaged in the promotion and support of the curricular or extracurricular activities of a primary or secondary school; the operation of a community or area center in which presentations in music, dramatics, the arts, and related fields are made in order to foster public interest and education therein; the production of performances in music, dramatics, and the arts; or the promotion of education by an organization engaged in carrying on research in, or the dissemination of, scientific and technological knowledge and information primarily for the public.

Nothing in this division shall be deemed to exempt sales to any organization for use in the operation or carrying on of a trade or business, or sales to a home for the aged for use in the operation of independent living facilities as defined in division (A) of section 5709.12 of the Revised Code.

(13) Building and construction materials and services sold to construction contractors for incorporation into a structure or improvement to real property under a construction contract with this state or a political subdivision of this state, or with the United States government or any of its agencies; building and construction materials and services sold to construction contractors for incorporation into a structure or improvement to real property that are accepted for ownership by this state or any of its political subdivisions, or by the United States government or any of its agencies at the time of completion of the structures or improvements; building and construction materials sold to construction contractors for incorporation into a horticulture structure or livestock structure for a person engaged in the business of horticulture or producing livestock; building materials and services sold to a construction contractor for incorporation into a house of public worship or religious education, or a building used exclusively for charitable purposes under a construction contract with an organization whose purpose is as described in division (B)(12) of this section; building materials and services sold to a construction contractor for incorporation into a building under a construction contract with an organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 when the building is to be used exclusively for the organization's exempt purposes; building and construction materials sold for incorporation into the original construction of a sports facility under section 307.696 of the Revised Code; building and construction materials and services sold to a construction contractor for incorporation into real property outside this state if such materials and services, when sold to a construction contractor in the state in which the real property is located for incorporation into real property in that state, would be exempt from a tax on sales levied by that state; building and construction materials for incorporation into a transportation facility pursuant to a public-private agreement entered into under sections 5501.70 to 5501.83 of the Revised Code; and, until one calendar year after the construction of a convention center that qualifies for

property tax exemption under section 5709.084 of the Revised Code is completed, building and construction materials and services sold to a construction contractor for incorporation into the real property comprising that convention center;

(14) Sales of ships or vessels or rail rolling stock used or to be used principally in interstate or foreign commerce, and repairs, alterations, fuel, and lubricants for such ships or vessels or rail rolling stock;

(15) Sales to persons primarily engaged in any of the activities mentioned in division (B)(42)(a), (g), or (h) of this section, to persons engaged in making retail sales, or to persons who purchase for sale from a manufacturer tangible personal property that was produced by the manufacturer in accordance with specific designs provided by the purchaser, of packages, including material, labels, and parts for packages, and of machinery, equipment, and material for use primarily in packaging tangible personal property produced for sale, including any machinery, equipment, and supplies used to make labels or packages, to prepare packages or products for labeling, or to label packages or products, by or on the order of the person doing the packaging, or sold at retail. "Packages" includes bags, baskets, cartons, crates, boxes, cans, bottles, bindings, wrappings, and other similar devices and containers, but does not include motor vehicles or bulk tanks, trailers, or similar devices attached to motor vehicles. "Packaging" means placing in a package. Division (B)(15) of this section does not apply to persons engaged in highway transportation for hire.

(16) Sales of food to persons using supplemental nutrition assistance program benefits to purchase the food. As used in this division, "food" has the same meaning as in 7 U.S.C. 2012 and federal regulations adopted pursuant to the Food and Nutrition Act of 2008.

(17) Sales to persons engaged in farming, agriculture, horticulture, or floriculture, of tangible personal property for use or consumption primarily in the production by farming, agriculture, horticulture, or floriculture of other tangible personal property for use or consumption primarily in the production of tangible personal property for sale by farming, agriculture, horticulture, or floriculture; or material and parts for incorporation into any such tangible personal property for use or consumption in production; and of tangible personal property for such use or consumption in the conditioning or holding of products produced by and for such use, consumption, or sale by persons engaged in farming, agriculture, horticulture, or floriculture, except where such property is incorporated into real property;

(18) Sales of drugs for a human being that may be dispensed only pursuant to a prescription; insulin as recognized in the official United States pharmacopoeia; urine and blood testing materials when used by diabetics or persons with hypoglycemia to test for glucose or acetone; hypodermic syringes and needles when used by diabetics for insulin injections; epoetin alfa when purchased for use in the treatment of persons with medical disease; hospital beds when purchased by hospitals, nursing homes, or other medical facilities; and medical oxygen and medical oxygen-dispensing equipment when purchased by hospitals, nursing homes, or other medical facilities;

(19) Sales of prosthetic devices, durable medical equipment for home use, or mobility enhancing equipment, when made pursuant to a prescription and when such devices or equipment are for use by a human being.

(20) Sales of emergency and fire protection vehicles and equipment to nonprofit organizations for use solely in providing fire protection and emergency services, including trauma

care and emergency medical services, for political subdivisions of the state;

(21) Sales of tangible personal property manufactured in this state, if sold by the manufacturer in this state to a retailer for use in the retail business of the retailer outside of this state and if possession is taken from the manufacturer by the purchaser within this state for the sole purpose of immediately removing the same from this state in a vehicle owned by the purchaser;

(22) Sales of services provided by the state or any of its political subdivisions, agencies, instrumentalities, institutions, or authorities, or by governmental entities of the state or any of its political subdivisions, agencies, instrumentalities, institutions, or authorities;

(23) Sales of motor vehicles to nonresidents of this state under the circumstances described in division (B) of section 5739.029 of the Revised Code;

(24) Sales to persons engaged in the preparation of eggs for sale of tangible personal property used or consumed directly in such preparation, including such tangible personal property used for cleaning, sanitizing, preserving, grading, sorting, and classifying by size; packages, including material and parts for packages, and machinery, equipment, and material for use in packaging eggs for sale; and handling and transportation equipment and parts therefor, except motor vehicles licensed to operate on public highways, used in intraplant or interplant transfers or shipment of eggs in the process of preparation for sale, when the plant or plants within or between which such transfers or shipments occur are operated by the same person. "Packages" includes containers, cases, baskets, flats, fillers, filler flats, cartons, closure materials, labels, and labeling materials, and "packaging" means placing therein.

(25)(a) Sales of water to a consumer for residential use;

(b) Sales of water by a nonprofit corporation engaged exclusively in the treatment, distribution, and sale of water to consumers, if such water is delivered to consumers through pipes or tubing.

(26) Fees charged for inspection or reinspection of motor vehicles under section 3704.14 of the Revised Code;

(27) Sales to persons licensed to conduct a food service operation pursuant to section 3717.43 of the Revised Code, of tangible personal property primarily used directly for the following:

(a) To prepare food for human consumption for sale;

(b) To preserve food that has been or will be prepared for human consumption for sale by the food service operator, not including tangible personal property used to display food for selection by the consumer;

(c) To clean tangible personal property used to prepare or serve food for human consumption for sale.

(28) Sales of animals by nonprofit animal adoption services or county humane societies;

(29) Sales of services to a corporation described in division (A) of section 5709.72 of the Revised Code, and sales of tangible personal property that qualifies for exemption from taxation under section 5709.72 of the Revised Code;

(30) Sales and installation of agricultural land tile, as defined in division (B)(5)(a) of section 5739.01 of the Revised Code;

(31) Sales and erection or installation of portable grain bins, as defined in division (B)(5)(b) of section 5739.01 of the Revised Code;

(32) The sale, lease, repair, and maintenance of, parts for, or items attached to or incorporated in, motor vehicles that are primarily used for transporting tangible personal property belonging to others by a person engaged in highway transportation for hire, except for packages and packaging used for the transportation of tangible personal property;

(33) Sales to the state headquarters of any veterans' organization in this state that is either incorporated and issued a charter by the congress of the United States or is recognized by the United States veterans administration, for use by the headquarters;

(34) Sales to a telecommunications service vendor, mobile telecommunications service vendor, or satellite broadcasting service vendor of tangible personal property and services used directly and primarily in transmitting, receiving, switching, or recording any interactive, one- or two-way electromagnetic communications, including voice, image, data, and information, through the use of any medium, including, but not limited to, poles, wires, cables, switching equipment, computers, and record storage devices and media, and component parts for the tangible personal property. The exemption provided in this division shall be in lieu of all other exemptions under division (B)(42)(a) or (n) of this section to which the vendor may otherwise be entitled, based upon the use of the thing purchased in providing the telecommunications, mobile telecommunications, or satellite broadcasting service.

(35)(a) Sales where the purpose of the consumer is to use or consume the things transferred in making retail sales and consisting of newspaper inserts, catalogues, coupons, flyers, gift certificates, or other advertising material that prices and describes tangible personal property offered for retail sale.

(b) Sales to direct marketing vendors of preliminary materials such as photographs, artwork, and typesetting that will be used in printing advertising material; and of printed matter that offers free merchandise or chances to win sweepstake prizes and that is mailed to potential customers with advertising material described in division (B)(35)(a) of this section;

(c) Sales of equipment such as telephones, computers, facsimile machines, and similar tangible personal property primarily used to accept orders for direct marketing retail sales.

(d) Sales of automatic food vending machines that preserve food with a shelf life of forty-five days or less by refrigeration and dispense it to the consumer.

For purposes of division (B)(35) of this section, "direct marketing" means the method of selling where consumers order tangible personal property by United States mail, delivery service, or telecommunication and the vendor delivers or ships the tangible personal property sold to the consumer from a warehouse, catalogue distribution center, or similar fulfillment facility by means of the United States mail, delivery service, or common carrier.

(36) Sales to a person engaged in the business of horticulture or producing livestock of materials to be incorporated into a horticulture structure or livestock structure;

(37) Sales of personal computers, computer monitors, computer keyboards, modems, and other peripheral computer equipment to an individual who is licensed or certified to teach in an elementary or a secondary school in this state for use by that individual in preparation for teaching elementary or secondary school students;

(38) Sales to a professional racing team of any of the following:

(a) Motor racing vehicles;

(b) Repair services for motor racing vehicles;

(c) Items of property that are attached to or incorporated in motor racing vehicles, including engines, chassis, and all other components of the vehicles, and all spare, replacement, and rebuilt parts or components of the vehicles; except not including tires, consumable fluids, paint, and accessories consisting of instrumentation sensors and related items added to the vehicle to collect and transmit data by means of telemetry and other forms of communication.

(39) Sales of used manufactured homes and used mobile homes, as defined in section 5739.0210 of the Revised Code, made on or after January 1, 2000;

(40) Sales of tangible personal property and services to a provider of electricity used or consumed directly and primarily in generating, transmitting, or distributing electricity for use by others, including property that is or is to be incorporated into and will become a part of the consumer's production, transmission, or distribution system and that retains its classification as tangible personal property after incorporation; fuel or power used in the production, transmission, or distribution of electricity; energy conversion equipment as defined in section 5727.01 of the Revised Code; and tangible personal property and services used in the repair and maintenance of the production, transmission, or distribution system, including only those motor vehicles as are specially designed and equipped for such use. The exemption provided in this division shall be in lieu of all other exemptions in division (B)(42)(a) or (n) of this section to which a provider of electricity may otherwise be entitled based on the use of the tangible personal property or service purchased in generating, transmitting, or distributing electricity.

(41) Sales to a person providing services under division (B)(3)(r) of section 5739.01 of the Revised Code of tangible personal property and services used directly and primarily in providing taxable services under that section.

(42) Sales where the purpose of the purchaser is to do any of the following:

(a) To incorporate the thing transferred as a material or a part into tangible personal property to be produced for sale by manufacturing, assembling, processing, or refining; or to use or consume the thing transferred directly in producing tangible personal property for sale by mining, including, without limitation, the extraction from the earth of all substances that are classed geologically as minerals, production of crude oil and natural gas, or directly in the rendition of a public utility service, except that the sales tax levied by this section shall be collected upon all meals, drinks, and food for human consumption sold when transporting persons. Persons engaged in rendering services in the exploration for, and production of, crude oil and natural gas for others are deemed engaged directly in the exploration for, and production of, crude oil and natural gas. As used in this paragraph, "directly in producing tangible personal property for sale by production of crude oil and natural gas" includes production operation as defined by section 1509.01 of the Revised Code except that the term does not include tanks and other storage devices for holding solutions used in hydraulic fracturing, equipment used for earth moving and reclamation at a well site, or property used to transport, deliver, or remove other equipment to or from a well site or to store such equipment before using it at a well site. This paragraph does not exempt from "retail sale" or "sales at retail" the sale of tangible personal property that is to be incorporated into a structure or improvement to real property.

(b) To hold the thing transferred as security for the performance of an obligation of the vendor;

(c) To resell, hold, use, or consume the thing transferred as evidence of a contract of insurance;

(d) To use or consume the thing directly in commercial fishing;

(e) To incorporate the thing transferred as a material or a part into, or to use or consume the thing transferred directly in the production of, magazines distributed as controlled circulation publications;

(f) To use or consume the thing transferred in the production and preparation in suitable condition for market and sale of printed, imprinted, overprinted, lithographic, multilithic, blueprinted, photostatic, or other productions or reproductions of written or graphic matter;

(g) To use the thing transferred, as described in section 5739.011 of the Revised Code, primarily in a manufacturing operation to produce tangible personal property for sale;

(h) To use the benefit of a warranty, maintenance or service contract, or similar agreement, as described in division (B)(7) of section 5739.01 of the Revised Code, to repair or maintain tangible personal property, if all of the property that is the subject of the warranty, contract, or agreement would not be subject to the tax imposed by this section;

(i) To use the thing transferred as qualified research and development equipment;

(j) To use or consume the thing transferred primarily in storing, transporting, mailing, or otherwise handling purchased sales inventory in a warehouse, distribution center, or similar facility when the inventory is primarily distributed outside this state to retail stores of the person who owns or controls the warehouse, distribution center, or similar facility, to retail stores of an affiliated group of which that person is a member, or by means of direct marketing. This division does not apply to motor vehicles registered for operation on the public highways. As used in this division, "affiliated group" has the same meaning as in division (B)(3)(e) of section 5739.01 of the Revised Code and "direct marketing" has the same meaning as in division (B)(35) of this section.

(k) To use or consume the thing transferred to fulfill a contractual obligation incurred by a warrantor pursuant to a warranty provided as a part of the price of the tangible personal property sold or by a vendor of a warranty, maintenance or service contract, or similar agreement the provision of which is defined as a sale under division (B)(7) of section 5739.01 of the Revised Code;

(l) To use or consume the thing transferred in the production of a newspaper for distribution to the public;

(m) To use tangible personal property to perform a service listed in division (B)(3) of section 5739.01 of the Revised Code, if the property is or is to be permanently transferred to the consumer of the service as an integral part of the performance of the service;

(n) To use or consume the thing transferred primarily in producing tangible personal property for sale by farming, agriculture, horticulture, or floriculture. Persons engaged in rendering farming, agriculture, horticulture, or floriculture services for others are deemed engaged primarily in farming, agriculture, horticulture, or floriculture. This paragraph does not exempt from "retail sale" or "sales at retail" the sale of tangible personal property that is to be incorporated into a structure or improvement to real property.

(o) To use or consume the thing transferred in acquiring, formatting, editing, storing, and disseminating data or information by electronic publishing;

(p) To provide the thing transferred to the owner or lessee of a motor vehicle that is being

repaired or serviced, if the thing transferred is a rented motor vehicle and the purchaser is reimbursed for the cost of the rented motor vehicle by a manufacturer, warrantor, or provider of a maintenance, service, or other similar contract or agreement, with respect to the motor vehicle that is being repaired or serviced.

As used in division (B)(42) of this section, "thing" includes all transactions included in divisions (B)(3)(a), (b), and (e) of section 5739.01 of the Revised Code.

(43) Sales conducted through a coin operated device that activates vacuum equipment or equipment that dispenses water, whether or not in combination with soap or other cleaning agents or wax, to the consumer for the consumer's use on the premises in washing, cleaning, or waxing a motor vehicle, provided no other personal property or personal service is provided as part of the transaction.

(44) Sales of replacement and modification parts for engines, airframes, instruments, and interiors in, and paint for, aircraft used primarily in a fractional aircraft ownership program, and sales of services for the repair, modification, and maintenance of such aircraft, and machinery, equipment, and supplies primarily used to provide those services.

(45) Sales of telecommunications service that is used directly and primarily to perform the functions of a call center. As used in this division, "call center" means any physical location where telephone calls are placed or received in high volume for the purpose of making sales, marketing, customer service, technical support, or other specialized business activity, and that employs at least fifty individuals that engage in call center activities on a full-time basis, or sufficient individuals to fill fifty full-time equivalent positions.

(46) Sales by a telecommunications service vendor of 900 service to a subscriber. This division does not apply to information services, as defined in division (FF) of section 5739.01 of the Revised Code.

(47) Sales of value-added non-voice data service. This division does not apply to any similar service that is not otherwise a telecommunications service.

(48)(a) Sales of machinery, equipment, and software to a qualified direct selling entity for use in a warehouse or distribution center primarily for storing, transporting, or otherwise handling inventory that is held for sale to independent salespersons who operate as direct sellers and that is held primarily for distribution outside this state;

(b) As used in division (B)(48)(a) of this section:

(i) "Direct seller" means a person selling consumer products to individuals for personal or household use and not from a fixed retail location, including selling such product at in-home product demonstrations, parties, and other one-on-one selling.

(ii) "Qualified direct selling entity" means an entity selling to direct sellers at the time the entity enters into a tax credit agreement with the tax credit authority pursuant to section 122.17 of the Revised Code, provided that the agreement was entered into on or after January 1, 2007. Neither contingencies relevant to the granting of, nor later developments with respect to, the tax credit shall impair the status of the qualified direct selling entity under division (B)(48) of this section after execution of the tax credit agreement by the tax credit authority.

(c) Division (B)(48) of this section is limited to machinery, equipment, and software first stored, used, or consumed in this state within the period commencing June 24, 2008, and ending on the date that is five years after that date.

(49) Sales of materials, parts, equipment, or engines used in the repair or maintenance of aircraft or avionics systems of such aircraft, and sales of repair, remodeling, replacement, or maintenance services in this state performed on aircraft or on an aircraft's avionics, engine, or component materials or parts. As used in division (B)(49) of this section, "aircraft" means aircraft of more than six thousand pounds maximum certified takeoff weight or used exclusively in general aviation.

(50) Sales of full flight simulators that are used for pilot or flight-crew training, sales of repair or replacement parts or components, and sales of repair or maintenance services for such full flight simulators. "Full flight simulator" means a replica of a specific type, or make, model, and series of aircraft cockpit. It includes the assemblage of equipment and computer programs necessary to represent aircraft operations in ground and flight conditions, a visual system providing an out-of-the-cockpit view, and a system that provides cues at least equivalent to those of a three-degree-of-freedom motion system, and has the full range of capabilities of the systems installed in the device as described in appendices A and B of part 60 of chapter 1 of title 14 of the Code of Federal Regulations.

(51) Any transfer or lease of tangible personal property between the state and JobsOhio in accordance with section 4313.02 of the Revised Code.

(52)(a) Sales to a qualifying corporation.

(b) As used in division (B)(52) of this section:

(i) "Qualifying corporation" means a nonprofit corporation organized in this state that leases from an eligible county land, buildings, structures, fixtures, and improvements to the land that are part of or used in a public recreational facility used by a major league professional athletic team or a class A to class AAA minor league affiliate of a major league professional athletic team for a significant portion of the team's home schedule, provided the following apply:

(I) The facility is leased from the eligible county pursuant to a lease that requires substantially all of the revenue from the operation of the business or activity conducted by the nonprofit corporation at the facility in excess of operating costs, capital expenditures, and reserves to be paid to the eligible county at least once per calendar year.

(II) Upon dissolution and liquidation of the nonprofit corporation, all of its net assets are distributable to the board of commissioners of the eligible county from which the corporation leases the facility.

(ii) "Eligible county" has the same meaning as in section 307.695 of the Revised Code.

(53) Sales to or by a cable service provider, video service provider, or radio or television broadcast station regulated by the federal government of cable service or programming, video service or programming, audio service or programming, or electronically transferred digital audiovisual or audio work. As used in division (B)(53) of this section, "cable service" and "cable service provider" have the same meanings as in section 1332.01 of the Revised Code, and "video service," "video service provider," and "video programming" have the same meanings as in section 1332.21 of the Revised Code.

(54) Sales of investment metal bullion and investment coins. "Investment metal bullion" means any bullion described in section 408(m)(3)(B) of the Internal Revenue Code, regardless of whether that bullion is in the physical possession of a trustee. "Investment coin" means any coin

composed primarily of gold, silver, platinum, or palladium.

(55) Sales of a specified digital product electronically transferred for use in or for delivery through use of a machine that accepts direct cash payments or direct payments by a financial transaction device to operate and that operates primarily for the purpose of providing entertainment or amusement, such as a juke box, music machine, arcade game, or other similar machine. As used in division (B)(55) of this section, "financial transaction device" has the same meaning as in section 113.40 of the Revised Code.

(C) For the purpose of the proper administration of this chapter, and to prevent the evasion of the tax, it is presumed that all sales made in this state are subject to the tax until the contrary is established.

(D) The levy of this tax on retail sales of recreation and sports club service shall not prevent a municipal corporation from levying any tax on recreation and sports club dues or on any income generated by recreation and sports club dues.

(E) The tax collected by the vendor from the consumer under this chapter is not part of the price, but is a tax collection for the benefit of the state, and of counties levying an additional sales tax pursuant to section 5739.021 or 5739.026 of the Revised Code and of transit authorities levying an additional sales tax pursuant to section 5739.023 of the Revised Code. Except for the discount authorized under section 5739.12 of the Revised Code and the effects of any rounding pursuant to section 5703.055 of the Revised Code, no person other than the state or such a county or transit authority shall derive any benefit from the collection or payment of the tax levied by this section or section 5739.021, 5739.023, or 5739.026 of the Revised Code.

Sec. 5739.03. (A) Except as provided in section 5739.05 or section 5739.051 of the Revised Code, the tax imposed by or pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code shall be paid by the consumer to the vendor, and each vendor shall collect from the consumer, as a trustee for the state of Ohio, the full and exact amount of the tax payable on each taxable sale, in the manner and at the times provided as follows:

(1) If the price is, at or prior to the provision of the service or the delivery of possession of the thing sold to the consumer, paid in currency passed from hand to hand by the consumer or the consumer's agent to the vendor or the vendor's agent, the vendor or the vendor's agent shall collect the tax with and at the same time as the price;

(2) If the price is otherwise paid or to be paid, the vendor or the vendor's agent shall, at or prior to the provision of the service or the delivery of possession of the thing sold to the consumer, charge the tax imposed by or pursuant to section 5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code to the account of the consumer, which amount shall be collected by the vendor from the consumer in addition to the price. Such sale shall be reported on and the amount of the tax applicable thereto shall be remitted with the return for the period in which the sale is made, and the amount of the tax shall become a legal charge in favor of the vendor and against the consumer.

(B)(1)(a) If any sale is claimed to be exempt under division (E) of section 5739.01 of the Revised Code or under section 5739.02 of the Revised Code, with the exception of divisions (B)(1) to (11) or (28) of section 5739.02 of the Revised Code, or if the consumer claims the transaction is not a taxable sale due to one or more of the exclusions provided under divisions (JJ)(1) to (5) of section 5739.01 of the Revised Code, the consumer must provide to the vendor, and the vendor must

obtain from the consumer, a certificate specifying the reason that the sale is not legally subject to the tax. The certificate shall be in such form, and shall be provided either in a hard copy form or electronic form, as the tax commissioner prescribes.

(b) A vendor that obtains a fully completed exemption certificate from a consumer is relieved of liability for collecting and remitting tax on any sale covered by that certificate. If it is determined the exemption was improperly claimed, the consumer shall be liable for any tax due on that sale under section 5739.02, 5739.021, 5739.023, or 5739.026 or Chapter 5741. of the Revised Code. Relief under this division from liability does not apply to any of the following:

(i) A vendor that fraudulently fails to collect tax;

(ii) A vendor that solicits consumers to participate in the unlawful claim of an exemption;

(iii) A vendor that accepts an exemption certificate from a consumer that claims an exemption based on who purchases or who sells property or a service, when the subject of the transaction sought to be covered by the exemption certificate is actually received by the consumer at a location operated by the vendor in this state, and this state has posted to its web site an exemption certificate form that clearly and affirmatively indicates that the claimed exemption is not available in this state;

(iv) A vendor that accepts an exemption certificate from a consumer who claims a multiple points of use exemption under division (D) of section 5739.033 of the Revised Code, if the item purchased is tangible personal property, other than prewritten computer software.

(2) The vendor shall maintain records, including exemption certificates, of all sales on which a consumer has claimed an exemption, and provide them to the tax commissioner on request.

(3) The tax commissioner may establish an identification system whereby the commissioner issues an identification number to a consumer that is exempt from payment of the tax. The consumer must present the number to the vendor, if any sale is claimed to be exempt as provided in this section.

(4) If no certificate is provided or obtained within ninety days after the date on which such sale is consummated, it shall be presumed that the tax applies. Failure to have so provided or obtained a certificate shall not preclude a vendor, within one hundred twenty days after the tax commissioner gives written notice of intent to levy an assessment, from either establishing that the sale is not subject to the tax, or obtaining, in good faith, a fully completed exemption certificate.

(5) Certificates need not be obtained nor provided where the identity of the consumer is such that the transaction is never subject to the tax imposed or where the item of tangible personal property sold or the service provided is never subject to the tax imposed, regardless of use, or when the sale is in interstate commerce.

(6) If a transaction is claimed to be exempt under division (B)(13) of section 5739.02 of the Revised Code, the contractor shall obtain certification of the claimed exemption from the contractee. This certification shall be in addition to an exemption certificate provided by the contractor to the vendor. A contractee that provides a certification under this division shall be deemed to be the consumer of all items purchased by the contractor under the claim of exemption, if it is subsequently determined that the exemption is not properly claimed. The certification shall be in such form as the tax commissioner prescribes.

(C) As used in this division, "contractee" means a person who seeks to enter or enters into a contract or agreement with a contractor or vendor for the construction of real property or for the sale and installation onto real property of tangible personal property.

Any contractor or vendor may request from any contractee a certification of what portion of the property to be transferred under such contract or agreement is to be incorporated into the realty and what portion will retain its status as tangible personal property after installation is completed. The contractor or vendor shall request the certification by certified mail delivered to the contractee, return receipt requested. Upon receipt of such request and prior to entering into the contract or agreement, the contractee shall provide to the contractor or vendor a certification sufficiently detailed to enable the contractor or vendor to ascertain the resulting classification of all materials purchased or fabricated by the contractor or vendor and transferred to the contractee. This requirement applies to a contractee regardless of whether the contractee holds a direct payment permit under section 5739.031 of the Revised Code or provides to the contractor or vendor an exemption certificate as provided under this section.

For the purposes of the taxes levied by this chapter and Chapter 5741. of the Revised Code, the contractor or vendor may in good faith rely on the contractee's certification. Notwithstanding division (B) of section 5739.01 of the Revised Code, if the tax commissioner determines that certain property certified by the contractee as tangible personal property pursuant to this division is, in fact, real property, the contractee shall be considered to be the consumer of all materials so incorporated into that real property and shall be liable for the applicable tax, and the contractor or vendor shall be excused from any liability on those materials.

If a contractee fails to provide such certification upon the request of the contractor or vendor, the contractor or vendor shall comply with the provisions of this chapter and Chapter 5741. of the Revised Code without the certification. If the tax commissioner determines that such compliance has been performed in good faith and that certain property treated as tangible personal property by the contractor or vendor is, in fact, real property, the contractee shall be considered to be the consumer of all materials so incorporated into that real property and shall be liable for the applicable tax, and the construction contractor or vendor shall be excused from any liability on those materials.

This division does not apply to any contract or agreement where the tax commissioner determines as a fact that a certification under this division was made solely on the decision or advice of the contractor or vendor.

(D) Notwithstanding division (B) of section 5739.01 of the Revised Code, whenever the total rate of tax imposed under this chapter is increased after the date after a construction contract is entered into, the contractee shall reimburse the construction contractor for any additional tax paid on tangible property consumed or services received pursuant to the contract.

(E) A vendor who files a petition for reassessment contesting the assessment of tax on sales for which the vendor obtained no valid exemption certificates and for which the vendor failed to establish that the sales were properly not subject to the tax during the one-hundred-twenty-day period allowed under division (B) of this section, may present to the tax commissioner additional evidence to prove that the sales were properly subject to a claim of exception or exemption. The vendor shall file such evidence within ninety days of the receipt by the vendor of the notice of assessment, except that, upon application and for reasonable cause, the period for submitting such evidence shall be extended thirty days.

The commissioner shall consider such additional evidence in reaching the final determination on the assessment and petition for reassessment.

(F) Whenever a vendor refunds the price, minus any separately stated delivery charge, of an item of tangible personal property on which the tax imposed under this chapter has been paid, the vendor shall also refund the amount of tax paid, minus the amount of tax attributable to the delivery charge.

SECTION 2. That existing sections 122.121, 149.311, 339.02, 339.05, 749.07, 749.18, 951.02, 951.13, 1711.50, 1711.57, 4141.01, 4141.25, 4141.30, 4727.02, 4727.03, 4727.06, 4727.10, 4727.11, 4727.12, 4727.19, 4727.20, 5709.20, 5709.45, 5726.01, 5739.02, and 5739.03 of the Revised Code and Section 4 of Sub. H.B. 5 of the 130th General Assembly are hereby repealed.

SECTION 3. (A) Except as otherwise provided, terms used in this section have the same meaning as in section 149.311 of the Revised Code. As used in this section:

(1) "Uncompleted project" means an historic building, the rehabilitation of which the Director of Development Services approved under division (D) of former section 149.311 of the Revised Code for the application period described in division (A)(9)(a) of that section as eligible for a tax credit under that section, but the owners of which were not awarded a rehabilitation tax credit certificate or received a tax credit for less than twenty-five per cent of the qualified rehabilitation expenditures approved under that section.

(2) "Former section 149.311 of the Revised Code" means section 149.311 of the Revised Code as that section existed on April 4, 2007.

(B) Notwithstanding section 149.311 of the Revised Code, within thirty days after the effective date of this section, the Director of Development Services shall approve, as eligible to receive a rehabilitation tax credit certificate, the catalytic project of each person that applied for but was not approved for a rehabilitation tax credit on the basis of a catalytic project under division (D)(6) of that section for the fiscal year 2016-2017 biennium upon the project and applicant meeting the conditions prescribed in divisions (D)(3) or (4) and (D)(5) of that section. The amount of credit awarded to such a person shall equal the lesser of twenty-five per cent of the qualified rehabilitation expenditures, twenty-five million dollars, or one-half of the maximum amount of credit that could have been claimed by the owners of uncompleted projects had the Director issued rehabilitation tax credit certificates to each such owner based on qualified rehabilitation expenditures the applicant estimated would be paid or incurred for the uncompleted project.

A credit awarded pursuant to this section is a credit awarded under division (D)(6) of section 149.311 of the Revised Code for the purposes of that section but is not subject to the limitation on the number of tax credit certificates issued under that division during a biennium. The credit may be claimed by a certificate owner in the amount and manner described in division (H) of section 149.311 and sections 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code. The amount of a credit awarded under this section is a credit approved by the Director for purposes of the limit described in division (D)(2) of section 149.311 of the Revised Code for a fiscal year.

SECTION 4. The amendment by this act of section 5709.20 and division (B)(42) of section 5739.02 of the Revised Code is a remedial measure intended to clarify existing law. The General

Assembly intends those amendments to be applied retrospectively to all cases pending on or transactions occurring after the effective date of section 1509.01 of the Revised Code as amended by Sub. S.B. 165 of the 128th General Assembly.

SECTION 5. The legislative body, as that term is defined in section 5709.52 of the Revised Code, of a municipal corporation, township, or county shall not declare the development or redevelopment of a parcel to be a public purpose and exempt that parcel from taxation as provided in that section for any tax year before tax year 2017.

SECTION 6. The amendment by this act of section 5726.01 of the Revised Code is intended to be remedial in nature and to clarify the law as it existed prior to the enactment of this act and shall be construed accordingly. The amendment shall apply to tax years beginning on or after January 1, 2014.

SECTION 7. The enactment by this act of division (B)(55) of section 5739.02 of the Revised Code applies beginning on the first day of the first month that begins after the effective date of this section.

SECTION 8. (A) As used in this section, "tax credit-eligible production," "motion picture company," and "eligible production expenditures" have the same meanings as in section 122.85 of the Revised Code.

(B) Notwithstanding section 122.85 of the Revised Code or the rules adopted by the Director of Development Services under division (G) of that section, a television program produced in this state during the first six months of calendar year 2017 shall be certified by the Director as a tax credit-eligible production for fiscal year 2018 even though the production is commenced before the start of that fiscal year. The tax credit certificate issued to the motion picture company responsible for such a production shall include all eligible production expenditures incurred during the first six months of calendar year 2017 even if the expenditures were incurred before the program was certified as tax credit-eligible and even though the expenditures were incurred before the start of fiscal year 2018.

(C) A credit awarded under this section shall not exceed $12 million and shall not be claimed before July 1, 2017. A credit awarded under this section shall not be counted for the purposes of the annual cap prescribed by division (C)(4) of section 122.85 of the Revised Code for Fiscal Year 2017 but shall be counted for the purposes of the annual cap prescribed by that division for fiscal year 2018.

SECTION 9. For fiscal years 2017 and 2018, the legislative authority of a municipal corporation in Stark County may conduct a pilot program whereby the legislative authority may use up to five per cent of the aggregate amount of money deposited in the municipal corporation's sewer fund and up to five per cent of the aggregate amount of money deposited in a fund created by the municipal

corporation for waterworks for the purpose of extending the municipal corporation's water or sewerage system, as applicable, if both of the following apply:

(1) The water or sewerage system is being extended to areas for economic development purposes.

(2) The areas into which the water or sewerage system is being extended are the subject of a cooperative economic development agreement entered into by the municipal corporation under section 701.07 of the Revised Code.

With regard to either fund, the legislative authority shall not exceed the five per cent limit established in this section.

SECTION 10. The Municipal Income Tax Net Operating Loss Review Committee, as created in Section 4 of Sub. H.B. 5 of the 130th General Assembly and referenced in Section 3 of Sub. H.B. 182 of the 131st General Assembly, is hereby discharged of all duties and requirements delineated under those sections.

SECTION 11. The amendment by this act of section 5739.03 of the Revised Code applies on and after January 1, 2017.

SECTION 12. The items of law contained in this act, and their applications, are severable. If any item of law contained in this act, or if any application of any item of law contained in this act, is held invalid, the invalidity does not affect other items of law contained in this act and their applications that can be given effect without the invalid item of law or application.

SECTION 13. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the following sections in effect prior to the effective date of the section as presented in this act:

Section 5739.02 of the Revised Code is presented in this act as a composite of the section as amended by Am. Sub. H.B. 64, Sub. H.B. 390, and Sub. S.B. 172, all of the 131st General Assembly.

_____

Speaker _____ of the House of Representatives.

_____

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

_____

Governor.

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

_____

Director, Legislative Service Commission.

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

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Secretary of State.

File No. _____ Effective Date _____