



Lisa Sandberg

Bill Analysis
Legislative Service Commission

Sub. H.B. 81

125th General Assembly
(As Reported by S. Judiciary on Civil Justice)

Reps. Core, S. Patton, Flowers, Schmidt, Walcher

BILL SUMMARY

- Expands the powers of a community improvement corporation by including the power to serve as an agent for grant applications and for the administration of grants.

CONTENT AND OPERATION

Background--creation of community improvement corporation

Current law authorizes a corporation not for profit to be organized for the sole purpose of advancing, encouraging, and promoting the industrial, economic, commercial, and civic development of a community or area (community improvement corporation) (R.C. 1724.01, not in the bill). A community improvement corporation must be incorporated according to the procedures of the Nonprofit Corporation Law, which permits any person or persons, without regard to residence, domicile, or state of incorporation, to form a corporation by signing and filing required articles of incorporation with the Secretary of State (R.C. 1702.04, not in the bill).

Powers of a community improvement corporation

Existing law sets forth the powers of a community improvement corporation, which include the following when done in furtherance of the statutory purposes of establishing such a corporation (R.C. 1724.02):

(1) To borrow money, to issue evidence of indebtedness, and to secure that indebtedness with a lien;

(2) To make loans and to establish and regulate the terms and conditions with respect to those loans;

(3) To purchase or otherwise acquire, and to sell or otherwise dispose of, real and personal property;

(4) To acquire the good will, business rights, real and personal property, and other assets of any person or business, to assume, or pay the liabilities of any person or business; and to acquire real estate for certain specified purposes;

(5) To acquire, sell, or otherwise dispose of the stock or other securities of any person or business;

(6) To mortgage or otherwise encumber any property acquired.

The bill includes within the powers of a community improvement corporation the power to serve as an agent for grant applications and for the administration of grants. (R.C. 1724.02(H).)

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	02-25-03	p. 167
Reported, H. State Gov't	03-19-03	pp. 267-268
Passed House (97-0)	03-25-03	p. 280
Reported, S. Judiciary on Civil Justice	05-01-03	p. 310

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