



Ohio Legislative Service Commission

Bill Analysis

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H.B. 344

129th General Assembly
(As Introduced)

Reps. Barnes, Huffman, Patmon, Antonio, Foley, R. Hagan

BILL SUMMARY

- Establishes the Ohio International Initiative to promote trade and industrial development, attract foreign investment, facilitate use of ports, and pursue certain other trade- and development-related objectives.
- Establishes, as a component of the Ohio International Initiative, the "SellOhio Global Initiative" whereby market or industry experts are certified as consulates to help Ohio businesses enter or expand into foreign markets.
- Establishes, as a component of the Ohio International Initiative, the "Global Initiative on International Relations" whereby members of the General Assembly are appointed to promote Ohio's education, economy, diplomacy, humanity, and legislative initiatives and to build and manage relationships with foreign governments.

CONTENT AND OPERATION

Ohio International Initiative

The bill establishes the "Ohio International Initiative." The Initiative has general purposes: to encourage executive and legislative efforts to promote Ohio's economy, diplomacy, and humanity to the international community, and to align Ohio government, market, and industry forces to increase Ohio business' access to global market opportunities in order to enhance their competitive advantage in world markets and promote job creation in Ohio.¹

The Ohio International Initiative has seven goals:

¹ R.C. 122.86.

- (1) To facilitate logistics for Ohio businesses seeking to use foreign ports and for foreign businesses seeking to use Ohio ports;
- (2) To enhance development of Ohio's chief 25 industries (as they are ranked by the Director of Development);
- (3) To promote reciprocal trade activities, such as trade shows;
- (4) To hold annual industry-sponsored receptions in the District of Columbia to host government and business representatives from key foreign nations;
- (5) To enhance and promote Ohio's industry of partial manufacturing;
- (6) To attract foreign investment;
- (7) To engage in educational exchange.²

The Ohio International Initiative has two components: the SellOhio Global Initiative and the Global Initiative on International Relations.

SellOhio Global Initiative

The SellOhio Global Initiative would be created in the Department of Development.³ Its duty is to facilitate Ohio business' entry or expansion into foreign markets in order to enhance their competitive advantage in world markets and promote job creation in Ohio. Under this initiative, the Director of Development is required to certify qualified individuals as "Ohio business consulates" for Ohio's chief industries. Ohio business consulates may help Ohio businesses to establish relationships with foreign businesses, market or industry trade groups, or regulatory authorities, to serve as brokers or intermediaries in business transactions, to give advice about foreign languages or local business or social customs, or to generally promote Ohio businesses. The bill requires an agreement to exist if an Ohio business consulate is to legally bind an Ohio business with respect to certain issues (to be determined by the Director of Development and Attorney General) including the licensing or sale of intellectual property, trademarks, and copyrights.

The Director of Development would be required to establish standards for certifying Ohio business consulates. The standards would have to ensure that consulates are experts in an industry or market and that the consulates would ethically provide assistance to businesses. The Director must keep a list of certified consulates

² R.C. 122.86(C).

³ R.C. 122.86(B).

and their contact information on the Department of Development's web site. The bill specifies that certification as an Ohio business consulate would not, in and of itself, confer status as an employee or agent of any state agency. Consulates would be prohibited from receiving any compensation from a state agency for their services as consulates. Ohio business consulates would be required to report their activities and accomplishments to the Director of Development. The Director is authorized to adopt rules to administer the initiative.

Global Initiative on International Relations

The Global Initiative on International Relations would be created in the General Assembly. Its functions are to, through diplomatic efforts, advance and promote Ohio's education (including its public and private higher education institutions), economy, diplomacy, humanity, and legislative initiatives and build and manage reciprocal relationships with foreign governments "as is consistent with the new integrated principle of the global economy."⁴

The Global Initiative on International Relations would consist of 20 or more members of the General Assembly appointed to be "Ohio Ambassadors." The exact number of members bearing that title would vary depending on need, as influenced by the size and number of global economic regions identified by the Director of Development. Ohio Ambassadors would be appointed by the House Speaker and the Senate President and would serve at the pleasure of their appointing authority. To qualify for appointment, a member would have to be a member of one of the following standing committees in their respective chamber (or equivalent committees concerned with similar matters): agriculture and natural resources, economic development and small business, education, or the finance subcommittees on higher education or on agricultural and natural resources.

The bill specifies that Ohio Ambassadors are not to be paid for their duties as such but may be reimbursed for their reasonable expenses. (The prohibition against receiving pay is to avoid conflict with the constitutional prohibition against in-term increases in compensation for General Assembly members and officers.)⁵ Expense reimbursement would be made from the Ohio Ambassador Fund, which is created by the bill. The bill states that the Global Initiative may seek federal market development grants to supply money for the fund. The bill also states that appointment as an Ohio Ambassador does not constitute the holding of a public office for the purpose of a

⁴ R.C. 122.86(A).

⁵ See, Article II, Section 31, Ohio Constitution.

constitutional provision prohibiting General Assembly members from simultaneously holding any other public office.⁶

Department of Development publications

The bill requires the Director of Development to publish a booklet listing businesses in Ohio that could be suppliers to international markets, arranged according to each industry's industry classification. The booklet is to be published and updated as often as the Director finds desirable. The bill also requires the Director to provide a form on which an Ohio Ambassador or Ohio business consulate may provide the Director with contact information for contacts established by the Ambassador or consulate in foreign countries. The Director may charge fees of each business requesting to be listed in the booklet to cover publishing costs. If such fees exceed the costs of publication, the Director may deposit the remaining surplus in the Ohio Ambassador Fund, and money in that fund may be used to reimburse Ohio Ambassadors for their reasonable expenses.⁷

Appropriation

The bill appropriates \$2 million for fiscal year 2012 from money currently appropriated to the Global Markets Division of the Department of Development to be used to support the activities of the SellOhio Global Initiative.⁸

HISTORY

ACTION	DATE
Introduced	10-12-11

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⁶ Article II, Section 4, Ohio Constitution.

⁷ R.C. 122.86(D).

⁸ Section 2.

