



Ohio Legislative Service Commission

Bill Analysis

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S.B. 200

129th General Assembly
(As Introduced)

Sens. Hughes, Cafaro

BILL SUMMARY

- Creates the Edison Jobs Development Program within the Department of Development.
- Makes an appropriation.

CONTENT AND OPERATION

Edison Jobs Development Program

The bill establishes the Edison Jobs Development Program to be administered by the Department of Development. The purpose of the Program is to support Ohio companies in making a transition to, or expanding their presence in, "technologies or markets of interest" identified by the Department for the purpose of creating or retaining jobs in Ohio. These technologies or markets of interest include advanced materials, manufacturing, bioscience, advanced energy, food technology, aerospace, automotive, medical products and devices, and instruments, controls, and electronics. Under the Program, eligible companies may apply for monetary assistance to be used for product development, product testing or certification, process improvement, workforce training, new market or new industry transitioning, or existing market expansion.¹

Eligibility for the Program

To qualify for assistance, a company must (1) be a manufacturing company based in Ohio, (2) be seeking to convert its current manufacturing capabilities to

¹ R.C. 122.09 (A)(2) and (B).

produce products or provide services in a technology or market of interest identified by the Department, (3) be able to match the amount of the grant offered under the Program, *and* (4) attend an outreach seminar.²

These outreach seminars are to be offered by the Department in conjunction with the appropriate Edison centers. An Edison center is a cooperative research and development facility that receives funding through the existing Thomas Alva Edison Grant Program.³ The outreach seminars must be held at least monthly and in various regions of the state, and must include presentations from industry experts that are designed to educate attendees about:

--Opportunities in technologies or markets of interest;

--What factors must be taken into consideration when making the decision, such as business plan development, retooling or purchasing equipment, retraining workers, gaining regulatory approval to enter certain markets, and marketing and distribution strategies; and

--How to proceed through the process.⁴

Application process

Each company that attends an outreach seminar is to be given an application form prescribed by the Director of Development in consultation with the appropriate Edison centers. The form must require information regarding: (1) the current financial condition of the company, (2) company leadership commitment to the creation or retention of jobs, (3) company manufacturing capabilities and current capacity, (4) unique capabilities and experiences of the company, (5) condition and layout of the company's facilities, and (6) general company management of new opportunities.

Applications are to be reviewed by the Department in conjunction with the appropriate Edison centers. As part of the grant eligibility assessment, the Department and centers may hold discussion with individual applicants or make site visits to explore their applications further.⁵

² R.C. 122.09(C).

³ R.C. 122.09(A); *see* R.C. 122.33(C), not in the bill.

⁴ R.C. 122.09(A)(1) and 122.091.

⁵ R.C. 122.092(A) and (B).

Awarding of grants; appropriation

A grant awarded under the Program must be at least \$10,000 but not more than \$100,000. The company awarded the grant is required to match the amount of the grant dollar for dollar. The grant and the company match are to be used to finance high quality training and consulting services provided by industry experts or contractors selected and managed by the appropriate Edison centers. After consulting with each grant recipient, the Edison centers are required to design a comprehensive program of services that best serves the needs of the particular company. They are also to provide each company with information as to the availability of any other financial assistance offered by the state for which the company may qualify.⁶

The bill appropriates \$10 million in both FY 2012 and FY 2013 from the Third Frontier Research and Development Fund Group to fund the Program.⁷

Program administration

The bill permits the Department to contract with the appropriate Edison centers to administer the grants, collect and distribute the funds from the state and each company match, and otherwise facilitate the management of the Program. The Edison centers are responsible for ensuring that companies comply with all grant requirements. They are also required to monitor the progress of each company with respect to jobs created or retained, cost savings achieved, or increased company revenue or capital investment and, on at least a quarterly basis, submit their findings to the Department.⁸

Lastly, the Director is authorized to adopt any rules necessary for the implementation of the Program. Those rules must be adopted in accordance with R.C. Chapter 119.⁹

Effective date

The bill has an immediate effective date.¹⁰

⁶ R.C. 122.092(C) and 122.093.

⁷ R.C. 184.19 and 184.191; Section 3.

⁸ R.C. 122.094.

⁹ R.C. 122.095.

¹⁰ Section 4.

HISTORY

ACTION

DATE

Introduced

07-13-11

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