
Executive

DEVCD3 Coal Research and Development Program**Section: 259.20**

Requires GRF appropriation item 195402, Coal Research and Development Program, to be used for the operating expenses of the Community Services Division in support of the Ohio Coal Development Office.

DEVCD4 Minority Business Development**Section: 259.20**

Requires GRF appropriation item 195405, Minority Business Development, to support the activities of the Minority Business Development Division, including providing grants to local nonprofit organizations to support economic development activities that promote minority business development, in conjunction with local organizations funded through GRF appropriation item 195454, Small Business and Export Assistance.

DEVCD5 Business Development Services**Section: 259.20**

Requires GRF appropriation item 195415, Business Development Services, to be used for the operating expenses of the Office of Strategic Business Investments and the regional economic development offices.

DEVCD6 Redevelopment Assistance**Section: 259.20**

Requires GRF appropriation item 195426, Redevelopment Assistance, to be used to fund the costs of administering energy, redevelopment, and other revitalization programs that DSA may implement, and allows the line item to be used to match federal grant funding.

Executive

DEVCD7 Technology Programs and Grants**Section: 259.20**

Requires GRF appropriation item 195453, Technology Programs and Grants, to be used for operating expenses incurred in administering the Ohio Third Frontier Programs and other technology focused programs that DSA may implement.

DEVCD8 Small Business and Export Assistance**Section: 259.20**

Allows GRF appropriation item 195454, Small Business and Export Assistance, to be used to provide a range of business assistance, including grants to local organizations to support economic development activities that promote small business development, entrepreneurship, and exports of Ohio's goods and services, in conjunction with local organizations funded through GRF line item 195405, Minority Business Development.

Allows the line item to also be used to match grants from the U.S. Small Business Administration and other federal agencies.

DEVCD9 Appalachia Assistance**Section: 259.20**

(1) Allows GRF appropriation item 195455, Appalachia Assistance, to be used for (A) the administrative costs of planning and liaison activities for the Governor's Office of Appalachia; (B) financial assistance to projects in Ohio's Appalachian counties; (C) support of the four local development districts; (D) payment of dues for the Appalachian Regional Commission; and (E) match of federal funding received from the Appalachian Regional Commission.

(2) Requires that programs funded through the appropriation item be identified and recommended by the local development districts and approved by the Governor's Office of Appalachia.

(3) Requires DSA to conduct compliance and regulatory review of the programs recommended by the local development districts, and allows moneys allocated under the appropriation item to be used to fund projects including, but not limited to, those designated by the local development districts as community investment and rapid response projects.

Executive

(4) Earmarks the following amounts from the line item to support four local development districts in each fiscal year: (A) \$170,000 to Ohio Valley Regional Development Commission, (B) \$170,000 to Ohio Mid-Eastern Government Association, (C) \$170,000 to Buckeye Hills - Hocking Valley Regional Development District, and (D) \$70,000 to Eastgate Regional Council of Governments. Requires the districts receiving this funding to use the funds for the implementation and administration of programs and duties under RC 107.21.

(5) Earmarks up to \$4.0 million per year from the line item for the GRIT Project, to pay for operational costs and to provide virtual job training, virtual job centers, and related training and services consistent with the mission of the Project for high school students and adults residing in Adams, Brown, Highland, Pike, or Scioto counties.

DEVCD10 CDBG Operating Match**Section: 259.20**

Requires GRF appropriation item 195497, CDBG Operating Match, to be used as matching state funds for federal assistance received from the U.S. Department of Housing and Urban Development according to the requirements of the Community Development Block Grant Program.

DEVCD11 BSD Federal Programs Match**Section: 259.20**

Requires GRF appropriation item 195499, BSD Federal Programs Match, to be used as matching funds for grants from the U.S. Department of Commerce, National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership Program and Defense Logistics Agency Procurement Technical Assistance Program, and other federal agencies. Allows the appropriation item to be used for operating expenses of the Business Services Division.

DEVCD12 Industry Sector Partnerships**Section: 259.20**

Requires GRF appropriation item 1955533, Industry Sector Partnerships, to be used by DSA, in consultation with the Governor's Office of Workforce Transformation, to create and administer a grant program to support regional industry sector partnerships.

Executive

Requires DSA, in consultation with the Office, to establish a system for evaluating and scoring grant applications received under the program. Specifies that priority shall be given to partnerships that demonstrate a plan to coordinate regional job training efforts and workforce solutions.

DEVCD13 General Obligation bond debt service payments**Section: 259.25**

- (1) Requires GRF appropriation item 195901, Coal Research and Development General Obligation Bond Debt Service, to be used to pay all debt service and related financing costs in FY 2020 and FY 2021 for obligations issued to fund the Coal Research and Development Program.
- (2) Requires GRF appropriation item 195905, Third Frontier Research and Development General Obligation Bond Debt Service, to be used to pay all debt service and related financing costs in FY 2020 and FY 2021 for obligations issued to fund the Third Frontier Program.
- (3) Requires GRF appropriation item 195912, Job Ready Site Development General Obligation Bond Debt Service, to be used to pay all debt service and related financing costs in FY 2020 and FY 2021 for obligations issued to fund the Job Ready Site Program.

DEVCD14 Minority Business Bonding Program**Section: 259.30**

- (1) Permits the Director of DSA, upon the recommendation of the Minority Development Financing Advisory Board, to pledge up to \$10 million in unclaimed funds in the FY 2020-FY 2021 biennium allocated to the Minority Business Bonding Program.
- (2) Permits any transfer of unclaimed funds from the Unclaimed Funds Trust Fund (Fund 5430) to the Minority Bonding Fund (Fund 4490), but specifies that the transfer shall only occur after proceeds of the initial transfer of \$2.7 million authorized by the Controlling Board have been used for that purpose.
- (3) Requires that any expenditures made to pay losses arising from the Minority Business Bonding Program be made from Fund 4490 appropriation item 195658, Minority Business Bonding Contingency in the Minority Business Bonding Fund, and appropriates such amounts.
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Executive

DEVCD15 Business Assistance Programs**Section: 259.30**

Requires Fund 4510 appropriation item 195649, Business Assistance Programs, to be used to cover the administrative expenses associated with the operation of loan incentives within the Office of Strategic Business Investments.

DEVCD16 State Special Projects Fund**Section: 259.30**

Permits the State Special Projects Fund (Fund 4F20) to be used for the deposit of funds from private utility companies and other miscellaneous state funds, and allows funds to be used to match federal funding and to support programs of the Community Services Division.

DEVCD17 Minority Business Enterprise Loan**Section: 259.30**

Requires Minority Business Enterprise Loan Fund (Fund 4W10) line item 195646, Minority Business Enterprise Loan, to be used for awards under the Minority Business Enterprise Loan Program and to cover operating expenses of the Minority Business Enterprise Division. Requires all repayments from program to be credited to the Fund 4W10.

DEVCD18 Advanced Energy Loan Programs**Section: 259.30**

Requires Fund 5M50 appropriation item 195660, Advanced Energy Loan Programs, to be used to provide financial assistance to customers for eligible advanced energy projects for residential, commercial, and industrial businesses; local governments; educational institutions; nonprofits; and agriculture customers. Allows the line item to be used to match federal grant funding and to pay administrative costs of the program.

Executive

DEVCD19 Industry-Recognized Credentials**Section: 259.30**

Requires Fund 5VK0 line item 195555, Industry-Recognized Credentials, to be used to establish a financial assistance program to support students who are enrolled in a post-secondary education or training provider program that may be completed in less than one year and for which college credit, a certificate, or an industry-recognized credential is awarded.

Allows DSA, in consultation with the Department of Higher Education, to adopt rules governing the administration and criteria for making awards under the new program.

DEVCD20 Volume Cap Administration**Section: 259.30**

Requires Fund 6170 appropriation item 195654, Volume Cap Administration, to be used for expenses related to the administration of the Volume Cap Program, and specifies that revenues received by the Volume Cap Administration Fund (Fund 6170) shall consist of application fees, forfeited deposits, and interest earned from the custodial account held by the Treasurer of State.

DEVCD21 Development Services Operations**Section: 259.40**

Authorizes the Director of Development Services to assess DSA's divisions for the costs of central service operations, requires assessments to contain the characteristics of administrative ease and uniform application, and requires such payments to be credited to the Supportive Services Fund (Fund 1350) using an intrastate transfer voucher.

Executive

DEVCD22 Development Services Reimbursable Expenditures**Section: 259.40**

Requires Fund 6850 appropriation item 195636, Development Services Reimbursable Expenditures, to be used for reimbursable costs. Specifies that revenues to the General Reimbursement Fund (Fund 6850) consist of moneys charged for administrative costs that are not central service costs and repayment of loans, including the interest thereon, made from the Water and Sewer Fund (Fund 4440).

DEVCD23 Capital Access Loan Program**Section: 259.50**

Requires Fund 5S90 appropriation item 195628, Capital Access Loan Program, to be used for operating, program, and administrative expenses of the Capital Access Loan Program, and requires program funds to be used to assist participating financial institutions in making program loans to eligible businesses that face barriers in accessing working capital and obtaining fixed-asset financing. Allows the Director of OBM to transfer of up to \$1 million cash in each fiscal year from the Minority Business Enterprise Loan Fund (Fund 4W10) to the Capital Access Loan Fund (Fund 5S90).

DEVCD24 Innovation Ohio**Section: 259.50**

Requires Fund 7009 appropriation item 195664, Innovation Ohio, to be used for Innovation Ohio Program loan guarantees and loans pursuant to RC 166.12 to 166.16.

Executive

DEVCD25 Research and Development**Section: 259.50**

Requires Fund 7010 appropriation item 195665, Research and Development, to be used for research and development purposes, including loans, pursuant to RC 166.17 to 166.21.

DEVCD26 Facilities Establishment**Section: 259.50**

Specifies that Fund 7037 appropriation item 195615, Facilities Establishment, be used for the purposes of the Facilities Establishment Fund (Fund 7037) under Chapter 166. of the Revised Code.

Allows the transfer of cash from Fund 7037, in the following amounts in each fiscal year: (1) up to \$3,500,000 to the Business Assistance Fund (Fund 4510), subject to Controlling Board approval; (2) up to \$2 million to the Minority Business Enterprise Loan Fund (Fund 4W10); and (3) up to \$2 million to the Capital Access Loan Fund (Fund 5S90).

DEVCD27 Third Frontier Program operating costs**Section: 259.60**

Requires appropriation items 195686 and 195620 to be used for Third Frontier Program operating expenses under RC 184.10 to 184.20.

Restricts expenses paid from line item 195686 to costs related to the administration of projects funded from the Third Frontier Research and Development Fund (Fund 7011), and expenses paid from line item 195620 to costs related the administration of projects funded from the Third Frontier Research & Development Taxable Bond Project Fund (Fund 7014).

Executive

DEVCD28 Third Frontier Program funding for research and development projects**Section: 259.60**

Requires appropriation items 195687 and 195692 to be used to fund selected projects, which may include the internship programs. Specifies that eligible costs are the costs of the projects to which the Third Frontier Research and Development Fund (Fund 7011) and the Research and Development Taxable Bond Project Fund (Fund 7014) are to be applied.

DEVCD29 Transfers of appropriations supporting the Third Frontier Program**Section: 259.60**

Permits OBM to approve written requests from DSA for the transfer of appropriations between appropriation items 195687 and 195692 based upon Third Frontier Program awards recommended by the Third Frontier Commission.

Authorizes DSA to request that OBM reappropriate any unexpended, unencumbered balance of the FY 2020 appropriations to line items 195687 and 195692 for the same purposes in FY 2021. Allows OBM to request additional information to evaluate the requests before making the cash transfers. Reappropriates the cash transfer amounts approved by the OBM in FY 2021.

DEVCD30 HEAP Weatherization**Section: 259.70**

Allows up to 20% of the federal funds credited to the Home Energy Assistance Block Grant Fund (Fund 3K90) to be spent from appropriation item 195614, HEAP Weatherization, to be used to provide home weatherization services as determined by DSA.

Executive**DEVCD31 Coordination of benefits****Section: 701.30**

Allows DSA to collaborate with the Department of Job and Family Services to coordinate benefits available to eligible Ohioans. Requires the agencies to work to produce new efficiencies and prevent duplication of efforts by evaluating current procedures and working toward a goal of developing a single application for eligible customers.

DEVCD32 Recovery housing pilot program**Section: 701.40**

Requires DSA to work with the Department of Mental Health and Addiction Services to develop a pilot program in partnership with rural Ohio counties hard hit by the opioid epidemic to enhance funding availability for recovery housing. Allows this partnership to include local OhioMeansJobs and Job and Family Services entities to develop workforce job training and employer participation for those individuals participating in recovery housing programs.

Executive**OBMCD38 GRF transfer to Tourism Ohio Fund (Fund 5MJ0)****Section: 512.10**

Authorizes the Director of OBM, in each fiscal year, to transfer up to \$10,400,000 cash from the GRF to the Tourism Ohio Fund (Fund 5MJ0).

OBMCD43 GRF transfer to Industry-Recognized Credentials Fund (Fund 5VK0)**Section: 512.60**

Authorizes the Director of OBM, in each fiscal year, to transfer up to \$15,000,000 cash from the GRF to the Industry-Recognized Credentials Fund (Fund 5VK0).

Executive**Appropriation Language****EDUCD26 Industry-Recognized Credentials High School Students****Section: 265.145**

Makes the following earmarks to GRF appropriation item 200478, Industry-Recognized Credentials High School Students:

- (1) Up to \$8,000,000 in each fiscal year to support payments to public schools whose students earn an industry-recognized credential or receive a journeyman certification. Requires the educating entity to inform students in career-technical education courses that lead to an industry-recognized credential about the opportunity to earn the credentials. Requires ODE, the Department of Higher Education, and the Governor's Office of Workforce Transformation (OWT) to develop a reimbursement schedule. Requires the educating entity to pay for the cost of the credential. Specifies that the educating entity may claim reimbursement up to six months after the student has graduated from high school. Requires ODE to prorate the payments if the amount appropriated is insufficient.
 - (2) Up to \$12,500,000 in each fiscal year to establish and operate the Innovative Workforce Incentive Program (IWIP), which will pay public schools \$1,250 for each qualifying credential earned by a student attending the school. Requires OWT to develop a list of credentials that qualify for the program. Requires ODE to prorate the payments if the amount appropriated is insufficient.
 - (3) Up to \$4,500,000 in each fiscal year for public schools to establish credentialing programs that qualify for IWIP. Requires ODE to prioritize senior-only credentialing programs in schools that currently do not operate such programs.
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Executive

TAXCD21 Opportunity Zone tax credit

R.C. 122.84, 107.036, 122.86, 5747.02, 5747.82, and
5747.98

Creates a new Opportunity Zone Investment tax credit equal to 10% of an individual's investment in an Opportunity Zone investment fund, up to \$1 million per biennium. Permits the credit to be used to reduce personal income tax liability and makes it nonrefundable. Prohibits the Director of Development Services, to whom applicants must apply to be issued a tax credit certificate, from issuing more certificates than would cause the tax credits claimed in any fiscal biennium from exceeding \$50 million. (Under federal income tax law, investments made in an Opportunity Zone fund and held for at least five years accrue the federal tax benefit of deferred and reduced taxable capital gains. The proposed Ohio credit does not have a minimum holding period.)

Fiscal effect: May reduce income tax revenue. The Executive estimates a GRF tax revenue loss of \$30 million in FY 2021. Would reduce transfers through the Local Government Fund (Fund 7069) and the Public Library Fund (PLF, Fund 7065), each by 1.66% of any GRF revenue reductions under codified law, to local governments and public libraries. A provision of H.B. 166 would transfer 1.68% of tax revenue to the PLF in FY 2020 and 2021. Amounts retained by the GRF would be reduced by 96.68% of any revenue reduction under codified law, and by 96.66% taking account of the higher PLF percentage specified in the bill for the upcoming biennium.