



Ohio Legislative Service Commission

Synopsis of Senate Committee Amendments*

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(S. Finance)

Amendments adopted by the Senate committee make changes to several provisions of the bill. The amendments modify the laws governing the creation of the JobsOhio corporation, add requirements to the articles of incorporation of JobsOhio, change the law governing contracts between the Department of Development and the JobsOhio corporation, clarify restrictions on conflicts of interest for members of the JobsOhio board of directors, modify residency requirements for the JobsOhio board of directors, create limitations on JobsOhio directors, officers, and employees, clarify how public moneys may be used, and modify the open meetings requirements for meetings of the JobsOhio board. The amendments specifically alter the bill as follows:

Creation of JobsOhio

Removes the provision specifying that the Governor is to be the only member of JobsOhio.

Articles of incorporation

Adds that the Articles of Incorporation must specify that (1) a director's seat on the board becomes immediately vacant if the director dies, resigns, or the director's status changes so that the director does not meet residency requirements and (2) the Governor is to fill the vacancy by appointment for the remainder of the term of office of the vacated seat.

Adds that the Articles must specify that the dissolution procedures in the Articles are to incorporate any procedures established in the bill for dissolution of JobsOhio.

Adds that the Articles must contain provisions requiring the board to (1) establish a records retention policy and (2) adopt standards of conduct for the directors.

* This synopsis does not address amendments that may have been adopted on the Senate Floor.

Contracts with JobsOhio

Clarifies that the approval or disapproval of awards are to remain functions of the Department of Development and that all contracts for grants, loans, and tax incentives are to be between the Department and recipient and are to be enforced by the Department.

Prohibits JobsOhio from executing contracts obligating the Department for loans, grants, tax credits, or incentive awards recommended by JobsOhio to the Department.

Requires the contract between JobsOhio and the Director of Development to include a statement acknowledging that JobsOhio has no power or authority to bind or obligate the State.

Requires the contract to specify that the Department, subject to the Controlling Board approval requirement, is not prohibited from:

--Contracting with JobsOhio to promote and advocate for the state, make recommendations to the Department, perform research for the Department, establish and manage programs on behalf of the Department, by contract, and negotiate on behalf of the state, and

--Compensating JobsOhio from funds currently appropriated to the Department to perform the above functions.

Clarifies that all contracts between the Director and JobsOhio, prior to execution, are subject to Controlling Board approval, rather than requiring the board to approve the contract prior to execution.

Requires the contract between the Director and JobsOhio to include terms requiring the compensation of each JobsOhio officer, as well as each employee, to be designated as a public record.

Requires the contract between the Director and JobsOhio to include terms requiring the minutes of in-person public meetings to be designated as a public record.

Specifies that the contract executed by the Director with JobsOhio must not negate, impair, or otherwise adversely affect the obligation of the state to pay debt charges or to abide by any related pledge or covenant regarding debt charges on certain securities executed or issued by the state.

Conflicts of interest

Clarifies that the chief investment officer, any other officer, any employee with significant administrative, supervisory, contracting, or investment authority, and any Governor-appointed member of the board of directors of JobsOhio must file financial disclosure statements with the Ohio Ethics Commission.

Provides that JobsOhio officers, directors, and employees who are required to file financial disclosure statements are not required to file the standard financial disclosure statement, but rather, the modified statement currently required of members of the board of trustees of state institutions of higher education and certain other filers.

Provides that financial disclosure statements filed by JobsOhio officers, directors, or employees are confidential.

States that although JobsOhio is exempt from most state ethics laws, the bill should not be construed to impair the powers and duties of the Ohio Ethics Commission with regards to investigating and enforcing the ethics laws applicable to JobsOhio officers, directors, and employees.

Permits a JobsOhio director, officer, or employee to request an advisory opinion from the Ohio Ethics Commission with regard to questions concerning the provisions of the ethics laws applicable to the director, officer, or employee.

Prohibits the JobsOhio corporation from making a contribution to any campaign committee, political party, legislative campaign fund, political action committee, or political contributing entity for any purpose.

Prohibits any state elected officer or staff member from receiving or agreeing to receive, directly or indirectly, compensation other than from the agency with which the person serves for any service rendered by the person in any case, proceeding, application, or other matter before the JobsOhio corporation.

Clarifies that when the JobsOhio board of directors votes to determine whether a conflict of interest exists related to a transaction or arrangement being considered by the board, only disinterested members of the board may vote to determine whether the conflict exists rather than the entire board.

States that when a board member fails to disclose a conflict of interest, in addition to taking appropriate disciplinary and corrective action, the board must also initiate an action for breach of fiduciary duty.

Clarifies that the JobsOhio conflicts of interest policy must protect JobsOhio's interest in situations that directly benefit, in other than a de minimis manner, the director or officer in question rather than excessively benefit.

Board of directors residency requirements

Requires six (instead of at least five, but not more than six) of the individuals appointed to the board of directors to be residents of or domiciled in Ohio.

Limitations regarding JobsOhio directors, officers, and employees

Clarifies that a public official or employee designated by the Governor as exempt from state ethics laws governing receipt of expenditures for travel, meals, or lodging while with the Governor for JobsOhio purposes, must still comply with all applicable financial disclosure requirements under the ethics laws.

Clarifies that the bill's requirements regarding travel and related expenses apply to in-kind expenditures as well as actual expenditures and to those expenditures made by any person, not just the JobsOhio corporation.

Requires that, as part of the report of travel and travel-related expenditures required to be filed with the Department of Development, the report must include the name of the person that paid or incurred each expenditure.

Prohibits any person from promising, offering, or giving any valuable thing or valuable benefit with a purpose to corrupt a JobsOhio director, officer, or employee and provides that a person who does so is guilty of the offense of bribery, a felony of the third degree.

Clarifies that the term "public servant" does not include a JobsOhio employee, officer, or Governor-appointed member of the board of directors with respect to crimes against justice and public administration.

Clarifies that a member of the Public Employment Retirement System (PERS) who performs the same duties for JobsOhio as the member did for the state is not a public employee for PERS purposes.

Permits JobsOhio to indemnify, to the fullest extent permitted by law, its board of directors, board members, officers, and employees from liability incurred in the performance of JobsOhio duties or functions and permits JobsOhio to procure civil liability insurance policies.

Public moneys

Requires the Department of Development to prepare and submit a semi-annual report to the Controlling Board, starting not later than six months after the bill's effective date, detailing the use of the funds appropriated by the bill, until those funds have all been used.

Requires JobsOhio officers and employees to promptly deposit public funds, in accordance with the bill's requirements or a policy adopted by JobsOhio, depending on the amount of public funds involved, and states that a public officer or employee is liable for the public money to the same extent as all public officials.

Prohibits the commingling of public and private funds held by JobsOhio and requires JobsOhio to maintain and account for public funds separately and independently from any other JobsOhio funds or accounts.

Public meetings

Requires the JobsOhio board of directors to establish a reasonable method of notifying any person, upon request and payment of a reasonable fee, of the time and place of all in-person public meetings of the board.

Requires the JobsOhio board of directors to prepare, file, and maintain minutes of its in-person public meetings.