

As Introduced

**133rd General Assembly
Regular Session
2019-2020**

S. B. No. 137

Senators Peterson, Hoagland

A BILL

To amend sections 122.24 and 122.25 and to enact 1
section 122.26 of the Revised Code to reinstate 2
the rural industrial park loan fund and to make 3
an appropriation. 4

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 122.24 and 122.25 be amended and 5
section 122.26 of the Revised Code be enacted to read as 6
follows: 7

Sec. 122.24. To promote economic development in rural 8
areas and to improve the economic welfare of the people of the 9
state, the director of development shall administer the rural 10
industrial park loan program, which is hereby established in 11
accordance with Ohio Constitution, Article VIII, Section 13, to 12
assist eligible applicants in financing the development and 13
improvement of industrial parks by providing financial 14
assistance in the form of loans and loan guarantees for land 15
acquisition; constructing, reconstructing, rehabilitating, 16
remodeling, renovating, enlarging, or improving industrial park 17
buildings; and infrastructure improvements, including broadband 18
network access. 19

This program shall not be used to compete against existing 20
Ohio industrial parks. 21

An eligible applicant receiving assistance under the rural 22
industrial park program is not precluded from further 23
participation in this or any other department of development 24
financial program, except that a private developer that 25
previously has received financial assistance under this section 26
is precluded from further participation in the rural industrial 27
park loan program. 28

Sec. 122.25. (A) In administering the program established 29
under section 122.24 of the Revised Code, the director of 30
development services shall do all of the following: 31

(1) Annually designate, by the first day of January of 32
each year, the entities that constitute the eligible areas in 33
this state as defined in section 122.23 of the Revised Code; 34

(2) Inform local governments and others in the state of 35
the availability of the program and financial assistance 36
established under sections 122.23 to 122.27 of the Revised Code; 37

(3) Report to the governor, president of the senate, 38
speaker of the house of representatives, and minority leaders of 39
the senate and the house of representatives by the first day of 40
August of each year on the activities carried out under the 41
program during the preceding calendar year. The report shall 42
include the number of loans made that year and the amount and 43
recipient of each loan. 44

(4) Work in conjunction with conventional lending 45
institutions, local revolving loan funds, private investors, and 46
other private and public financing sources to provide loans or 47
loan guarantees to eligible applicants; 48

(5) Establish fees, charges, interest rates, payment schedules, local match requirements, and other terms and conditions for loans and loan guarantees provided under the program;	49 50 51 52
(6) Require each applicant to demonstrate the suitability of any site for the assistance sought; that the site has been surveyed, that the site has adequate or available utilities, <u>that the site has appropriate access to transportation infrastructure for ingress and egress,</u> and that there are no zoning restrictions, environmental regulations, or other matters impairing the use of the site for the purpose intended;	53 54 55 56 57 58 59
(7) Require each applicant to provide a marketing plan and management strategy for the project;	60 61
(8) Adopt rules establishing all of the following:	62
(a) Forms and procedures by which eligible applicants may apply for assistance;	63 64
(b) Criteria for reviewing, evaluating, and ranking applications, and for approving applications that best serve the goals of the program;	65 66 67
(c) Reporting requirements and monitoring procedures;	68
(d) Guidelines regarding situations in which industrial parks would be considered to compete against one another for the purposes of division (B) (2) of section 122.27 of the Revised Code;	69 70 71 72
(e) Any other rules necessary to implement and administer the program.	73 74
(B) The director may adopt rules establishing requirements governing the use of any industrial park site receiving	75 76

assistance under section 122.24 of the Revised Code, such that a 77
certain portion of the site must be used for manufacturing, 78
distribution, high technology, research and development, or 79
other businesses wherein a majority of the product or service 80
produced is exported out of the state. 81

(C) As a condition of receiving assistance under section 82
122.24 of the Revised Code, and except as provided in division 83
(D) of this section, an applicant shall agree, for a period of 84
five years, not to permit the use of a site that is developed or 85
improved with such assistance to cause the relocation of jobs to 86
that site from elsewhere in the state. 87

(D) A site developed or improved with assistance under 88
section 122.24 of the Revised Code may be the site of jobs 89
relocated from elsewhere in the state if the director of 90
development services does all of the following: 91

(1) Makes a written determination that the site from which 92
the jobs would be relocated is inadequate to meet market or 93
industry conditions, expansion plans, consolidation plans, or 94
other business considerations affecting the relocating employer; 95

(2) Provides a copy of the determination required by 96
division (D) (1) of this section to the members of the general 97
assembly whose legislative districts include the site from which 98
the jobs would be relocated; 99

(3) Determines that the governing body of the area from 100
which the jobs would be relocated has been notified in writing 101
by the relocating company of the possible relocation. 102

(E) The director of development services shall obtain the 103
approval of the controlling board for any loan or loan guarantee 104
provided under sections 122.23 to 122.27 of the Revised Code. 105

Sec. 122.26. The rural industrial park loan fund is hereby 106
created in the state treasury for the purposes of the program 107
established under section 122.24 of the Revised Code. The 108
director of development services shall deposit money received 109
for the purposes of that section to the credit of the fund. 110

Section 2. That existing sections 122.24 and 122.25 of the 111
Revised Code are hereby repealed. 112

Section 3. All items in this section are hereby 113
appropriated as designated out of any moneys in the state 114
treasury to the credit of the designated fund. For all 115
appropriations made in this act, those in the first column are 116
for fiscal year 2020 and those in the second column are for 117
fiscal year 2021. The appropriations made in this act are in 118
addition to any other appropriations made for the FY 2020-FY 119
2021 biennium. 120

DEV DEVELOPMENT SERVICES AGENCY 121

Facilities Establishment Fund Group 122

4Z60 195647 Rural Industrial 123

Park Loan \$ 25,000,000 \$ 0 124

TOTAL FEF Facilities Establishment 125

Fund Group \$ 25,000,000 \$ 0 126

127

TOTAL ALL BUDGET FUND GROUPS \$ 25,000,000 \$ 0 128

TRANSFER FROM THE FACILITIES ESTABLISHMENT FUND 129

Notwithstanding Chapter 166. of the Revised Code, on July 130

1, 2019, or as soon as possible thereafter, \$25,000,000 in cash 131

shall be transferred from the Facilities Establishment Fund 132

(Fund 7037) to the Rural Industrial Park Loan Fund (Fund 4Z60). 133
The transfer is subject to Controlling Board approval under 134
section 166.03 of the Revised Code. 135

Section 4. Within the limits set forth in this act, the 136
Director of Budget and Management shall establish accounts 137
indicating the source and amount of funds for each appropriation 138
made in this act, and shall determine the form and manner in 139
which appropriation accounts shall be maintained. Expenditures 140
from appropriations contained in this act shall be accounted for 141
as though made in the main operating appropriations act of the 142
133rd General Assembly. 143

The appropriations made in this act are subject to all 144
provisions of the main operating appropriations act of the 133rd 145
General Assembly that are generally applicable to such 146
appropriations. 147