



Ohio Revised Code

Section 150.01 Venture capital program definitions.

Effective: March 27, 2013

Legislation: House Bill 510 - 129th General Assembly

(A) As used in this chapter:

(1) "Authority" means the Ohio venture capital authority created under section 150.02 of the Revised Code.

(2) "Issuer" means a port authority organized and existing under applicable provisions of Chapter 4582. of the Revised Code that, pursuant to an agreement entered into under division (E) of section 150.02 of the Revised Code, issues or issued obligations to fund one or more loans to the program fund.

(3) "Lender" means any person that lends money to the program fund as provided in this chapter and includes any issuer and any trustee.

(4) "Loss" means a loss incurred with respect to a lender's loan to the program fund. Such a loss is incurred only if and to the extent a program administrator fails to satisfy its obligations to the lender to make timely payments of principal or interest as provided in the loan agreement between the lender and the program administrator. "Loss" does not include either of the following:

(a) Any loss incurred by the program fund, including a loss attributable to any investment made by a program administrator;

(b) Any loss of the capital required to be provided by a program administrator, or income accruing to that capital, under the agreement entered into under division (B) of section 150.05 of the Revised Code.

(5) "Ohio-based business enterprise" means a person that is engaged in business, that employs at least one individual on a full-time or part-time basis at a place of business in this state, including a person engaged in business if that person is a self-employed individual, and that is in the seed or



early stage of business development requiring initial or early stage funding or is an established business enterprise developing new methods or technologies.

(6) "Ohio-based venture capital fund" means a venture capital fund having its principal office in this state, where the majority of the fund's staff are employed and where at least one investment professional is employed who has at least five years of experience in venture capital investment.

(7) "Program fund" means the fund created under section 150.03 of the Revised Code.

(8) "Research and development purposes" has the same meaning as used in Section 2p of Article VIII, Ohio Constitution, and includes the development of sites and facilities in this state for and in support of those research and development purposes.

(9) "Trustee" means a trust company or a bank with corporate trust powers, in either case having a place of business in this state, being a taxpayer under Chapter 5707., 5725., 5726., 5727., 5729., 5733., or 5747 of the Revised Code at the time it may claim and receive a tax credit under division (E) of section 150.07 of the Revised Code, and acting in its capacity as a trustee pursuant to a trust agreement under which an issuer issues obligations to fund loans to the program fund.

(B) The general assembly declares that its purpose in enacting Chapter 150. of the Revised Code is to increase the amount of private investment capital available in this state for Ohio-based business enterprises in the seed or early stages of business development and requiring initial or early stage funding, as well as established Ohio-based business enterprises developing new methods or technologies, including the promotion of research and development purposes, thereby increasing employment, creating additional wealth, and otherwise benefiting the economic welfare of the people of this state. Accordingly, it is the intention of the general assembly that the program fund make investments in support of Ohio-based business enterprises in accordance with the investment policy authorized and required under section 150.03 of the Revised Code, and that the Ohio venture capital authority focus its investment policy principally on venture capital funds investing in such Ohio-based business enterprises. The general assembly finds and determines that this chapter and the investment policy, and actions taken under and consistent therewith, will promote and implement the public purposes of Section 2p of Article VIII, Ohio Constitution.