



Ohio Revised Code

Section 151.10 Issuing obligations to pay costs of research and development projects.

Effective: August 16, 2016

Legislation: Senate Bill 310 - 131st General Assembly

(A) As used in this section:

(1) "Costs of research and development projects" includes related direct administrative expenses and allocable portions of the direct costs of those projects, costs of capital facilities, and working capital, all for the following:

(a) Attracting researchers and research teams by endowing research chairs or otherwise;

(b) Activities to develop and commercialize products and processes;

(c) Intellectual property matters such as copyrights and patents;

(d) Property interests including timesharing arrangements, capital formation, direct operating costs, and costs of research and facilities including interests in real property therefore; and

(e) Support for public and private institutions of higher education, research organizations or institutions, and private sector entities.

(2) "Obligations" means obligations as defined in section 151.01 of the Revised Code issued to pay costs of projects for research and development purposes as referred to in division (A)(2) of Section 2p of Article VIII, Ohio Constitution.

(3) "Project" means any research and development project, as defined in section 184.10 of the Revised Code, or facility, including undivided or other interests, acquired or to be acquired, constructed or to be constructed, or operating or to be operated by a person doing business in this state or by an educational or scientific institution located in this state with all or part of the cost of the project being paid from a grant or loan from the third frontier research and development fund or



the third frontier research and development taxable bond fund or a loan guaranteed under Chapter 184. of the Revised Code, including all buildings and facilities determined necessary for the operation of the project, together with all property, rights, easements, and interests that may be required for the operation of the project.

(B) The issuing authority shall issue general obligations of the state to pay costs of research and development projects pursuant to division (B)(2) of Section 2p of Article VIII, Ohio Constitution, section 151.01 of the Revised Code, and this section. The issuing authority shall issue obligations in the amount determined by the issuing authority to be required for those purposes. The total principal amount of obligations issued under this section shall not exceed one billion two hundred million dollars.

(C) Net proceeds of obligations shall be deposited into the third frontier research and development fund created by section 184.19 of the Revised Code or into the third frontier research and development taxable bond fund created by section 184.191 of the Revised Code if the obligations are federally taxable.

(D) There is hereby created in the state treasury the third frontier research and development projects bond service fund. All moneys received by the state and required by the bond proceedings, consistent with section 151.01 of the Revised Code and this section, to be deposited, transferred, or credited to the bond service fund, and all other moneys transferred or allocated to or received for the purposes of that fund, shall be deposited and credited to the bond service fund, subject to any applicable provisions of the bond proceedings, but without necessity for any act of appropriation. During the period beginning with the date of the first issuance of obligations and continuing during the time that any obligations are outstanding in accordance with their terms, so long as moneys in the bond service fund are insufficient to pay debt service when due on those obligations payable from that fund, except the principal amounts of bond anticipation notes payable from the proceeds of renewal notes or bonds anticipated, and due in the particular fiscal year, a sufficient amount of revenues of the state is committed and, without necessity for further act of appropriation, shall be paid to the bond service fund for the purpose of paying that debt service when due.