



Ohio Revised Code

Section 122.641 The lakes in economic distress revolving loan program.

Effective: September 29, 2017

Legislation: House Bill 49

(A)(1) There is hereby created the lakes in economic distress revolving loan program to assist businesses and other entities that are adversely affected due to economic circumstances that result in the declaration of a lake as an area under economic distress by the director of natural resources under division (A)(2) of this section. The director of development services shall administer the program.

(2) The director of natural resources shall do both of the following:

(a) Declare a lake as an area under economic distress. The director shall declare a lake as an area under economic distress based solely on environmental or safety issues, including the closure of a dam for safety reasons.

(b) Subsequently declare a lake as an area no longer under economic distress when the environmental or safety issues, as applicable, have been resolved.

(B) There is hereby created in the state treasury the lakes in economic distress revolving loan fund. The fund shall consist of money appropriated to it, all payments of principal and interest on loans made from the fund, and all investment earnings on money in the fund. The director of development services shall use money in the fund to make loans under this section, provided that the loans shall be zero interest loans during the time that an applicable lake has been declared an area under economic distress under division (A)(2)(a) of this section.

(C) The director shall adopt rules in accordance with Chapter 119. of the Revised that do both of the following:

(1) Establish requirements and procedures for the making of loans under this section, including all of the following:

(a) Eligibility criteria;



(b) Application procedures;

(c) Criteria for approval or disapproval of loans, including a stipulation that an applicant must demonstrate that the loan will help to achieve long-term economic stability in the area;

(d) Criteria for repayment of the loans, including the establishment of an interest rate that does not exceed two points less than prime after an applicable lake has been declared as an area no longer under economic distress under division (A)(2)(b) of this section.

The eligibility criteria established by the director shall not require applicants to experience a reduction in gross revenue for a defined period of greater than ten per cent.

Any material provided to the development services agency by an applicant is not a public record for the purposes of section 149.43 of the Revised Code and shall remain confidential.

(2) Establish any other provisions necessary to administer this section.

(D) In administering the program, the director shall assist businesses and other entities in determining the amount of loans needed.