# As Reported by the Senate Energy and Public Utilities Committee

# 133rd General Assembly

Regular Session 2019-2020

Sub. H. B. No. 264

### Representatives Wilkin, O'Brien

Cosponsors: Representatives Riedel, Miranda, Ginter, Smith, K., Hambley, Lang, Stein, Miller, A., Scherer, Arndt, Smith, T., Abrams, Baldridge, Blair, Brent, Brown, Carfagna, Carruthers, Cera, Clites, Crawley, Cross, Crossman, Cupp, Dean, Denson, Edwards, Fraizer, Galonski, Ghanbari, Green, Hicks-Hudson, Hillyer, Hoops, Jones, Kick, Koehler, Lanese, LaRe, Lepore-Hagan, Liston, Manning, D., McClain, Patterson, Patton, Perales, Plummer, Reineke, Richardson, Robinson, Roemer, Rogers, Seitz, Sheehy, Sobecki, Stephens, Strahorn, Swearingen, Upchurch, Weinstein, West, Wiggam

### A BILL

То	amend sections 3706.49, 6121.03, and 6121.04 and	1
	to enact sections 3706.491 and 3706.551 of the	2
	Revised Code to allow the Ohio Water Development	3
	Authority to provide for the refinancing of	4
	loans for certain public water and waste water	5
	infrastructure projects, to waive certain	6
	deadlines for qualifying renewable resources	7
	that applied for renewable energy credits before	8
	March 1, 2020, and to provide for payment of	9
	Ohio Air Quality Development Authority	10
	administrative costs under the law governing	11
	nuclear resource and renewable energy credits.	12

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

Section 1.	That sections	3706.49, 6121	.03, and 6121.	04 be 1	3
amended and secti	ons 3706.491	and 3706.551 o	f the Revised	Code 1	4

be enacted to read as follows:

Sec. 3706.49. (A) There is hereby created the nuclear generation fund and the renewable generation fund. Each fund shall be in the custody of the treasurer of state but shall not be part of the state treasury. Each fund shall consist of the charges collected under section 3706.46 of the Revised Code and deposited in accordance with section 3706.53 of the Revised Code. The interest generated by each fund shall be retained by each respective fund and used for the purposes set forth in sections 3706.40 to 3706.65 of the Revised Code.

(B) The treasurer of state shall distribute the moneys in the funds in accordance with directions provided by the Ohio air quality development authority. Before giving directions under this division Except with regard to the administrative costs described in section 3706.491 of the Revised Code, the authority shall consult with the public utilities commission before giving directions under this division.

Sec. 3706.491. (A) Except as provided in division (B) of this section, each fiscal year, beginning July 1, 2021, and ending June 30, 2028, and subject to controlling board approval, the Ohio air quality development authority may use, from the renewable generation fund and nuclear generation fund, created under section 3706.49 of the Revised Code, up to one hundred fifty thousand dollars from each fund, for a maximum total of three hundred thousand dollars, to pay for the authority's administrative costs for that year under sections 3706.40 to 3706.65 of the Revised Code.

(B) Amounts approved under division (A) of this section

for fiscal year 2021 may be used for costs incurred in both

fiscal years 2020 and 2021 but may not exceed three hundred

42

Sub. H. B. No. 264

Page 3

130

for the waters of the state affected thereby by the director of	102
environmental protection. Any resolution of the authority	103
providing for acquiring or constructing such projects or for	104
making a loan or grant for such projects shall include a finding	105
by the authority that such determinations have been made.	106
Determinations by resolution of the authority that a project is	107
a waste water facility or a water management facility under this	108
chapter and is consistent with the purposes of Section 13 of	109
Article VIII, Ohio Constitution, and this chapter shall be	110
conclusive as to the validity and enforceability of the water	111
development revenue bonds issued to finance or refinance such	112
project and of the resolutions, trust agreements or indentures,	113
leases, subleases, sale agreements, loan agreements and other	114
agreements made in connection therewith, all in accordance with	115
their terms.	116
Sec. 6121.04. The Ohio water development authority may do	117
any or all of the following:	118
(A) Adopt bylaws for the regulation of its affairs and the	119
conduct of its business;	120
(B) Adopt an official seal;	121
(C) Maintain a principal office and suboffices at places	122
(o) nameath a principal office and baselifees as praces	
within the state that it designates;	123
	123 124
within the state that it designates;	
within the state that it designates;  (D) Sue and plead in its own name and be sued and	124
within the state that it designates;  (D) Sue and plead in its own name and be sued and impleaded in its own name with respect to its contracts or torts	124 125
within the state that it designates;  (D) Sue and plead in its own name and be sued and impleaded in its own name with respect to its contracts or torts of its members, employees, or agents acting within the scope of	124 125 126

the court of common pleas of the county in which the principal

performance of its duties under this chapter;

159

131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158

- (J) Acquire, in the name of the state, by purchase or 160 otherwise, on terms and in the manner that it considers proper, 161 or by the exercise of the right of condemnation in the manner 162 provided by section 6121.18 of the Revised Code, public or 163 private lands, including public parks, playgrounds, or 164 reservations, or parts thereof or rights therein, rights-of-way, 165 property, rights, easements, and interests that it considers 166 necessary for carrying out this chapter, but excluding the 167 acquisition by the exercise of the right of condemnation of any 168 waste water facility or water management facility owned by any 169 person or governmental agency, and compensation shall be paid 170 for public or private lands so taken, except that a government-171 owned waste water facility may be appropriated in accordance 172 with section 6121.041 of the Revised Code; 173
- (K) Adopt rules to protect augmented flow in waters of the 174 state, to the extent augmented by a water development project, 175 from depletion so it will be available for beneficial use, and 176 to provide standards for the withdrawal from waters of the state 177 of the augmented flow created by a water development project 178 that is not returned to the waters of the state so augmented and 179 to establish reasonable charges therefor if considered necessary 180 by the authority; 181
- (L) Make and enter into all contracts and agreements and
  execute all instruments necessary or incidental to the
  performance of its duties and the execution of its powers under
  this chapter in accordance with the following requirements:

  185
- (1) When the cost under any such contract or agreement,

  other than compensation for personal services, involves an

  expenditure of more than fifty thousand dollars, the authority

  shall make a written contract with the lowest responsive and

  189

responsible bidder, in accordance with section 9.312 of the	190
Revised Code, after advertisement for not less than two	191
consecutive weeks in a newspaper of general circulation in	192
Franklin county, and in other publications that the authority	193
determines, which shall state the general character of the work	194
and the general character of the materials to be furnished, the	195
place where plans and specifications therefor may be examined,	196
and the time and place of receiving bids, provided that a	197
contract or lease for the operation of a water development	198
project constructed and owned by the authority or an agreement	199
for cooperation in the acquisition or construction of a water	200
development project pursuant to section 6121.13 of the Revised	201
Code or any contract for the construction of a water development	202
project that is to be leased by the authority to, and operated	203
by, persons who are not governmental agencies and the cost of	204
the project is to be amortized exclusively from rentals or other	205
charges paid to the authority by persons who are not	206
governmental agencies is not subject to the foregoing	207
requirements and the authority may enter into such a contract or	208
lease or such an agreement pursuant to negotiation and upon	209
terms and conditions and for the period that it finds to be	210
reasonable and proper in the circumstances and in the best	211
interests of proper operation or of efficient acquisition or	212
construction of the project.	213

- (2) Each bid for a contract for the construction,

  demolition, alteration, repair, or reconstruction of an

  improvement shall contain the full name of every person

  interested in it and shall meet the requirements of section

  217

  153.54 of the Revised Code.

  218
- (3) Each bid for a contract except as provided in division(L) (2) of this section shall contain the full name of every220

Page 9

person or company interested in it and shall be accompanied by a	221
sufficient bond or certified check on a solvent bank that if the	222
bid is accepted, a contract will be entered into and the	223
performance thereof secured.	224
(4) The authority may reject any and all bids.	225
(4) The authority may reject any and arr bras.	225
(5) A bond with good and sufficient surety, approved by	226
the authority, shall be required of every contractor awarded a	227
contract except as provided in division (L)(2) of this section,	228
in an amount equal to at least fifty per cent of the contract	229
price, conditioned upon the faithful performance of the	230
contract.	231
(M) Employ managers, superintendents, and other employees	232
and retain or contract with consulting engineers, financial	233
consultants, accounting experts, architects, attorneys, and	234
other consultants and independent contractors that are necessary	235
in its judgment to carry out this chapter, and fix the	236
compensation thereof. All expenses thereof shall be payable	237
solely from the proceeds of water development revenue bonds or	238
notes issued under this chapter, from revenues, or from funds	239
appropriated for that purpose by the general assembly.	240
(N) Receive and accept from any federal agency, subject to	241
the approval of the governor, grants for or in aid of the	242
construction of any water development project or for research	243
and development with respect to waste water or water management	244
facilities, and receive and accept aid or contributions from any	245
source of money, property, labor, or other things of value, to	246
be held, used, and applied only for the purposes for which the	247
grants and contributions are made;	248
(O) Engage in research and development with respect to	249

waste water or water management facilities;	250
(P) Purchase fire and extended coverage and liability	251
insurance for any water development project and for the	252
principal office and suboffices of the authority, insurance	253
protecting the authority and its officers and employees against	254
liability for damage to property or injury to or death of	255
persons arising from its operations, and any other insurance the	256
authority may agree to provide under any resolution authorizing	257
its water development revenue bonds or in any trust agreement	258
securing the same;	259
(Q) Charge, alter, and collect rentals and other charges	260
for the use or services of any water development project as	261
provided in section 6121.13 of the Revised Code;	262
(R) Provide coverage for its employees under Chapters	263
145., 4123., and 4141. of the Revised Code;	264
(S) Assist in the implementation and administration of the	265
drinking water assistance fund and program created in section	266
6109.22 of the Revised Code and the water pollution control loan	267
fund and program created in section 6111.036 of the Revised	268
Code, including, without limitation, performing or providing	269
fiscal management for the funds and investing and disbursing	270
moneys in the funds, and enter into all necessary and	271
appropriate agreements with the director of environmental	272
protection for those purposes;	273
(T) Issue water development revenue bonds and notes of the	274
state in principal amounts that are necessary for the purpose of	275
raising moneys for the sole benefit of the water pollution	276
control loan fund created in section 6111.036 of the Revised	277
Code, including moneys to meet the requirement for providing	278

matching moneys under division (D) of that section. The bonds	279
and notes may be secured by appropriate trust agreements and	280
repaid from moneys credited to the fund from payments of	281
principal and interest on loans made from the fund, as provided	282
in division (F) of section 6111.036 of the Revised Code.	283
(U) Issue water development revenue bonds and notes of the	284
state in principal amounts that are necessary for the purpose of	285
raising moneys for the sole benefit of the drinking water	286
assistance fund created in section 6109.22 of the Revised Code,	287
including moneys to meet the requirement for providing matching	288
moneys under divisions (B) and (F) of that section. The bonds	289
and notes may be secured by appropriate trust agreements and	290
repaid from moneys credited to the fund from payments of	291
principal and interest on loans made from the fund, as provided	292
in division (F) of section 6109.22 of the Revised Code.	293
(V) Make loans to and enter into agreements with boards of	294
county commissioners for the purposes of section 1506.44 of the	295
Revised Code and adopt rules establishing requirements and	296
procedures for making the loans and entering into the	297
agreements;	298
(W) Do all acts necessary or proper to carry out the	299
powers expressly granted in this chapter.	300
Any instrument by which real property is acquired pursuant	301
to this section shall identify the agency of the state that has	302
the use and benefit of the real property as specified in section	303
5301.012 of the Revised Code.	304
Section 2. That existing sections 3706.49, 6121.03, and	305
6121.04 of the Revised Code are hereby repealed.	306