

Winter 2011 <u>www.ssd.com</u>

JobsOhio

House Bill 1 (the Bill), signed by Governor John Kasich on February 18, 2011, authorizes the Governor to form JobsOhio, a nonprofit corporation with the purpose of promoting economic development, job creation and retention, job training and the recruitment of business to Ohio. The board of directors will be comprised of nine members, with the Governor serving as chair of the board and the other eight directors appointed by the Governor.

The Bill requires the Director (Director) of the Ohio Department of Development (ODOD) to contract with JobsOhio, as soon as practical, for JobsOhio to assist the Director and ODOD to provide services and carry out functions of ODOD, including the operation of programs, all as determined by the Director in consultation with the Governor. All contracts between the Director and JobsOhio are to be approved by the State Controlling Board prior to execution. ODOD is to retain the function of approval and disapproval of awards. All contracts for grants, loans and tax incentives will be between ODOD and the recipient and enforced by ODOD. JobsOhio is prohibited from executing contracts that obligate ODOD for loans, grants and tax credits or incentive awards recommended by JobsOhio to ODOD.

The Bill specifies that the corporation is not a state agency or public body. Although many provisions applicable to governmental entities do not apply to JobsOhio, the Bill imposes certain requirements with respect to financial disclosures, conflicts of interest and other ethics matters, open meetings and public records. Employees of JobsOhio are not public employees for purposes of the Public Employees Retirement System and

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collective bargaining laws.

Public money held by JobsOhio is required to be accounted for separately from other funds and may not be commingled with other funds. A chief investment officer of JobsOhio, who will serve at the pleasure of the Governor, will have the power to execute contracts, spend funds and hire employees on behalf of the corporation.

Within six months following the effective date of the Bill, the Director is required to submit a report to the General Assembly recommending statutory changes to improve the functioning and efficiency of ODOD, to transfer specified functions of ODOD to JobsOhio or other existing agencies, or to eliminate designated functions of ODOD.

Recent Decisions of Interest

A municipal charter provision which, by its own terms, requires strict construction of the form of circulator affidavit specified therein which is to be attached to election petition papers prevails over a conflicting state statute regarding the circulator's statement on election petition papers. State ex rel. Murray v. Scioto Cty. Bd. of Elections, 127 Ohio St. 3d 280

Revised Code Section 9.68 is a general law that displaces municipal firearm ordinances and does not unconstitutionally infringe on municipal home rule authority. Cleveland v. State, 2010-Ohio-6318 (Ohio Supreme Court) NOTE: This decision reversed the judgment of the Ohio Appellate Court which was summarized in our Winter 2010 issue.

Church property which is accessible without charge to the public for recreational use is exempt from taxation as a charitable use under Revised Code Section 5709.12(B). "[I]f the use to which property is put otherwise qualifies as charitable, neither the fact of ownership by a religious organization nor the existence of religious motives in connection with the charitable use will defeat the claim of exemption." *The Chapel v. Testa, Tax Commr., 2011-Ohio-545*

A private, nonprofit organization, which received a grant as part of the American Recovery and Reinvestment Act for home weatherproofing and energy-efficiency services that it provided to qualifying individuals, is not subject to the Ohio Public Records Act (Revised Code Section 149.43) since it is not a public office or a person responsible for public records. The court determined that it was not performing a traditional governmental function in providing those services. State of Ohio ex rel. District Eight Regional Organizing Committee v. Cincinnati-Hamilton Community Action Agency, 2011-Ohio-312 (Ohio App. 1st Dist.)

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Residency provisions negotiated by the parties and set forth in collective bargaining agreements are valid and enforceable and not in conflict with Revised Code Section 9.481. Ohio Patrolmen's Benevolent Association v. City of Perrysburg, 2011-Ohio-644 (Ohio App. 6th Dist.) NOTE: The Ohio Supreme Court's decision determining that Revised Code Section 9.481 is constitutional (Lima v. State, 122 Ohio St. 3d 155) was summarized in our June 2009 Ohio Public Law Alert and Labor & Employment Alert.

other topics. To see a list of options and to sign up for a mailing, visit our subscription page.

The contents of this update are not intended to serve as legal advice related to individual situations or as legal opinions concerning such situations. Counsel should be consulted for legal planning and advice.

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