

Am. S. B. No. 310
As Passed by the Senate

_____ moved to amend as follows:

In line 3 of the title, after "subdivisions" insert "and businesses" 1

In line 36, delete "2" and insert "3" 2

After line 129, insert: 3

"Section 2. (A) As used in this section: 4

(1) "Qualifying business" means a trade or business that 5
has its principal place of business in this state and has fifty 6
or fewer employees. Employees of a business's affiliates are 7
employees of the business for the purpose of this division. 8

(2) "Business interruption" means a closure mandated by a 9
state COVID-19 order, a voluntary closure to promote social 10
distancing measures, or decreased customer demand attributable 11
to the COVID-19 pandemic. 12

(3) "Affiliate" means a business that directly, or 13
indirectly through one or more intermediaries, controls, is 14
controlled by, or is under common control with, another 15
business. For the purpose of this division, a business is 16
"controlled by" another business if an owner or owners of the 17



controlling business hold, directly or indirectly, the majority 18
voting or ownership interest in the controlled business or have 19
control over the day-to-day operations of the controlled 20
business by contract or by law. 21

(4) "Federal aid received in connection with the COVID-19 22
pandemic" means any federal financial assistance received under 23
any of the following: 24

(a) "Coronavirus Aid, Relief, and Economic Security Act," 25
Pub. L. No. 116-136; 26

(b) "Coronavirus Preparedness and Response Supplemental 27
Appropriations Act, 2020," Pub. L. No. 116-23; 28

(c) "Families First Coronavirus Response Act," Pub. L. No. 29
116-127; 30

(d) "Paycheck Protection Program and Health Care 31
Enhancement Act," Pub. L. No. 116-139. 32

Economic impact payments distributed pursuant to section 33
2101 of the "Coronavirus Aid, Relief, and Economic Security 34
Act," 26 U.S.C. 6428, are not "federal aid in connection with 35
the COVID-19 pandemic" for the purpose of this section. 36

(5) "State COVID-19 order" means any of the following, 37
issued on or after March 9, 2020, as the result of or in 38
response to the COVID-19 pandemic: 39

(a) An executive order issued by the Governor; 40

(b) An order issued by the Director of Health under 41
section 3701.13 of the Revised Code; 42

(c) Any other order authorized by the Revised Code issued 43
by another state official or state agency. 44

(6) "Eligible costs" means a trade or business expense of a qualifying business either directly resulting from business interruption or arising from the decrease of gross revenue resulting from business interruption, except for any such expense paid or reimbursed pursuant to a COVID-19 related claim through business interruption insurance or federal aid received in connection with the COVID-19 pandemic.

(B) A subdivision that receives a payment from a county coronavirus relief distribution fund under division (C) or (F) of Section 1 of this act or a direct payment under section 5001 of the "Coronavirus Aid, Relief, and Economic Security Act," as described in 42 U.S.C. 601(b)(2), may use all or a portion of that payment to award grants to qualifying businesses for the purpose of reimbursing the businesses' eligible costs. The legislative authority of a subdivision that determines to use all or a portion of such a payment in this manner shall adopt a resolution or ordinance creating the grant program and prescribing all of the following:

(1) The form and manner by which a qualifying business may apply for a grant. At minimum, each application shall include the following:

(a) The name and address of the qualifying business and the address of its place of business located in the subdivision;

(b) The number of individuals employed by the qualifying business and the business's affiliates;

(c) A detailed accounting of the business's eligible costs; and

(d) The eligible costs for which the grant money will be used.

(2) Standards for evaluating and prioritizing grant applications. The standards may account for the order in which the grant applications were received, a qualifying business's need for the grant relative to other applicants, the likelihood that the grant will allow the business to retain jobs in this state, and the overall economic impact of the grant on the qualifying business and the surrounding community.

(3) Reporting requirements for qualifying businesses that are awarded a grant sufficient to allow the subdivision to verify that grant proceeds are spent by business before December 28, 2020, on the eligible costs for which the grant was approved;

(4) The manner in which unspent and improperly spent grant proceeds are to be repaid by the grant recipient to the subdivision.

The subdivision shall certify this resolution or ordinance to the Director of Budget and Management.

(C) (1) The amount of the grant awarded to a qualifying business shall not exceed the amount of eligible costs listed in the business's application and approved by the subdivision. The cumulative amount of grants received by a qualifying business and its affiliates under this section from one or more subdivisions shall not exceed ten thousand dollars. Not more than one grant may be awarded on the basis of the same eligible cost. A subdivision may award a grant to a qualifying business only if it has a place of business located in the subdivision.

(2) A qualifying business that receives a grant shall comply with the reporting requirements prescribed by the subdivision that awarded the grant.

(3) Grant proceeds may be used only for the eligible costs 103
for which the grant was approved. If the subdivision determines 104
that the grant proceeds were not utilized in that manner, the 105
qualifying business is liable for and shall pay to the 106
subdivision an amount equal to the improper expenditure. Subject 107
to division (D) (5) of this section, amounts repaid under this 108
division shall be deposited to the subdivision's local 109
coronavirus relief fund and may be used by the subdivision to 110
award additional grants to qualifying businesses or for other 111
expenditures permissible under Section 1 of this act. 112

(4) Not later than December 28, 2020, a qualifying 113
business that received a grant under this section shall pay to 114
the subdivision that awarded the grant an amount equal to the 115
remaining balance of grant proceeds that have not been expended 116
by the qualifying business for eligible costs as of that date. 117
No repayment is required for grant proceeds spent by the 118
qualifying business before that date on eligible costs for which 119
the grant was approved. 120

(5) Amounts repaid to a subdivision under division (D) (3) 121
of this section on or after December 28, 2020, and all amounts 122
repaid to a subdivision under division (D) (4) of this section 123
shall be paid immediately by the subdivision to the state 124
treasury in the manner specified by the Director of Budget and 125
Management. 126

(6) If a qualifying business fails to repay any unspent or 127
improperly spent grant proceeds as required under division (D) 128
(3) or (4) of this section, the subdivision that awarded the 129
grant shall certify the unpaid amount to the Attorney General 130
for collection under section 131.02 of the Revised Code. 131

(E) On or before January 15, 2021, the Director of Budget 132

and Management shall submit a report on all of the subdivision 133
grant programs authorized under this section to the General 134
Assembly in accordance with section 101.68 of the Revised Code. 135
The report shall identify each qualifying business that received 136
a grant under these programs and itemize the eligible costs for 137
which the grant was utilized. The Director may request, and each 138
subdivision that established a grant program shall provide, any 139
information that is necessary for the Director to compile the 140
report. 141

(F) The General Assembly hereby determines that grants 142
awarded to qualifying businesses under this section are "costs 143
of the subdivision" for the purpose of Section 1 of this act, 144
and are "necessary expenditures incurred due to the public 145
health emergency with respect to the Coronavirus Disease 2019 146
(COVID19)" under section 5001 of the "Coronavirus Aid, Relief, 147
and Economic Security Act," as described in 42 U.S.C. 601(d)(1), 148
and any applicable regulations." 149

In line 130, delete "2" and insert "3" 150

In line 140, after "distributed" insert "and used" 151

In line 141, after "act." insert "Amounts appropriated in line item 152
042501, Coronavirus Relief - Local Govt, may also be used to award grants 153
in accordance with Section 2 of this act." 154

In line 154, delete "3" and insert "4" 155

The motion was _____ agreed to.

SYNOPSIS 156

Authorize subdivisions to award grants to local	157
businesses	158
Sections 2 and 3	159
Authorizes, but does not require, subdivisions receiving	160
CARES Act funds under appropriation item 042501, Coronavirus	161
Relief - Local Govt, or a direct distribution under the federal	162
"Coronavirus Aid, Relief, and Economic Security Act," to use the	163
funds to award grants to qualifying businesses for certain	164
COVID-19-related costs.	165
Limits eligibility to Ohio-based businesses with 50 or	166
fewer employees with a location in the subdivision. Grants of up	167
to \$10,000 per business are awarded through an application	168
process administered by the subdivision. Applications are	169
evaluated and prioritized based on guidelines prescribed by the	170
subdivision.	171
Requires grant recipients to use the proceeds on or before	172
December 28, 2020, for business expenses resulting from the	173
business's or consumer reaction to the COVID-19 pandemic or	174
state pandemic orders, except those expenses covered by business	175
interruption insurance or reimbursed through federal aid in	176
response to the pandemic. Requires grant recipients to comply	177
with reporting requirements established by the subdivision.	178
Requires the Director of Budget and Management to submit a	179
report to the General Assembly identifying each qualifying	180
business that received a grant under the subdivisions' grant	181
programs and itemizing the eligible costs for which the grant	182
was utilized.	183