

As Introduced

**126th General Assembly
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H. B. No. 81

**Representatives G. Smith, Webster, McGregor, S. Patton, Ujvagi, Perry,
Wolpert, Woodard, Peterson, Barrett, Strahorn, Kearns, Taylor, Allen, Law,
Reidelbach, D. Stewart, Carano, Flowers**

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A B I L L

To amend sections 119.01, 1733.01, 1733.04, 1733.05, 1
1733.16, 1733.22, 1733.24, 1733.25, 1733.29 to 2
1733.33, 1733.37, 1733.38, 1733.412, 1733.44, 3
2101.161, 2105.31, 2109.13, 2109.372, 2109.41, 4
4705.09, and 4973.17 and to repeal section 5
1733.251 of the Revised Code to make changes in 6
the Credit Union Law relating to fields of 7
membership, expansion of authorities, meetings of 8
directors, compensation of officers, fees and 9
interest chargeable on loans, record keeping, 10
eligible investments, liquidity fund requirements, 11
public records, amendments to articles, and use of 12
name; to authorize accounts to be held by credit 13
unions under laws relating to probate and 14
intestate succession; to authorize a credit union 15
insured by a credit union guaranty corporation to 16
maintain interest-bearing trust accounts on behalf 17
of attorneys; and to authorize credit union 18
designees acting for or on the premises of a 19
credit union to be appointed as police officers. 20

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

Section 1. That sections 119.01, 1733.01, 1733.04, 1733.05, 21
1733.16, 1733.22, 1733.24, 1733.25, 1733.29, 1733.30, 1733.31, 22
1733.32, 1733.33, 1733.37, 1733.38, 1733.412, 1733.44, 2101.161, 23
2105.31, 2109.13, 2109.372, 2109.41, 4705.09, and 4973.17 of the 24
Revised Code be amended to read as follows: 25

Sec. 119.01. As used in sections 119.01 to 119.13 of the 26
Revised Code: 27

(A)(1) "Agency" means, except as limited by this division, 28
any official, board, or commission having authority to promulgate 29
rules or make adjudications in the civil service commission, the 30
division of liquor control, the department of taxation, the 31
industrial commission, the bureau of workers' compensation, the 32
functions of any administrative or executive officer, department, 33
division, bureau, board, or commission of the government of the 34
state specifically made subject to sections 119.01 to 119.13 of 35
the Revised Code, and the licensing functions of any 36
administrative or executive officer, department, division, bureau, 37
board, or commission of the government of the state having the 38
authority or responsibility of issuing, suspending, revoking, or 39
canceling licenses. 40

Except as otherwise provided in division (I) of this section, 41
sections 119.01 to 119.13 of the Revised Code do not apply to the 42
public utilities commission. Sections 119.01 to 119.13 of the 43
Revised Code do not apply to the utility radiological safety 44
board; to the controlling board; to actions of the superintendent 45
of financial institutions and the superintendent of insurance in 46
the taking possession of, and rehabilitation or liquidation of, 47
the business and property of banks, savings and loan associations, 48
savings banks, credit unions, insurance companies, associations, 49
reciprocal fraternal benefit societies, and bond investment 50

companies; to any action taken by the division of securities under
section 1707.201 of the Revised Code; or to any action that may be
taken by the superintendent of financial institutions under
section 1113.03, 1121.05, 1121.06, 1121.10, 1125.09, 1125.12,
1125.18, 1155.18, 1157.01, 1157.02, 1157.10, 1163.22, 1165.01,
1165.02, 1165.10, 1349.33, 1733.35, 1733.361, 1733.37, ~~1733.412,~~
or 1761.03 of the Revised Code.

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Sections 119.01 to 119.13 of the Revised Code do not apply to
actions of the industrial commission or the bureau of workers'
compensation under sections 4123.01 to 4123.94 of the Revised Code
with respect to all matters of adjudication, and to the actions of
the industrial commission and bureau of workers' compensation
under division (D) of section 4121.32 and sections 4123.29,
4123.34, 4123.341, 4123.342, 4123.40, 4123.411, 4123.44, and
4123.442, and divisions (B), (C), and (E) of section 4131.14 of
the Revised Code.

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(2) "Agency" also means any official or work unit having
authority to promulgate rules or make adjudications in the
department of job and family services, but only with respect to
both of the following:

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(a) The adoption, amendment, or rescission of rules that
section 5101.09 of the Revised Code requires be adopted in
accordance with this chapter;

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(b) The issuance, suspension, revocation, or cancellation of
licenses.

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(B) "License" means any license, permit, certificate,
commission, or charter issued by any agency. "License" does not
include any arrangement whereby a person, institution, or entity
furnishes medicaid services under a provider agreement with the
department of job and family services pursuant to Title XIX of the
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as

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amended. 82

(C) "Rule" means any rule, regulation, or standard, having a 83
general and uniform operation, adopted, promulgated, and enforced 84
by any agency under the authority of the laws governing such 85
agency, and includes any appendix to a rule. "Rule" does not 86
include any internal management rule of an agency unless the 87
internal management rule affects private rights and does not 88
include any guideline adopted pursuant to section 3301.0714 of the 89
Revised Code. 90

(D) "Adjudication" means the determination by the highest or 91
ultimate authority of an agency of the rights, duties, privileges, 92
benefits, or legal relationships of a specified person, but does 93
not include the issuance of a license in response to an 94
application with respect to which no question is raised, nor other 95
acts of a ministerial nature. 96

(E) "Hearing" means a public hearing by any agency in 97
compliance with procedural safeguards afforded by sections 119.01 98
to 119.13 of the Revised Code. 99

(F) "Person" means a person, firm, corporation, association, 100
or partnership. 101

(G) "Party" means the person whose interests are the subject 102
of an adjudication by an agency. 103

(H) "Appeal" means the procedure by which a person, aggrieved 104
by a finding, decision, order, or adjudication of any agency, 105
invokes the jurisdiction of a court. 106

(I) "Rule-making agency" means any board, commission, 107
department, division, or bureau of the government of the state 108
that is required to file proposed rules, amendments, or 109
rescissions under division (D) of section 111.15 of the Revised 110
Code and any agency that is required to file proposed rules, 111

amendments, or rescissions under divisions (B) and (H) of section 112
119.03 of the Revised Code. "Rule-making agency" includes the 113
public utilities commission. "Rule-making agency" does not include 114
any state-supported college or university. 115

(J) "Substantive revision" means any addition to, elimination 116
from, or other change in a rule, an amendment of a rule, or a 117
rescission of a rule, whether of a substantive or procedural 118
nature, that changes any of the following: 119

(1) That which the rule, amendment, or rescission permits, 120
authorizes, regulates, requires, prohibits, penalizes, rewards, or 121
otherwise affects; 122

(2) The scope or application of the rule, amendment, or 123
rescission. 124

(K) "Internal management rule" means any rule, regulation, or 125
standard governing the day-to-day staff procedures and operations 126
within an agency. 127

Sec. 1733.01. As used in this chapter, unless the context 128
otherwise requires: 129

(A) "Credit union" means a corporation organized and 130
qualified as such under this chapter. In addition to the powers 131
enumerated in this chapter and unless restricted in this chapter, 132
every credit union has the general powers conferred upon 133
corporations by Chapter 1701. of the Revised Code. A credit union 134
is a nonprofit cooperative financial institution and as such is 135
organized and operates for the mutual benefit and general welfare 136
of its members with the earnings, savings, benefits, or services 137
of the credit union being distributed to its members as patron 138
savers and borrowers and not to its members as individuals. A 139
credit union may be designated as a low-income credit union if it 140
serves predominantly low-income members. 141

(B) "Corporate credit union" means a credit union, 142
eligibility for membership in which is being a credit union 143
qualified to do business in this state. Such credit union shall 144
use the term "corporate" in its official name. 145

(C) "Foreign credit union" means a credit union formed under 146
the laws of another state which are substantially similar to this 147
chapter. 148

(D) "Member" means a person who is a member of a credit 149
union. 150

(E) "Association member" means any member of a credit union 151
other than a credit union or an individual member. 152

(F) "Voting member" means an association member or an 153
individual member who is qualified to vote as provided by law or 154
rule, the articles, or the regulations. Ownership of a deposit 155
account does not confer membership or voting rights and does not 156
represent an interest in the capital of the credit union upon 157
dissolution or conversion to another type of institution. 158

(G) "Person" includes, without limitation, an individual, a 159
corporation, an unincorporated society or association, or any 160
other organization of individuals. 161

(H) "Articles" includes original articles of incorporation, 162
agreements of merger, amended articles, and amendments to any of 163
these. 164

(I) "Regulations" includes the code of regulations of a 165
credit union and any amendments thereto or an amended code of 166
regulations and any amendments thereto. 167

(J) Persons having a "common bond of association" include 168
those persons and their families. 169

(K) "Membership share" means a share of the credit union, the 170
subscription to which shall be a prerequisite for membership in 171

the credit union.	172
(L) "Share account" means an account established for a member	173
for which no share certificates are issued but which are included	174
in the registry of shares, which includes all transactions of the	175
credit union pertaining to such shares.	176
(M) "Undivided earnings" consist of all accumulated net	177
earnings and reserves required under division (B) of section	178
1733.31 of the Revised Code.	179
(N) "State" means the United States, any state, territory,	180
insular possession, or other political subdivision of the United	181
States, including the District of Columbia.	182
(O) An "emergency" exists when an emergency exists for other	183
corporations as the same is defined and described in section	184
1701.01 of the Revised Code.	185
(P) "Superintendent of credit unions" means the "division of	186
financial institutions" or the "superintendent of the division of	187
financial institutions of this state"; and whenever the context	188
requires it, may be read as "director of commerce" or as "chief of	189
the division of financial institutions." Whenever the division or	190
superintendent of credit unions is referred to or designated in	191
any statute, rule, contract, or other document, the reference or	192
designation shall be deemed to refer to the division or	193
superintendent of financial institutions, as the case may be.	194
(Q) "Outside auditor" means an accountant who is licensed to	195
practice as a certified public accountant or public accountant by	196
this state, and who is retained by a credit union to audit its	197
accounts, but who is not otherwise employed by the credit union.	198
(R) "Regulated individual" means a director, committee	199
member, officer, or employee of a credit union.	200
(S) "Financial institution regulatory authority" includes a	201

regulator of business activity in which a credit union is engaged, 202
or has applied to engage in, to the extent that the regulator has 203
jurisdiction over a credit union engaged in that business 204
activity. A credit union is engaged in a business activity, and a 205
regulator of that business activity has jurisdiction over the 206
credit union, whether the credit union conducts the activity 207
directly or a subsidiary or affiliate of the credit union conducts 208
the activity. 209

(T) "Net worth" means the retained earnings, as defined under 210
generally accepted accounting principles. 211

(U) "Deposits" means a balance held by a credit union and 212
established by a credit union member, a nonmember, another credit 213
union, or a governmental unit in accordance with standards 214
specified by the credit union, including balances designated as 215
deposits, deposit certificates, checking accounts, or accounts by 216
other names. A deposit account is a debt owed by the credit union 217
to the account holder. 218

(V) "Membership agreement" means an agreement between the 219
credit union and the credit union member that includes the 220
policies the credit union member agrees to follow to maintain 221
membership. 222

(W) "Shares" means a balance held by a credit union and 223
established in accordance with standards specified by the credit 224
union including, but not limited to shares, share accounts, share 225
certificates, custodial accounts, probate accounts, guardianship 226
accounts, individual retirement accounts, trust accounts, money 227
market accounts, share checking accounts, business share accounts, 228
or other such accounts. "Shares" does not include membership 229
shares. 230

Sec. 1733.04. (A) In addition to the authority conferred by 231

section 1701.13 of the Revised Code, but subject to any	232
limitations contained in sections 1733.01 to 1733.45 of the	233
Revised Code, and its articles and regulations, a credit union may	234
<u>do any of the following:</u>	235
(1) Make loans as provided in section 1733.25 of the Revised	236
Code;	237
(2) Invest its money as provided in section 1733.30 of the	238
Revised Code;	239
(3) If authorized by the code of regulations, rebate to the	240
borrowing members a portion of the member's interest paid to the	241
credit union;	242
(4) If authorized by the regulations, charge a <u>an annual</u>	243
membership <u>fee</u> or entrance fee not to exceed one dollar per	244
member;	245
(5) Purchase group savings life insurance and group credit	246
life insurance;	247
<u>(6) Make reasonable contributions to any nonprofit civic,</u>	248
<u>charitable, or service organizations;</u>	249
<u>(7) Engage in activities and programs as requested by any</u>	250
<u>governmental unit;</u>	251
<u>(8) Receive savings from nonmembers in the form of shares or</u>	252
<u>deposits in the case of credit unions serving predominantly</u>	253
<u>low-income members. For purposes of division (A)(8) of this</u>	254
<u>section, "low-income members" means those members whose annual</u>	255
<u>income falls at or below the lowest level standard of living</u>	256
<u>classification as established by the bureau of labor and</u>	257
<u>statistics and updated by the employment and training</u>	258
<u>administration of the United States department of labor, and</u>	259
<u>"predominantly" means a simple majority;</u>	260
<u>(9) Provide trustee or custodial services as authorized under</u>	261

any written trust instrument or custodial agreement created or 262
organized in the United States and forming part of a 263
tax-advantaged savings plan as authorized under the Internal 264
Revenue Code. These services include, but are not limited to, 265
acting as a trustee or custodian for member retirement, education, 266
or health savings accounts; 267

(10) Exercise other powers in accordance with rules adopted 268
by the superintendent of credit unions. 269

(B) The authority of a credit union shall be subject to the 270
following ~~restrictions~~: 271

(1) A credit union may not borrow money in excess of 272
twenty-five per cent of its shares and undivided earnings, without 273
prior specific authorization by the superintendent ~~of credit~~ 274
~~unions~~. 275

(2) A credit union may not pay a commission or other 276
compensation to any person for securing members or for the sale of 277
its shares, except that reasonable incentives may be made 278
available directly to members or potential members to promote 279
thrift. 280

(3) A credit union, subject to the approval of the 281
superintendent, may have service facilities other than its home 282
office. 283

(4) ~~No real~~ Real estate ~~shall~~ may be acquired by lease, 284
purchase, or otherwise ~~excepting~~ as necessary and to the extent 285
required for use of the credit union presently and in the future 286
operation of its office or headquarters, and in case of a purchase 287
of real estate, ~~written approval of~~ the superintendent must first 288
be ~~obtained~~ notified not less than thirty days prior to the 289
purchase. Nothing herein contained shall be deemed to prohibit a 290
credit union from taking title to real estate in connection with a 291
default in the payment of a loan, provided that title to such real 292

estate shall not be held by the credit union for more than two 293
years without the prior written approval of the superintendent. A 294
credit union also may lease space in any real estate it acquires 295
in accordance with rules adopted by the superintendent. 296

(C)(1) As used in division (C) of this section: 297

(a) "School" means an elementary or secondary school. 298

(b) "Student" means a child enrolled in a school. 299

(c) "Student branch" means the designation provided to the 300
credit union for the in-school services and financial education 301
offered to students. 302

(2) A credit union, upon agreement with a school and with the 303
permission of the superintendent, may open and maintain a student 304
branch. 305

(3) Notwithstanding any other provision of this section, any 306
student enrolled in the school maintaining a student branch who is 307
not otherwise qualified for membership in the credit union 308
maintaining the student branch is qualified to be a member of that 309
student branch. 310

(4) The student's membership in the student branch expires 311
upon the student's graduation from secondary school. 312

(5) The student branch is for the express use of students and 313
may not be used by faculty, staff, or lineal ancestors or 314
descendents of students. 315

(6) Faculty, staff, or lineal ancestors or descendents of 316
students are not eligible for membership in the credit union 317
maintaining the student branch unless otherwise qualified by this 318
section to be members. 319

(7) The superintendent may adopt rules appropriate to the 320
formation and operation of student branches. 321

(D) A credit union may guarantee the signature of a member in 322

connection with a transaction involving tangible or intangible 323
property in which a member has or seeks to acquire an interest. 324

(E) A credit union may perform any of the following services 325
for a person that is not a member of the credit union if the 326
service is performed under a contractual arrangement in which 327
another financial organization performs the same service for the 328
credit union's members: 329

(1) Cash advances; 330

(2) Funds transfers; 331

(3) Cashing travelers checks; 332

(4) Any other service specified by the superintendent by rule 333
or order. 334

(F) A credit union may perform any of the following services 335
for any person in an underserved area or that does not have an 336
established relationship with a financial institution: 337

(1) Cashing and selling checks, drafts, or money orders; 338

(2) Purchasing and selling foreign currencies in exchange for 339
United States currency; 340

(3) Wire transfers. 341

Sec. 1733.05. (A) Persons otherwise qualifying for membership 342
in a credit union under this section, the articles, and the 343
regulations, and who are elected to membership by the board of 344
directors, shall become members of a credit union, provided that 345
in lieu of electing persons to membership, the board of directors 346
may elect or appoint one or more membership officers and delegate 347
authority to any such membership officer to accept persons into 348
membership. 349

(B) No person shall become a member of a credit union who has 350
not subscribed to or purchased at least one membership share of 351

such credit union and complies with any requirements adopted by 352
the board of directors of the credit union, or meets other 353
criteria set forth in rules adopted by the superintendent of 354
credit unions. Each member is responsible for maintaining a 355
current address with the credit union. 356

(C) The membership of a credit union shall ~~be limited to~~ 357
include groups having a common bond of occupation or association 358
~~or~~ groups within a well-defined neighborhood, community, or rural 359
district; and groups or persons meeting other criteria set forth 360
in rules adopted by the superintendent; however, except as 361
otherwise provided in the articles or regulations, a group or 362
person shall be deemed to retain affiliation with the credit union 363
so long as ~~he~~ the group or person remains a member of the credit 364
union even though no longer within the field of membership. 365

(D) Unless otherwise provided in the articles of 366
incorporation or the code of regulations, and subject to such 367
conditions as the superintendent ~~of credit unions~~ may establish, 368
groups composed of persons within the field of membership of a 369
credit union may become members of such credit union. 370

(1) Any credit union may, with the approval of the 371
superintendent, pursuant to section 1733.33 of the Revised Code, 372
amend its articles of incorporation and, if appropriate, its code 373
of regulations, to permit select groups having a common bond of 374
occupation or association or select groups within a well-defined 375
neighborhood, community, or rural district, to become members of 376
such credit union in accordance with rules adopted by the 377
superintendent. 378

(2) ~~Before the select group is permitted membership in a~~ 379
~~credit union, the superintendent must approve, in writing, both~~ 380
~~the select group and the credit union~~ The superintendent, by rules 381
adopted in accordance with Chapter 119. of the Revised Code, shall 382

provide the manner in which a person, group, or groups are 383
permitted membership in a credit union. The superintendent only 384
shall disapprove membership of a group or otherwise into the 385
credit union based on safety and soundness of the credit union. 386

(E) With the approval of the superintendent, any select 387
group, within a field of membership and described in division 388
(D)(1) of this section, may disaffiliate from the credit union 389
with which it is associated if a majority of the persons within 390
the select group vote for disaffiliation. Any ~~such~~ proposed 391
disaffiliation must be pursuant to a written plan approved by the 392
superintendent. This plan shall be distributed to such persons in 393
advance of the vote on the proposed disaffiliation, which plan 394
must have due regard for the equitable division of assets and 395
liabilities, including share accounts and loans of the select 396
group seeking to disaffiliate, and any other consideration 397
required by the superintendent. 398

(F) Credit unions qualified to do business in this state have 399
a common bond of association for the purpose of forming and 400
operating a corporate credit union. 401

(G) No interstate charter amendment, conversion, merger, or 402
other expansion of a credit union field of membership shall be 403
authorized without the approval of ~~all the respective state~~ 404
supervisory authorities affected, ~~whether state or federal,~~ and 405
shall be in accordance with rules adopted by the superintendent 406
~~in.~~ In terms of administrative control and authority, the location 407
of the surviving credit union in the case of a merger, or the home 408
office in the case of an expansion, is controlling. 409

Sec. 1733.16. Unless otherwise provided in the articles, 410
regulations, or bylaws, and subject to the exceptions applicable 411
during an emergency, as that term is defined in section 1733.01 of 412
the Revised Code: 413

(A) Meetings of the directors may be called by the ~~chairman~~ 414
~~of the board~~ chairperson, the vice-chairperson, president, or any 415
~~vice-president,~~ of the board or any two directors. 416

(B) Meetings of the directors may be held within or without 417
the state. Unless the articles or regulations prohibit 418
participation by directors at a meeting by means of communication 419
equipment, meetings of the directors may be held through any 420
communication equipment if all the persons participating can hear 421
each other, and participation in the meeting pursuant to this 422
division constitutes presence at the meeting. 423

(C) Notice of the ~~time and place, if any, and time~~ of each 424
meeting of the directors shall be given to each director ~~at the~~ 425
~~time and in the manner~~ either by personal delivery or by mail, 426
telegram, cablegram, overnight delivery service, or any other 427
means of communication authorized by the director at least two 428
days before the meeting, unless otherwise specified in the 429
regulations or bylaws. The notice described in this division need 430
not specify the purpose of the meeting. 431

(D) Notice of adjournment of a meeting need not be given, if 432
the time and place to which it is adjourned are fixed and 433
announced at the meeting. 434

Sec. 1733.22. ~~No~~ (A) Unless otherwise provided in rules 435
adopted by the superintendent of credit unions, no officer, 436
director, or employee of any credit union shall receive any 437
commission, salary, or other emolument for services arising out of 438
~~his~~ the officer's, director's, or employee's association with the 439
credit union except per diem, wages, or salary which ~~he~~ the 440
officer, director, or employee receives, subject to rules adopted 441
under section 1733.411 of the Revised Code, as compensation for 442
~~his~~ services to the credit union. 443

(B) No director or member of any committee shall receive any 444
compensation for ~~his~~ services as such, ~~but,~~ unless otherwise 445
~~provided in~~ determined or authorized by rule of the superintendent 446
and by the articles or regulations, ~~shall be.~~ A director or 447
committee member is entitled, subject to rules adopted under 448
section 1733.411 of the Revised Code and when so authorized by the 449
board of directors, to reimbursement for ~~his~~ the director's or 450
member's expenses incurred in connection with the business of the 451
credit union. 452

Sec. 1733.24. (A) A credit union is authorized to receive 453
funds for deposit in share accounts, share draft accounts, and 454
share certificates from its members, from other credit unions, and 455
from an officer, employee, or agent of the federal, state, or 456
local governments, or political subdivisions of the state, in 457
accordance with such terms, rates, and conditions as may be 458
established by its board of directors. 459

(B) The shares and share accounts of the credit union may be 460
of one or more classes, as designated by the board of directors, 461
subject to approval of the superintendent of credit unions based 462
on rules that shall assure equitable distribution of dividends 463
among classes, considering costs and advantages of each class to 464
the members of the credit union, including without limitation 465
special services rendered, length of ownership, minimum 466
investment, conditions of repurchase, and other appropriate 467
standards or combinations thereof. In the event the articles of 468
incorporation of the credit union indicate the authorized number 469
of shares to be unlimited, the designation of classification of 470
shares and share ~~accounts~~ accounts of the credit union may be 471
effected by the board of directors, subject to the approval of the 472
superintendent, and does not require amendment of the articles of 473
incorporation. All shares of the credit union shall have a par 474

value per share as set by the board of directors. Redemptions and 475
liquidating dividends shall be prorated to each member on the 476
basis of the price paid the credit union for such share, 477
irrespective of the class of such shares. 478

(C)(1) Each credit union shall have one ~~class~~ class of shares 479
designated as "membership share." The membership shares, or if a 480
credit union has but one class of shares, then all of the shares 481
of the credit union, shall have a par value as set by the board of 482
directors. 483

(2) Two or more persons that are eligible for membership that 484
have jointly subscribed for one or more shares under a joint 485
account each may be admitted to membership. 486

(D) A credit union need not issue certificates for any or all 487
of its classes of shares but irrespective of whether certificates 488
are issued, a registry of shares must be kept, including all of 489
the transactions of ~~said~~ the credit union pertaining to such 490
shares. 491

(E) A credit union is authorized to maintain share draft 492
accounts in accordance with rules prescribed by the 493
superintendent. The credit union may pay dividends on share draft 494
accounts, may pay dividends at different rates on different types 495
of share draft accounts, and may permit the owners of such share 496
draft accounts to make withdrawals by negotiable or transferable 497
instruments or other orders for the purpose of making transfers to 498
third parties. 499

(F) Unless otherwise provided by written agreement of the 500
parties, the rights, responsibilities, and liabilities attaching 501
to a share draft withdrawn from, transferred to, or otherwise 502
handled by a credit union are defined in and governed by Chapters 503
1303. and 1304. of the Revised Code, as if the credit union were a 504
bank. 505

(G) Unless otherwise provided in the articles or regulations, 506
a member may designate any person or persons to own or hold 507
shares, or share accounts with ~~him~~ the member in joint tenancy 508
with right of survivorship and not as tenants in common. 509

(H) Shares or share accounts may be issued in the name of a 510
custodian under the Ohio transfers to minors act ~~or~~, by a member 511
in trust for a beneficiary, by a fiduciary or custodian in trust 512
for a member beneficiary, or by a fiduciary or custodian in trust 513
upon the death of a member. Redemption of such shares or payment 514
of such share accounts to ~~such a~~ member ~~shall~~, to the extent of 515
~~such~~ the payment, ~~discharge~~ discharges the liability of the credit 516
union to the member and the beneficiary~~+~~, and the credit union 517
shall be under no obligation to see to the application of ~~such~~ the 518
payment. Unless prior to the death of ~~such a~~ member, ~~he shall have~~ 519
the member has notified the credit union in writing in a form 520
approved by the credit union of a different beneficiary to receive 521
the proceeds of such shares or share accounts, then ~~such~~ the 522
proceeds shall be paid to the beneficiary or to ~~his~~ the 523
beneficiary's parent or legal representative. Any payment made 524
pursuant to written instructions of the member or pursuant to the 525
provisions herein contained shall be a valid and sufficient 526
release and discharge of the credit union in connection with any 527
such share or share accounts. 528

(I)(1) Except as otherwise provided in the articles or 529
regulations, and subject to the provisions thereof, a minor may 530
purchase shares or share accounts, and except for qualification as 531
a voting member, the credit union may deal with such minor with 532
respect to shares or share accounts owned by ~~him~~ the minor as if 533
~~he~~ the minor were of legal age. 534

(2) If shares are issued in the name of a minor, redemption 535
of any part or all of the shares or withdrawal of funds by payment 536
to the minor of the shares or funds and any declared dividends or 537

interest releases the credit union from all obligation to the 538
minor as to the shares reduced or funds withdrawn. 539

(3) If shares are issued in the name of a minor, the minor 540
shall be assumed to have reached the age of majority and have 541
contractual capacity. 542

(J) The regulations may require advance written notice of a 543
member's intention to withdraw ~~his~~ the member's shares. Such 544
advance notice shall not exceed sixty days. 545

(K) A credit union may accept nonmember deposits in 546
accordance with rules adopted by the superintendent. 547

Sec. 1733.25. (A) A credit union may make loans or other 548
extensions of credit to members for provident and productive 549
purposes as authorized by law, including rules adopted by the 550
superintendent of credit unions; the articles^{7,i} and the 551
regulations^{7,i} and subject to policies adopted by the credit 552
committee and approved by the board of directors. 553

(B) Upon the approval of the board of directors, a credit 554
union may make loans or other extensions of credit to other credit 555
unions, provided that loans or other extensions of credit made to 556
other credit unions need not have the approval of the board of 557
directors on a per case basis. The total of all such loans or 558
extensions of credit, including the aggregate of all money paid 559
into any trust established by one or more credit unions for the 560
purpose of making loans or other extensions of credit to other 561
credit unions, shall not exceed twenty-five per cent of the shares 562
and undivided earnings of the lending credit union, except that 563
this percentage limitation does not apply to corporate credit 564
unions. 565

~~(C) The interest on any loan made by a credit union shall not~~ 566
~~exceed one and one-half per cent per month on unpaid balances.~~ 567

~~Such interest may accrue and be chargeable upon a monthly basis, 568
and may be computed upon the unpaid balance of the loan as of the 569
end of the previous calendar month. 570~~

~~Such interest (1) A credit union may contract for and receive 571
interest at any rate or rates agreed upon or consented to by the 572
parties to the loan or extension of credit contract, but not 573
exceeding an annual percentage rate of twenty-five per cent. 574~~

~~(2) The computation of the loan or extension of credit 575
balance on which interest is assessed and the method of 576
compounding interest on the balance shall be as agreed upon by the 577
credit union and the member. 578~~

~~(3) Interest described in division (C) of this section may be 579
accrued and charged by any technique approved as may be determined 580
by the superintendent ~~of credit unions~~ so long as the effective 581
interest rate on any loan does not exceed the amount permitted to 582
be charged by the computation authorized in this division. 583~~

~~(D) A credit union may accept security in such form and under 584
~~such~~ rules as shall be set forth in the articles, the regulations, 585
or established by the credit committee and approved by the board 586
of directors. 587~~

~~(E) The total loans to association members shall not exceed 588
ten per cent of the shares and undivided earnings or the total 589
value of shares pledged by association members as security for 590
loans, whichever is greater (1) The credit union shall have a lien 591
on the membership share, shares, deposits, and accumulated 592
dividends and interest of a member in an individual, joint, trust, 593
or payable on death account for any obligation owed to the credit 594
union by that member or for any loan co-signed or guaranteed by 595
the member or account holder; provided, however, that a credit 596
union shall not have a lien upon the funds in an individual 597
retirement account or an account established pursuant to the 598~~

<u>Internal Revenue Code of the United States.</u>	599
<u>(2) A credit union may refuse to allow withdrawals from any share or deposit account by a member while the member has any outstanding obligation to the credit union.</u>	600 601 602
<u>(F) In addition to any other loan authorized by law, a credit union may enter into a loan agreement with a member in accordance with all of the following:</u>	603 604 605
<u>(1) The loan is for any amount up to one thousand dollars.</u>	606
<u>(2) The term of the loan is thirty days or less.</u>	607
<u>(3) The credit union may charge a fee in addition to any interest authorized by law in connection with the loan, which fee is not to be included in the computation of interest for any provision of the Revised Code, including division (C) of this section, that prescribes, regulates, or limits interest charged, collected, or received in connection with a transaction.</u>	608 609 610 611 612 613
<u>(4) The total interest, fees, and other costs of the loan does not exceed ten per cent of the principal amount.</u>	614 615
<u>(5) A member shall not have more than one loan under division (F) of this section outstanding with the credit union.</u>	616 617
<u>(6) The loan is not being made to a member for purposes of retiring an existing loan between the credit union and that member, which existing loan was made pursuant to division (F) of this section.</u>	618 619 620 621
Sec. 1733.29. (A) A credit union shall keep a permanent record including:	622 623
(1) The original articles and regulations and amendments thereto and any amended articles or regulations and amendments thereto, all bearing the approval of the superintendent of credit unions, and the articles shall bear the certification of the	624 625 626 627

secretary of state;

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(2) The minutes of the incorporators, members, and board of directors.

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(B) A credit union shall keep for a period of not less than six years the minutes of all committees of the board.

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(C) A credit union shall keep and maintain such financial records as the superintendent shall stipulate in rules issued by ~~him~~ the superintendent, which shall also include the minimum length of time such records must be retained.

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(D) A credit union shall maintain an alphabetical listing or classified listing of the addresses of members of the credit union.

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(E) A credit union shall keep ~~such~~ any other records of its business and transactions and maintain the authorized processes for recording or storing documents or instruments, as may be required by rules promulgated by the superintendent.

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(F) A credit union may keep documents in electronic form if, in the regular course of business, a credit union possesses, records, or generates any document, representation, image, reproduction, or combination thereof, of any agreement, transaction, act, occurrence, or event, then the recording, comprising, or reproduction shall have the same force and effect as one comprised, recorded, or created on paper or other tangible form by writing, typing, printing, or similar means.

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(G)(1) A credit union may make use of electronic signatures in any communication, acknowledgment, agreement, or contract between a credit union and its member or any other person, in which a signature is required or used.

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(2)(a) Any party to the communications, acknowledgment, agreement, or contract may affix a signature by use of a digital

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signature.

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(b) The digital signature, when lawfully used by the person whose signature it purports to be, shall have the same force and effect as the use of a manual signature if it is unique to the person using it, is capable of verification, is under the sole control of the person using it, and is linked to data in such a manner that if the data are changed, the digital signature is invalidated.

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(c) Nothing in this section requires any credit union to use or permit the use of a digital signature.

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(d) As used in division (G)(2) of this section, "digital signature" means an encrypted electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature.

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(H) Recordings, copies, photographic images, or stored representations of original documents, papers, or other instruments or records made in accordance with this section, or reproductions of original documents, papers, or other instruments or records produced from recordings, copies, photographic images, or stored representations made in accordance with this section, when properly identified by the officer by whom or under whose supervision they were made or who has custody of them, have the same effect at law as the original records or records made by any other legally authorized means. They may be offered in the same manner and shall be received in evidence in any court where the original records, or records made by other legally authorized means, could have been introduced and received. Certified or authenticated duplicates of recordings, copies, photographic images, or stored representations of original documents, papers, or other instruments or records made in accordance with this section, or of reproductions of original documents, papers, or

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other instruments or records produced from recordings, copies, photographic images, or stored representations made in accordance with this section, shall be admitted in evidence in the same manner as the original documents, papers, or other instruments or records. 689
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Sec. 1733.30. (A) A credit union may make any investment of 694
any funds not required for the purpose of loans, in state or 695
national banks ~~or~~ or state or federally chartered savings and loan 696
associations ~~or~~ savings banks, or credit unions, doing business 697
in this state; in accounts, deposits, or shares of federally 698
insured savings and loan associations or savings banks or insured 699
credit unions, doing business outside this state; in deposits or 700
accounts of federally insured banks, trust companies, and mutual 701
savings banks or insured credit unions, doing business outside 702
this state; in the shares of a corporate credit union subject to 703
the regulations of that corporate credit union; in credit union 704
service corporations; or in United States government securities or 705
municipal bonds issued by municipalities of this state; and, with 706
the approval of the superintendent of credit unions, in securities 707
other than those specified in this division. All investments under 708
this division shall be made in United States dollars. 709

(B) In accordance with rules adopted by, and subject to the 710
approval of, the superintendent, notes or loans made by or to 711
individual members of a credit union may be purchased by another 712
credit union at such prices as may be agreed upon between the 713
credit unions. 714

(C) A credit union may purchase all or a part of the assets 715
of another credit union or sell all or part of its assets to 716
another credit union. 717

(D) A corporate credit union may make investments provided 718
the investments are in accordance with rules adopted by the 719

superintendent, are consistent with the safety and soundness of 720
the credit union, and are made with due regard to the investment 721
requirements established by the applicable insurer recognized 722
under section 1733.041 of the Revised Code. 723

(E) A credit union may make other investments provided the 724
investments are in accordance with rules adopted by the 725
superintendent. 726

Sec. 1733.31. For purposes of this section, "gross income" 727
means all income, before expenses, earned on risk assets. "Risk 728
assets" shall be defined by rule adopted by the superintendent of 729
credit unions. 730

Each credit union shall establish and maintain reserves as 731
required by Chapter 1733. of the Revised Code, or by rules adopted 732
by the superintendent, including the following: 733

(A) Valuation allowances for delinquent loans, investments, 734
other risk assets, and contingencies, which shall be established 735
and maintained pursuant to rules adopted adopted by the 736
superintendent. 737

(B) A regular reserve as follows: 738

(1) A credit union in operation for more than four years and 739
having assets of five hundred thousand dollars or more shall 740
reserve ten per cent of its gross income until its regular reserve 741
equals four per cent of its total risk assets. Once the credit 742
union has regular reserves equal to four per cent of its total 743
risk assets, it shall reserve five per cent of its gross income 744
until its regular reserve equals six per cent of its total risk 745
assets. 746

(2) A credit union in operation for less than four years or 747
having assets of less than five hundred thousand dollars shall 748
reserve ten per cent of its gross income until its regular reserve 749

equals seven and one-half per cent of its total risk assets. Once 750
the credit union has regular reserves equal to seven and one-half 751
per cent of its total risk assets, it shall reserve five per cent 752
of its gross income until its regular reserve equals ten per cent 753
of its total risk assets. 754

(3) The provision for loan losses, or other such provisions 755
related to the valuation allowances described in division (A) of 756
this section, recorded on the credit union's statement of income 757
for the year shall be deducted from the appropriate regular 758
reserve calculated under division (B)(1) or (2) of this section. 759

(4) Once the credit union has closed out its net income or 760
loss to undivided earnings, it may allocate any extraordinary loss 761
for the year, as defined by AICPA APB Opinion No. 30 or by rules 762
as promulgated by the superintendent, to the regular reserve. 763

(5) If the regular reserve account becomes less than the 764
percentage required by division (B)(1) or (2) of this section, 765
then the schedule of allocation shall apply until the required 766
percentages are achieved. 767

(6) The superintendent may decrease the reserve requirements 768
under division (B)(1) or (2) of this section when, in ~~his~~ the 769
superintendent's opinion, a decrease is necessary or desirable and 770
is consistent with the purposes of this section. 771

(7) Nothing herein shall prevent the superintendent from 772
requiring a particular credit union or all credit unions to 773
establish a regular reserve in excess of the percentages required 774
by division (B)(1) or (2) of this section if, in the opinion of 775
the superintendent, economic conditions or other appropriate 776
circumstances so warrant. 777

~~(C) Each credit union shall maintain a liquidity fund equal 778
to five per cent of its shares. The assets included in the 779
liquidity fund shall be defined by rule adopted by the 780~~

~~superintendent. Nothing herein shall prevent the superintendent 781
from requiring a particular credit union or all credit unions to 782
establish a liquidity fund in excess of five per cent of total 783
shares, if, in the opinion of the superintendent, economic 784
conditions or other appropriate circumstances so warrant The 785
superintendent by rule may require a credit union to establish a 786
liquidity fund. 787~~

(D)(1) Reserves for corporate credit unions shall be 788
established by the superintendent with due regard for the 789
reserving requirements for corporate credit unions set by the 790
applicable insurer recognized under section 1733.041 of the 791
Revised Code. Specific reserving requirements shall be established 792
by rule of the superintendent, but shall substantially parallel 793
the reserving formula set by the applicable insurer recognized 794
under section 1733.041 of the Revised Code. 795

(2) Nothing in division (D)(1) of this section shall prevent 796
the superintendent from requiring a particular corporate credit 797
union or all corporate credit unions to establish a regular 798
reserve in excess of those reserves established pursuant to 799
division (D)(1) of this section if, in the opinion of the 800
superintendent, economic conditions or other appropriate 801
circumstances so warrant. 802

Sec. 1733.32. (A)(1) The superintendent of financial 803
institutions shall see that the laws relating to credit unions are 804
executed and enforced. 805

(2) The deputy superintendent for credit unions shall be the 806
principal supervisor of credit unions. In that position, the 807
deputy superintendent for credit unions shall, notwithstanding 808
division (A)(3) of this section, be responsible for conducting 809
examinations and preparing examination reports under that 810
division. In addition, the deputy superintendent for credit unions 811

shall, notwithstanding sections 1733.191, 1733.41, 1733.411, and 812
1733.412 of the Revised Code, have the authority to adopt rules in 813
accordance with those sections, and, notwithstanding section 814
1733.05 of the Revised Code, shall have the authority to approve 815
issues and matters pertaining to fields of membership. In 816
performing or exercising any of the examination, rule-making, or 817
other regulatory functions, powers, or duties vested by division 818
(A)(2) of this section in the deputy superintendent for credit 819
unions, the deputy superintendent for credit unions shall be 820
subject to the control of the superintendent of financial 821
institutions. 822

(3) The superintendent of financial institutions shall 823
develop and implement a system for evaluating the safety and 824
soundness of credit unions and for determining when examinations 825
and supervisory actions are necessary. Credit unions shall be 826
subject to periodic examinations, as specified in rules adopted by 827
the superintendent, and their books, records, and accounts shall 828
be open to the inspection of the superintendent at all times. For 829
the purpose of such examination or inspection, the superintendent 830
may subpoena witnesses, administer oaths, receive testimony, and 831
order the submission of documents. 832

(B) Every credit union shall prepare and submit, on forms 833
provided by the superintendent, a financial report to the 834
superintendent showing its assets and liabilities whenever 835
requested to do so by the superintendent. Every financial report 836
shall be verified by the oaths of the two principal officers in 837
charge of the affairs of the credit union at the time of such 838
verification and shall be submitted to the superintendent within 839
thirty days after the superintendent requests the financial 840
report. 841

(C) An annual financial report of the affairs and business of 842
the credit union, showing its condition as of the thirty-first day 843

of December unless otherwise authorized by the superintendent, 844
shall be filed with the superintendent not later than the date 845
authorized in the rules adopted by the superintendent. 846

(D) If a financial report or an annual financial report is 847
not filed with the superintendent in accordance with division (B) 848
or (C) of this section, the superintendent may do both of the 849
following: 850

(1) Assess a fine, determined by rule adopted by the 851
superintendent, for each day the report is in arrears; 852

(2) If the superintendent gives written notice to the 853
president of the credit union of the superintendent's intention to 854
do so, issue an order revoking the credit union's articles of 855
incorporation and appointing a liquidating agent to liquidate the 856
credit union in accordance with section 1733.37 of the Revised 857
Code. 858

(E)(1) Except as provided in division (E)(2) of this section, 859
each credit union doing business in this state shall remit, 860
semiannually and within fifteen days after billing, to the 861
treasurer of state, a supervisory fee in an amount determined by 862
the superintendent and confirmed by the credit union council. The 863
supervisory fee described in division (E)(1) of this section shall 864
be based on a percentage of the gross assets of the credit union 865
as shown by its last annual financial report filed with the 866
superintendent in accordance with division (C) of this section. 867
The minimum supervisory fee shall be determined by the 868
superintendent and confirmed by the credit union council. 869

(2) Each corporate credit union doing business in this state 870
shall remit, semiannually and within fifteen days after billing, 871
to the treasurer of state, a supervisory fee determined by rule 872
adopted by the superintendent and confirmed by the credit union 873
council. The aggregate annual amount of the fee shall not exceed 874

the annual operating fee that the national credit union 875
administration charges a federally chartered credit union pursuant 876
to the "Federal Credit Union Act," 84 Stat. 994 (1970), 12 877
U.S.C.A. 1751. 878

(3) The superintendent annually shall present to the credit 879
union council for confirmation the supervisory fees to be billed 880
credit unions and corporate credit unions pursuant to division (E) 881
of this section. 882

(4) If any supervisory fee is not remitted in accordance with 883
division (E)(1) or (2) of this section, the superintendent may 884
assess a fine, determined by rule adopted by the superintendent, 885
for each day that each fee is in arrears. 886

(5)(a) Subject to division (E)(5)(b) of this section, the 887
total amount of each semiannual billing to all credit unions and 888
corporate credit unions combined shall equal one-half of the 889
appropriation made by the main operating appropriation act, 890
including any modifications made by the controlling board, to the 891
division of financial institutions for the regulation of credit 892
unions for the fiscal year in which the billings occur, except 893
that the superintendent, in determining the supervisory fees, may 894
take into consideration any funds lapsed from the appropriation 895
made in the previous fiscal year. 896

(b) If during the period between the credit union council's 897
confirmation of supervisory fees and when supervisory fees 898
described in this section are collected, the credit union council 899
determines additional money is required to adequately fund the 900
operations of the division of financial institutions for that 901
fiscal year, the credit union council may, by the affirmative vote 902
of five of its members, increase the supervisory fees billed. The 903
superintendent promptly shall notify each credit union and 904
corporate credit union of the increased supervisory fees, and each 905

credit union or corporate credit union shall pay the increased 906
supervisory fees billed by the superintendent. 907

(6) The fees or fines collected pursuant to this section 908
shall be credited to the credit unions fund created in section 909
1733.321 of the Revised Code. 910

(F) A report of such examination shall be forwarded to the 911
president of each credit union after the completion of the 912
examination. ~~Such~~ The report may contain comments relative to the 913
management of the affairs of the credit union and also as to the 914
general condition of its assets. Within thirty days of the receipt 915
of ~~such~~ the report, a meeting of the directors shall be called to 916
consider matters contained in the report, and the president shall 917
notify the superintendent of any action taken at ~~such~~ the meeting. 918

(G)(1) The superintendent shall furnish reports of 919
examinations or other appropriate information to any organization 920
referred to in section 1733.041 of the Revised Code when requested 921
by ~~such~~ the organization and authorized by the credit union. The 922
superintendent may charge a fee for such reports and other 923
information as may be established by rules adopted by the 924
superintendent. 925

(2) A report of examination furnished pursuant to division 926
(G)(1) of this section is the property of the division of credit 927
unions and may be used by the examined credit union only in the 928
conduct of its business. Under no circumstances may the credit 929
union, its current or former directors, officers, employees, 930
agents, shareholders, participants in the conduct of its affairs, 931
or their agents disclose or make public, in any manner, a report 932
of examination or its contents. 933

(H) Except as provided in this division, information obtained 934
by the superintendent of financial institutions and the 935
superintendent's employees as a result of or arising out of the 936

examination or independent audit of a credit union, from required 937
reports, or because of their official position, shall be 938
confidential. Such information may be disclosed only in connection 939
with criminal proceedings or, subject to section 1733.327 of the 940
Revised Code, when it is necessary for the superintendent to take 941
official action pursuant to Chapter 1733. of the Revised Code and 942
the rules adopted thereunder regarding the affairs of the credit 943
union examined. Such information may also be introduced into 944
evidence or disclosed when and in the manner authorized in section 945
1181.25 of the Revised Code. This division does not prevent the 946
superintendent from properly exchanging information relating to an 947
examined credit union pursuant to division (F) or (G) of this 948
section ~~or~~ with officials of properly authorized state or federal 949
financial institution regulatory authorities ~~or~~ with any insurer 950
recognized under section 1733.041 ~~or~~ with any surety recognized 951
under section 1733.23 of the Revised Code. This division also does 952
not prevent the superintendent from disclosing information 953
contained in the financial reports or annual financial reports 954
described in division (B) or (C) of this section to recognized 955
credit union trade associations, to share guarantee insurance 956
organizations, to federal or state agencies, or to the general 957
public. Financial reports and annual financial reports described 958
in divisions (C) and (D) of this section, call reports, or 959
financial statements required to be filed with the division of 960
financial institutions are public records for purposes of section 961
149.43 of the Revised Code. 962

Sec. 1733.33. (A) The voting members may adopt amendments to 963
the articles or regulations or amended articles or regulations in 964
a writing as provided in section 1733.11 of the Revised Code or in 965
a meeting of members called for that expressly stated purpose by a 966
vote of two-thirds of the voting members represented at such 967
meeting; or, if the articles or regulations provide or permit, by 968

the affirmative vote of a greater or lesser proportion, but not 969
less than a majority of the voting members represented at such 970
meeting. The board of directors may, at any duly held meeting, 971
adopt amendments to the field of membership article or to the 972
regulations, by an affirmative vote of two-thirds of the number of 973
directors authorized by the articles or regulations. 974

(B) The directors may adopt the following amendments to the 975
articles: 976

(1) Unless otherwise provided in the articles, an amendment 977
changing the name of the corporation; 978

(2) An amendment changing the place in this state where the 979
principal office of the credit union is located; 980

(3) An amendment changing the authorized number of shares; 981
the express terms, if any, of the shares; and if the shares are 982
classified, as permitted in section 1733.24 of the Revised Code, 983
the designation of each class, their express terms, and par value, 984
of any, per share. 985

(C) In the event amendments to the articles or regulations or 986
amended articles or regulations are adopted pursuant to section 987
1733.11 of the Revised Code, a copy of the proposed amendments or 988
proposed amended articles or regulations shall be distributed to 989
all of the voting members at or prior to the date on which 990
solicitation begins for written approval. In the event the 991
amendments or amended articles or regulations are adopted in a 992
meeting of members, copies of the proposed amendments or amended 993
articles or regulations, as the case may be, shall be distributed 994
to voting members upon request. 995

~~(C)~~(D) Amendments to the articles or regulations or the 996
amended articles or regulations shall include only such provisions 997
as may be included in or omitted from original articles or the 998
amended articles or regulations at the time the amendments or 999

amended articles or regulations are adopted. 1000

~~(D)~~(E) Amended articles or regulations shall contain a 1001
statement that they supersede the existing articles or 1002
regulations, as the case may be. 1003

~~(E)~~(F) Any ~~such~~ amendment or amended articles or regulations 1004
shall become effective only when ~~the same shall~~ it or they have 1005
been approved by the superintendent in the same manner as required 1006
for original articles or regulations under section 1733.07 of the 1007
Revised Code. Amendments to the articles or amended articles shall 1008
become effective upon the filing of the same with the secretary of 1009
state. 1010

Sec. 1733.37. (A) If it appears that any credit union is 1011
bankrupt or insolvent, that its shares are impaired, that it has 1012
violated this chapter, or rules adopted by the superintendent of 1013
credit unions, or that it is operating in an unsafe or unsound 1014
manner, or if the credit union is experiencing a declining trend 1015
in its financial condition and a majority of its board of 1016
directors, by resolution, requests the issuance of an order under 1017
this division, the superintendent may issue an order revoking the 1018
credit union's articles of incorporation and appointing a 1019
liquidating agent to liquidate the credit union in accordance with 1020
this section. 1021

(B) A credit union under order to liquidate or in the course 1022
of liquidation, shall continue in existence for the purpose of 1023
discharging its debts, collecting and distributing its assets, and 1024
doing all acts required in order to wind up its business, and may 1025
sue and be sued for the purpose of enforcing such debts and 1026
obligations until its affairs are fully adjusted. The board of 1027
directors, or in the case of involuntary dissolution, the 1028
liquidating agent, shall use the assets of the credit union to 1029
pay: first, expenses incidental to liquidation, including any 1030

surety bond that may be required; second, any liability due 1031
nonmembers; third, redemption of shares and share accounts. Assets 1032
then remaining shall be distributed to the members proportionately 1033
to the purchase price of shares held by each member as of the date 1034
dissolving was voted, ~~or the date of suspension, as the case may~~ 1035
be. 1036

(C) As soon as the board or the liquidating agent determines 1037
that all assets from which there is a reasonable expectancy of 1038
realization have been liquidated and distributed as set forth in 1039
this section, it shall execute a certificate of dissolution on a 1040
form prescribed by the superintendent of credit unions and submit 1041
the certificate to the secretary of state who shall, after filing 1042
or recording and indexing, forward evidence of the filing to the 1043
superintendent, whereupon the credit union shall be dissolved. 1044

(D) If the articles of a credit union have been canceled for 1045
cause, or if a credit union has filed a certificate of dissolution 1046
or has indicated an intention to file such certificate, and the 1047
directors and officers of the credit union, in the opinion of the 1048
superintendent, are not conducting the liquidation proceedings in 1049
an expeditious, orderly, and efficient manner or in the best 1050
interest of its members, the superintendent may terminate the 1051
liquidation proceedings and issue an order appointing a 1052
liquidating agent to liquidate the credit union in accordance with 1053
this section. Such liquidating agent shall furnish bond for the 1054
faithful discharge of the liquidating agent's duties in an amount 1055
to be approved by the superintendent. 1056

(E) The liquidating agent may, under such rules as the 1057
superintendent prescribes: 1058

(1) Receive and take possession of the books, records, 1059
assets, and property of every description of the credit union in 1060
liquidation; sell, enforce collection of, and liquidate all such 1061

assets and property; compound all bad or doubtful debts, sue in 1062
the name of the credit union in liquidation, and defend such 1063
actions as are brought against the liquidating agent in the 1064
capacity as ~~such~~ liquidating agent or against the credit union; 1065

(2) Receive, examine, and pass upon all claims against the 1066
credit union in liquidation, including claims of members; 1067

(3) Make distribution and payment to creditors and members as 1068
their interests appear; 1069

(4) Execute such documents and papers and do ~~such~~ other acts 1070
~~as that~~ the liquidating agent deems necessary or desirable to 1071
discharge official duties. 1072

(F) The expenses incurred by the liquidating agent in the 1073
liquidation of the credit union include the compensation of the 1074
liquidating agent and any other necessary or proper expenses 1075
connected therewith, all of which shall be paid in order of 1076
priority out of the property of ~~such the~~ credit union in the hands 1077
of the liquidating agent. ~~Such expenses~~ Expenses of liquidation, 1078
including the compensation of the liquidating agent, are subject 1079
to approval by the superintendent unless such agent is appointed 1080
by the court. In no event shall the total of ~~such the~~ expenses 1081
exceed ten per cent of the assets of the credit union existing at 1082
the date of the appointment of the liquidating agent, nor shall 1083
the compensation of such agent exceed five per cent of ~~such~~ assets 1084
upon ~~such that~~ date or five thousand dollars, whichever is the 1085
lesser amount. 1086

(G) Subject to the prior approval of the superintendent, a 1087
credit union may enter into a purchase and assumption agreement to 1088
purchase any of the assets or assume any of the liabilities of a 1089
credit union for which a liquidating agent has been appointed by 1090
order of the superintendent in accordance with this section. All 1091
persons, associations, and select groups eligible for membership 1092

in the credit unions that are parties to the purchase and 1093
assumption agreement shall be deemed to have a common bond of 1094
association. The assumption of the field of membership may be 1095
restricted, as specified in the purchase and assumption agreement. 1096

Sec. 1733.38. A credit union organized and duly qualified as 1097
a credit union in another state may qualify to do business as a 1098
credit union in this state provided: 1099

(A) Such credit union is organized under credit union law 1100
substantially similar to sections 1733.01 to 1733.45, ~~inclusive,~~ 1101
of the Revised Code; 1102

(B) The interest rate of such credit union on loans made to 1103
members in this state does not exceed the maximum interest rate 1104
permitted by sections 1733.01 to 1733.45, ~~inclusive,~~ of the 1105
Revised Code; 1106

(C) A credit union organized and doing business under the 1107
laws of this state is permitted to do business in ~~such the~~ other 1108
state or territory where it is permitted to conduct business as a 1109
credit union, under conditions substantially similar to the 1110
provisions of this section. 1111

Sec. 1733.412. Notwithstanding any provision in Chapter 1733. 1112
of the Revised Code, ~~if federal credit unions, organized under the~~ 1113
~~laws of the United States, the home offices of which are located~~ 1114
~~in this state, shall possess a right, power, privilege, or benefit~~ 1115
~~by virtue of statute, rule, or regulation, or judicial decision or~~ 1116
~~will possess the right, power, privilege, or benefit by virtue of~~ 1117
~~a rule or regulation issued but not effective, which right, power,~~ 1118
~~privilege, or benefit is not possessed by a credit union organized~~ 1119
~~under the laws of this state or any other law,~~ the superintendent 1120
of credit unions ~~may by~~ shall adopt a rule authorize under section 1121
111.15 of the Revised Code granting credit unions ~~organized under~~ 1122

~~the laws of this state to exercise the right, power, privilege, or
benefit, doing business under authority granted by the
superintendent, any right, power, privilege, or benefit possessed,
by virtue of statute, rule, policy, regulation, interpretation, or
judicial decision, by a credit union operating in this state and
organized or chartered under this chapter, the laws of another
state, or the laws of the United States. A The rule so adopted by
the superintendent shall become effective on the date of its
issuance adoption, but if the rule is issued by the superintendent
adopted in anticipation of a federal rule law or regulation which
has been enacted or issued but has not then become effective, the
effective date of the superintendent's rule shall be the later
date on which the federal rule law or regulation becomes
effective. The rule, notwithstanding its original adoption under
section 111.15 of the Revised Code, subsequently may be amended or
rescinded only under Chapter 119. of the Revised Code. However, if
the another rule is adopted by the superintendent is not enacted
into law within thirty months from the date the rule is issued by
the superintendent, the rule shall thereupon no longer be of any
force or effect. The superintendent, upon thirty days' written
notice to state chartered credit unions, may revoke any rule
issued by virtue of the authority of this section under this
section on the same subject as the original rule that is intended
as a replacement of the original rule, the original rule then may
be rescinded under section 111.15 of the Revised Code instead of
under Chapter 119. of the Revised Code.~~

Sec. 1733.44. (A) No person, partnership, association, or
corporation, other than credit unions and associations of such
credit unions, to which all credit unions in their respective
jurisdictions are eligible, shall use any name or title containing
the words "credit union" or represent themselves, in advertising

or elsewhere, as conducting business as a credit union. 1155

(B) Subject to all of the following, a credit union may adopt 1156
or change one or more trade names: 1157

(1) The credit union shall give written notice of the 1158
proposed trade name to the superintendent of credit unions at 1159
least thirty days before using the trade name. 1160

(2) The superintendent may deny a credit union the right to 1161
use a given trade name or terminate a credit union's right to use 1162
a trade name for any reason. 1163

(3) A credit union using a trade name clearly and 1164
conspicuously shall disclose the legal name of the credit union 1165
and the trade name in all signs, advertising, mailings, or similar 1166
materials and clearly and conspicuously shall disclose the trade 1167
name and the legal name of the credit union in all legal 1168
documents, certificates of deposit, signature cards, loan 1169
agreements, account statements, checks, drafts, and other similar 1170
documents. 1171

(4) A trade name may not contain the phrase "credit union." 1172

Sec. 2101.161. The probate court may order that prepaid and 1173
unearned costs be deposited with a bank, savings and loan 1174
association, credit union, or trust company incorporated under the 1175
laws of this state or of the United States. The order shall be 1176
entered on the journal of the court and may specify that deposited 1177
costs are to be held in an account, or invested in an investment, 1178
supervised by the bank, association, credit union, or company. 1179
Interest earned on deposited costs shall be paid into the county 1180
treasury by the end of the calendar year in which it is received. 1181

Sec. 2105.31. As used in sections 2105.31 to 2105.39 of the 1182
Revised Code: 1183

(A) "Co-owners with right of survivorship" includes joint 1184
tenants, tenants by the entireties, and other co-owners of real or 1185
personal property, insurance or other policies, or bank, credit 1186
union, or other accounts, held under circumstances that entitle 1187
one or more persons to the whole of the property or account on the 1188
death of the other person or persons. 1189

(B) "Governing instrument" means a deed, will, trust, 1190
insurance or annuity policy, account with a transfer-on-death 1191
designation or the abbreviation TOD, account with a 1192
payable-on-death designation or the abbreviation POD, pension, 1193
profit-sharing, retirement, or similar benefit plan, instrument 1194
creating or exercising a power of appointment or a power of 1195
attorney, or a dispositive, appointive, or nominative instrument 1196
of any similar type. 1197

(C) "Payor" means a trustee, insurer, business entity, 1198
employer, governmental agency, political subdivision, or any other 1199
person authorized or obligated by law or a governing instrument to 1200
make payments or transfers. 1201

(D) "Event" includes the death of another person. 1202

Sec. 2109.13. In any case in which a bond is required by the 1203
probate court from a fiduciary and the value of the estate or fund 1204
is such that the court deems it inexpedient to require security in 1205
the full amount prescribed by section 2109.04 of the Revised Code, 1206
the court may direct the deposit of any suitable personal property 1207
belonging to the estate or fund with a bank, ~~building and loan~~ 1208
~~association~~, savings and loan association, credit union, or trust 1209
company incorporated under the laws of this state or of the United 1210
States, as may be designated by order of the court. 1211

The deposit shall be made in the name of the fiduciary, and 1212
the personal property deposited shall not be withdrawn from the 1213

custody of the bank, association, credit union, or trust company 1214
except upon the special order of the court. No fiduciary shall 1215
receive or collect the whole or any part of the principal 1216
represented by the personal property without the special order of 1217
the court. Such an order can be made in favor of the fiduciary 1218
only if the court within its discretion, having regard for the 1219
purpose for which the order is requested, the disposition to be 1220
made of the assets as may be released, the value of the assets as 1221
related to the total value of the estate, and the period of time 1222
the assets will remain in the possession of the fiduciary, finds 1223
that the original bond previously given and then in force will be 1224
sufficient to protect the estate; otherwise, the court, as a 1225
condition to the release of the personal property deposited, shall 1226
require the fiduciary to execute an additional bond in an amount 1227
that the court determines. 1228

After the deposit has been made and after the filing with the 1229
court of a receipt for the personal property executed by the 1230
designated bank, association, credit union, or company, which 1231
receipt shall acknowledge that the personal property is held by 1232
the bank, association, credit union, or company subject to the 1233
order of the court, the court may fix or reduce the amount of the 1234
bond so that the amount of the penalty of the bond is determined 1235
with respect to the value of the remainder only of the estate or 1236
fund, without including the value of the personal property 1237
deposited. Neither the fiduciary nor ~~his~~ the fiduciary's sureties 1238
shall be liable for any loss to the trust estate resulting from 1239
the deposit as is authorized and directed by the court pursuant to 1240
this section, if the fiduciary has acted in good faith. 1241

This section may be invoked simultaneously with the initial 1242
application for appointment of the fiduciary if an interim receipt 1243
of the bank, association, credit union, or company for which the 1244
application for appointment as depository is being made, 1245

acknowledging that it already has received temporary deposit of 1246
the personal property described in the application for appointment 1247
as depository, accompanies the simultaneous applications for 1248
appointment of fiduciary and for appointment of the depository. 1249

Sec. 2109.372. (A) As used in this section: 1250

(1) "Short term trust-quality investment fund" means a short 1251
term investment fund that meets both of the following conditions: 1252

(a) The fund may be either a collective investment fund 1253
established in accordance with section 1111.14 of the Revised Code 1254
or a registered investment company, including any affiliated 1255
investment company whether or not the fiduciary has invested other 1256
funds held by it in an agency or other nonfiduciary capacity in 1257
the securities of the same registered investment company or 1258
affiliated investment company. 1259

(b) The fund is invested in any one or more of the following 1260
manners: 1261

(i) In obligations of the United States or of its agencies; 1262

(ii) In obligations of one or more of the states of the 1263
United States or their political subdivisions; 1264

(iii) In variable demand notes, corporate money market 1265
instruments including, but not limited to, commercial paper rated 1266
at the time of purchase in either of the two highest 1267
classifications established by at least one nationally recognized 1268
standard rating service; 1269

(iv) Deposits in banks or savings and loan associations, 1270
whose deposits are insured by the federal deposit insurance 1271
corporation, or in credit unions insured by the national credit 1272
union administration or by the national deposit guaranty 1273
corporation established under Chapter 1761. of the Revised Code, 1274
if the rate of interest paid on such deposits is at least equal to 1275

the rate of interest generally paid by such banks ~~or~~ savings and 1276
loan associations, or credit unions on deposits of similar terms 1277
or amounts; 1278

(v) In fully collateralized repurchase agreements or other 1279
evidences of indebtedness that are of trust quality and are 1280
payable on demand or have a maturity date consistent with the 1281
purpose of the fund and the duty of fiduciary prudence. 1282

(2) "Registered investment company" means any investment 1283
company that is defined in and registered under sections 3 and 8 1284
of the "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C.A. 1285
80a-3 and 80a-8. 1286

(3) "Affiliated investment company" has the same meaning as 1287
in division (E)(1) of section 1111.13 of the Revised Code. 1288

(B) A fiduciary is not required to invest cash that belongs 1289
to the trust and may hold that cash for the period prior to 1290
distribution if either of the following applies: 1291

(1) The fiduciary reasonably expects to do either of the 1292
following: 1293

(a) Distribute the cash to beneficiaries of the trust on a 1294
quarterly or more frequent basis; 1295

(b) Use the cash for the payment of debts, taxes, or expenses 1296
of administration within the ninety-day period following the 1297
receipt of the cash by the fiduciary. 1298

(2) Determined on the basis of the facilities available to 1299
the fiduciary and the amount of the income that reasonably could 1300
be earned by the investment of the cash, the amount of the cash 1301
does not justify the administrative burden or expense associated 1302
with its investment. 1303

(C) If a fiduciary wishes to hold funds that belong to the 1304
trust in liquid form and division (B) of this section does not 1305

apply, the fiduciary may so hold the funds as long as they are 1306
temporarily invested as described in division (D) of this section. 1307

(D)(1) A fiduciary may make a temporary investment of cash 1308
that the fiduciary may hold uninvested in accordance with division 1309
(B) of this section, and shall make a temporary investment of 1310
funds held in liquid form pursuant to division (C) of this 1311
section, in any of the following investments, unless the governing 1312
instrument provides for other investments in which the temporary 1313
investment of cash or funds is permitted: 1314

(a) A short term trust-quality investment fund; 1315

(b) Direct obligations of the United States or of its 1316
agencies; 1317

(c) A deposit with a credit union or a bank or savings and 1318
loan association, including a deposit with the fiduciary itself or 1319
any bank subsidiary corporation owned or controlled by the bank 1320
holding company that owns or controls the fiduciary, whose 1321
deposits are insured by the federal deposit insurance corporation, 1322
if the rate of interest paid on that deposit is at least equal to 1323
the rate of interest generally paid by that credit union or bank 1324
or savings and loan association on deposits of similar terms or 1325
amounts. 1326

(2) A fiduciary that makes a temporary investment of cash or 1327
funds pursuant to division (D)(1) of this section may charge a 1328
reasonable fee for the services associated with that investment. 1329
The fee shall be in addition to the compensation to which the 1330
fiduciary is entitled for ~~his~~ ordinary fiduciary services. 1331

(3) Fiduciaries that make one or more temporary investments 1332
of cash or funds pursuant to division (D)(1) of this section shall 1333
provide to the beneficiaries of the trusts involved, that are 1334
currently receiving income or have a right to receive income, a 1335
written disclosure of their temporary investment practices and, if 1336

applicable, the method of computing reasonable fees for their 1337
temporary investment services pursuant to division (D)(2) of this 1338
section. Fiduciaries may comply with this requirement in any 1339
appropriate written document, including, but not limited to, any 1340
periodic statement or account. 1341

(4) A fiduciary that makes a temporary investment of cash or 1342
funds in an affiliated investment company pursuant to division 1343
(D)(1)(a) of this section shall, when providing any periodic 1344
account statements of its temporary investment practices, report 1345
the net asset value of the shares comprising the investment in the 1346
affiliated investment company. 1347

(5) If a fiduciary that makes a temporary investment of cash 1348
or funds in an affiliated investment company pursuant to division 1349
(D)(1)(a) of this section invests in any mutual fund, the 1350
fiduciary shall provide to the beneficiaries of the trust 1351
involved, that are currently receiving income or have a right to 1352
receive income, a written disclosure, in at least ten-point 1353
boldface type, that the mutual fund is not insured or guaranteed 1354
by the federal deposit insurance corporation or by any other 1355
government agency or government-sponsored agency of the federal 1356
government or of this state. 1357

Sec. 2109.41. Immediately after appointment and throughout 1358
the administration of a trust, but subject to section 2109.372 of 1359
the Revised Code, every fiduciary, pending payment of current 1360
obligations of ~~his~~ the fiduciary's trust, distribution, or 1361
investment pursuant to law, shall deposit all funds received by 1362
~~him~~ the fiduciary in ~~his~~ the fiduciary's name as such fiduciary in 1363
one or more depositories. Each depository shall be a bank ~~or,~~ 1364
savings and loan association, or credit union located in this 1365
state. A corporate fiduciary, authorized to receive deposits of 1366
fiduciaries, may be the depository of funds held by it as ~~such~~ 1367

fiduciary. All deposits made pursuant to this section shall be in 1368
such class of account as will be most advantageous to the trust, 1369
and each depository shall pay interest at the highest rate 1370
customarily paid to its patrons on deposits in accounts of the 1371
same class. 1372

The placing of ~~such~~ funds in such depositories under the 1373
joint control of the fiduciary and a surety on the bond of the 1374
fiduciary shall not increase the liability of the fiduciary. 1375

Sec. 4705.09. (A)(1) Any person admitted to the practice of 1376
law in this state by order of the supreme court in accordance with 1377
its prescribed and published rules, or any law firm or legal 1378
professional association, may establish and maintain an 1379
interest-bearing trust account, for purposes of depositing client 1380
funds held by the attorney, firm, or association that are nominal 1381
in amount or are to be held by the attorney, firm, or association 1382
for a short period of time, with any bank or savings and loan 1383
association that is authorized to do business in this state and is 1384
insured by the federal deposit insurance corporation or the 1385
successor to that corporation, or any credit union insured by the 1386
national credit union administration operating under the "Federal 1387
Credit Union Act," 84 Stat. 994 (1970), 12 U.S.C.A. 1751, or 1388
insured by a credit union guaranty corporation established under 1389
Chapter 1761. of the Revised Code. Each account established under 1390
this division shall be in the name of the attorney, firm, or 1391
association that established and is maintaining it and shall be 1392
identified as an IOLTA or an interest on lawyer's trust account. 1393
The name of the account may contain additional identifying 1394
features to distinguish it from other trust accounts established 1395
and maintained by the attorney, firm, or association. 1396

(2) Each attorney who receives funds belonging to a client 1397
shall do one of the following: 1398

(a) Establish and maintain one or more interest-bearing trust 1399
accounts in accordance with division (A)(1) of this section or 1400
maintain one or more interest-bearing trust accounts previously 1401
established in accordance with that division, and deposit all 1402
client funds held that are nominal in amount or are to be held by 1403
the attorney for a short period of time in the account or 1404
accounts; 1405

(b) If the attorney is affiliated with a law firm or legal 1406
professional association, comply with division (A)(2)(a) of this 1407
section or deposit all client funds held that are nominal in 1408
amount or are to be held by the attorney for a short period of 1409
time in one or more interest-bearing trust accounts established 1410
and maintained by the firm or association in accordance with 1411
division (A)(1) of this section. 1412

(3) No funds belonging to any attorney, firm, or legal 1413
professional association shall be deposited in any 1414
interest-bearing ~~IOTA~~ trust account established under division 1415
(A)(1) or (2) of this section, except that funds sufficient to pay 1416
or enable a waiver of depository institution service charges on 1417
the account shall be deposited in the account and other funds 1418
belonging to the attorney, firm, or association may be deposited 1419
as authorized by the Code of Professional Responsibility adopted 1420
by the supreme court. The determinations of whether funds held are 1421
nominal or more than nominal in amount and of whether funds are to 1422
be held for a short period or longer than a short period of time 1423
rests in the sound judgment of the particular attorney. No 1424
imputation of professional misconduct shall arise from the 1425
attorney's exercise of judgment in these matters. 1426

(B) All interest earned on funds deposited in an 1427
interest-bearing trust account established under division (A)(1) 1428
or (2) of this section shall be transmitted to the treasurer of 1429
state for deposit in the legal aid fund established under section 1430

120.52 of the Revised Code. No part of the interest earned on
funds deposited in an interest-bearing trust account established
under division (A)(1) or (2) of this section shall be paid to, or
inure to the benefit of, the attorney, the attorney's law firm or
legal professional association, the client or other person who
owns or has a beneficial ownership of the funds deposited, or any
other person other than in accordance with this section, section
4705.10, and sections 120.51 to 120.55 of the Revised Code.

(C) No liability arising out of any act or omission by any
attorney, law firm, or legal professional association with respect
to any interest-bearing trust account established under division
(A)(1) or (2) of this section shall be imputed to the depository
institution.

(D) The supreme court may adopt and enforce rules of
professional conduct that pertain to the use, by attorneys, law
firms, or legal professional associations, of interest-bearing
trust accounts established under division (A)(1) or (2) of this
section, and that pertain to the enforcement of division (A)(2) of
this section. Any rules adopted by the supreme court under this
authority shall conform to the provisions of this section, section
4705.10, and sections 120.51 to 120.55 of the Revised Code.

Sec. 4973.17. (A) Upon the application of any bank, ~~building;~~
savings and loan association, ~~;~~ credit union; or association of
banks ~~or building, savings~~ and loan associations, ~~or credit unions~~
in this state, the secretary of state may appoint and commission
any persons that the bank, ~~building;~~ savings and loan
association, ~~;~~ credit union; or association of banks ~~or building,~~
savings and loan associations, ~~or credit unions~~ designates, or as
many of those persons as the secretary of state considers proper,
to act as police officers for and on the premises of that bank,
~~building;~~ savings and loan association, ~~;~~ credit union; or

association of banks ~~or building, savings~~ and loan associations, 1462
credit unions; or elsewhere, when directly in the discharge of 1463
their duties. Police officers so appointed shall be citizens of 1464
this state and of good character. They shall hold office for three 1465
years, unless, for good cause shown, their commission is revoked 1466
by the secretary of state, or by the bank, ~~building; savings~~ and 1467
loan association, credit union; or association of banks ~~or~~ 1468
~~building, savings~~ and loan associations, or credit unions, as 1469
provided by law. 1470

(B) Upon the application of a company owning or using a 1471
railroad in this state and subject to section 4973.171 of the 1472
Revised Code, the secretary of state may appoint and commission 1473
any persons that the railroad company designates, or as many of 1474
those persons as the secretary of state considers proper, to act 1475
as police officers for and on the premises of the railroad 1476
company, its affiliates or subsidiaries, or elsewhere, when 1477
directly in the discharge of their duties. Police officers so 1478
appointed, within the time set by the Ohio peace officer training 1479
commission, shall successfully complete a commission approved 1480
training program and be certified by the commission. They shall 1481
hold office for three years, unless, for good cause shown, their 1482
commission is revoked by the secretary of state, or railroad 1483
company, as provided by law. 1484

Any person holding a similar commission in another state may 1485
be commissioned and may hold office in this state without 1486
completing the approved training program required by this division 1487
provided that the person has completed a substantially equivalent 1488
training program in the other state. The Ohio peace officer 1489
training commission shall determine whether a training program in 1490
another state meets the requirements of this division. 1491

(C) Upon the application of any company under contract with 1492
the United States atomic energy commission for the construction or 1493

operation of a plant at a site owned by the commission, the 1494
secretary of state may appoint and commission persons the company 1495
designates, not to exceed one hundred fifty, to act as police 1496
officers for the company at the plant or site owned by the 1497
commission. Police officers so appointed shall be citizens of this 1498
state and of good character. They shall hold office for three 1499
years, unless, for good cause shown, their commission is revoked 1500
by the secretary of state or by the company, as provided by law. 1501

(D)(1) Upon the application of any hospital that is operated 1502
by a public hospital agency or a nonprofit hospital agency and 1503
that employs and maintains its own proprietary police department 1504
or security department and subject to section 4973.171 of the 1505
Revised Code, the secretary of state may appoint and commission 1506
any persons that the hospital designates, or as many of those 1507
persons as the secretary of state considers proper, to act as 1508
police officers for the hospital. No person who is appointed as a 1509
police officer under this division shall engage in any duties or 1510
activities as a police officer for the hospital or any affiliate 1511
or subsidiary of the hospital unless all of the following apply: 1512

(a) The chief of police of the municipal corporation in which 1513
the hospital is located or, if the hospital is located in the 1514
unincorporated area of a county, the sheriff of that county has 1515
granted approval to the hospital to permit persons appointed as 1516
police officers under this division to engage in those duties and 1517
activities. The approval required by this division is general in 1518
nature and is intended to cover in the aggregate all persons 1519
appointed as police officers for the hospital under this division; 1520
a separate approval is not required for each appointee on an 1521
individual basis. 1522

(b) Subsequent to the grant of approval described in division 1523
(D)(1)(a) of this section, the hospital has entered into a written 1524
agreement with the chief of police of the municipal corporation in 1525

which the hospital is located or, if the hospital is located in 1526
the unincorporated area of a county, with the sheriff of that 1527
county, that sets forth the standards and criteria to govern the 1528
interaction and cooperation between persons appointed as police 1529
officers for the hospital under this division and law enforcement 1530
officers serving the agency represented by the chief of police or 1531
sheriff who signed the agreement in areas of their concurrent 1532
jurisdiction. The written agreement shall be signed by the 1533
appointing authority of the hospital and by the chief of police or 1534
sheriff. The standards and criteria may include, but are not 1535
limited to, provisions governing the reporting of offenses 1536
discovered by hospital police officers to the agency represented 1537
by the chief of police or sheriff, provisions governing 1538
investigatory responsibilities relative to offenses committed on 1539
hospital property, and provisions governing the processing and 1540
confinement of persons arrested for offenses committed on hospital 1541
property. The agreement required by this division is intended to 1542
apply in the aggregate to all persons appointed as police officers 1543
for the hospital under this division; a separate agreement is not 1544
required for each appointee on an individual basis. 1545

(c) The person has successfully completed a training program 1546
approved by the Ohio peace officer training commission and has 1547
been certified by the commission. A person appointed as a police 1548
officer under this division may attend a training program approved 1549
by the commission and be certified by the commission regardless of 1550
whether the appropriate chief of police or sheriff has granted the 1551
approval described in division (D)(1)(a) of this section and 1552
regardless of whether the hospital has entered into the written 1553
agreement described in division (D)(1)(b) of this section with the 1554
appropriate chief of police or sheriff. 1555

(2)(a) A person who is appointed as a police officer under 1556
division (D)(1) of this section is entitled, upon the grant of 1557

approval described in division (D)(1)(a) of this section and upon 1558
the person's and the hospital's compliance with the requirements 1559
of divisions (D)(1)(b) and (c) of this section, to act as a police 1560
officer for the hospital on the premises of the hospital and of 1561
its affiliates and subsidiaries that are within the territory of 1562
the municipal corporation served by the chief of police or the 1563
unincorporated area of the county served by the sheriff who signed 1564
the written agreement described in division (D)(1)(b) of this 1565
section, whichever is applicable, and anywhere else within the 1566
territory of that municipal corporation or within the 1567
unincorporated area of that county. The authority to act as a 1568
police officer as described in this division is granted only if 1569
the person, when engaging in that activity, is directly in the 1570
discharge of the person's duties as a police officer for the 1571
hospital. The authority to act as a police officer as described in 1572
this division shall be exercised in accordance with the standards 1573
and criteria set forth in the written agreement described in 1574
division (D)(1)(b) of this section. 1575

(b) Additionally, a person appointed as a police officer 1576
under division (D)(1) of this section is entitled, upon the grant 1577
of approval described in division (D)(1)(a) of this section and 1578
upon the person's and the hospital's compliance with the 1579
requirements of divisions (D)(1)(b) and (c) of this section, to 1580
act as a police officer elsewhere, within the territory of a 1581
municipal corporation or within the unincorporated area of a 1582
county, if the chief of police of that municipal corporation or 1583
the sheriff of that county, respectively, has granted approval for 1584
that activity to the hospital, police department, or security 1585
department served by the person as a police officer and if the 1586
person, when engaging in that activity, is directly in the 1587
discharge of the person's duties as a police officer for the 1588
hospital. The approval described in this division may be general 1589

in nature or may be limited in scope, duration, or applicability, 1590
as determined by the chief of police or sheriff granting the 1591
approval. 1592

(3) Police officers appointed under division (D)(1) of this 1593
section shall hold office for three years, unless, for good cause 1594
shown, their commission is revoked by the secretary of state or by 1595
the hospital, as provided by law. As used in divisions (D)(1) to 1596
(3) of this section, "public hospital agency" and "nonprofit 1597
hospital agency" have the same meanings as in section 140.01 of 1598
the Revised Code. 1599

(E) A fee of fifteen dollars for each commission applied for 1600
under this section shall be paid at the time the application is 1601
made, and this amount shall be returned if for any reason a 1602
commission is not issued. 1603

Section 2. That existing sections 119.01, 1733.01, 1733.04, 1604
1733.05, 1733.16, 1733.22, 1733.24, 1733.25, 1733.29, 1733.30, 1605
1733.31, 1733.32, 1733.33, 1733.37, 1733.38, 1733.412, 1733.44, 1606
2101.161, 2105.31, 2109.13, 2109.372, 2109.41, 4705.09, and 1607
4973.17 and section 1733.251 of the Revised Code are hereby 1608
repealed. 1609

Section 3. Section 119.01 of the Revised Code is presented in 1610
this act as a composite of the section as amended by both Sub. 1611
H.B. 386 and Am. Sub. S.B. 138 of the 124th General Assembly. 1612
Section 135.14 of the Revised Code is presented in this act as a 1613
composite of the section as amended by both Sub. H.B. 473 and Am. 1614
Sub. H.B. 640 of the 123rd General Assembly. The General Assembly, 1615
applying the principle stated in division (B) of section 1.52 of 1616
the Revised Code that amendments are to be harmonized if 1617
reasonably capable of simultaneous operation, finds that the 1618
composites are the resulting versions of the sections in effect 1619
prior to the effective date of the sections as presented in this 1620

act .

1621