

**As Introduced**

**126th General Assembly  
Regular Session  
2005-2006**

**S. B. No. 125**

**Senator Schuring**

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**A BILL**

To amend section 2151.655 and to enact section 1  
133.152 of the Revised Code to authorize joint 2  
county juvenile detention facility districts to 3  
enter into agreements with the several boards of 4  
county commissioners providing for the financing 5  
of juvenile detention facility improvements. 6

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

**Section 1.** That section 2151.655 be amended and section 7  
133.152 of the Revised Code be enacted to read as follows: 8

**Sec. 133.152.** (A) The taxing authority of a detention 9  
facility district, of a district organized under section 2151.65 10  
of the Revised Code, or of a combined district organized under 11  
sections 2152.41 and 2151.65 of the Revised Code that has entered 12  
into an agreement under division (C) of section 2151.655 of the 13  
Revised Code may issue self-supporting securities to pay the cost 14  
of permanent improvements of the district. Costs of permanent 15  
improvements that may be financed with, and paid from the proceeds 16  
of, self-supporting securities issued under this section include, 17  
without limitation as to other costs properly allocable to the 18  
permanent improvements, the costs of: acquiring, constructing, 19  
reconstructing, rehabilitating, installing, remodeling, 20

renovating, enlarging, equipping, furnishing, or otherwise 21  
improving permanent improvements; site clearance, improvement, and 22  
preparation; acquisition of real or personal property; indemnity 23  
and surety bonds and premiums on insurance; all related direct 24  
administrative expenses and allocable portions of direct costs of 25  
the taxing authority; engineering, architectural, legal, and other 26  
consulting and professional services; designs, plans, 27  
specifications, feasibility or rate studies, appraisals, surveys, 28  
and estimates of cost; interest or interest equivalent on the 29  
securities, whether capitalized or not; financing costs; title 30  
work and title commitment, insurance, and guaranties; amounts 31  
necessary to establish any debt service reserve or other reserves 32  
as required by the proceedings for the securities; audits; the 33  
reimbursement of moneys advanced or applied by or borrowed from 34  
any person, whether to or by the taxing authority or others, from 35  
whatever source provided, for the payment of any item or items of 36  
cost of the permanent improvements; and all other expenses 37  
necessary or incidental to planning or determining feasibility or 38  
practicability with respect to permanent improvements or necessary 39  
or incidental to the acquisition, construction, reconstruction, 40  
rehabilitation, installation, remodeling, renovation, enlargement, 41  
equipping, furnishing, or other improvement of the permanent 42  
improvements, the financing of the permanent improvements, and the 43  
placing of the permanent improvements in condition for use and 44  
operation, and all like or related costs, including any one, part, 45  
or combination of, or the taxing authority's share of, those costs 46  
and expenses. 47

The total of the principal of and interest on all securities 48  
issued by the taxing authority of a district under this section 49  
and outstanding at any time shall not exceed such an amount that 50  
the debt charges on the outstanding securities due in any fiscal 51  
year exceed three per cent of the operating expenses of the 52

district for that year.

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(B) Self-supporting securities issued under this section are  
not general obligations of the district or of the counties  
composing the district. Self-supporting securities issued under  
this section shall be secured by a pledge of and a lien on the  
payments due from counties under the agreement entered into under  
division (C) of section 2151.655 of the Revised Code or the  
revenue, if any, of the district derived from ownership or  
operation of the district's permanent improvements, including  
rates, charges, or rents. If any such rates, charges, or rents are  
levied, the securities shall further be secured by covenants of  
the taxing authority to maintain sufficient rates, charges, or  
rents to pay debt charges on the securities to the extent those  
debt charges are not payable from other funds of the district or  
to the extent other funds of the district are not pledged to the  
payment of the debt charges. If any securities are issued to fund  
or refund any self-supporting securities issued under this  
section, the self-supporting securities shall be secured by a  
pledge of and lien on the proceeds of such funding or refunding  
securities.

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(C) A joint board of county commissioners issuing  
self-supporting securities under this section shall do so by  
resolution, and such resolution shall set forth the terms of the  
securities, the date of the securities, the amount to be issued,  
and the maximum rate of interest. The securities shall mature at  
such times not exceeding the maximum limits specified for general  
obligations in section 133.20 of the Revised Code, and shall be  
executed in such manner as the resolution provides. The securities  
shall be negotiable, bear interest at such rate or rates, be in  
such denominations, be in such form, carry such registration  
privileges, be payable in such medium of payment at such place or  
places, and be subject to such terms of redemption as the taxing

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authority may authorize. The securities may be sold at public or 85  
private sale. 86

(D) Self-supporting securities issued under this section, 87  
their transfer, and any income therefrom, including any profit 88  
made on the sale thereof, shall at all times be free from taxation 89  
within the state. 90

**Sec. 2151.655.** (A) The taxing authority of a county may issue 91  
general obligation securities of the county under Chapter 133. of 92  
the Revised Code to pay such county's share, either separately or 93  
as a part of a district, of the cost of acquiring schools, 94  
detention facilities, forestry camps, or other facilities, or any 95  
combination thereof, under section 2152.41 or 2151.65 of the 96  
Revised Code, or of acquiring sites for and constructing, 97  
enlarging, or otherwise improving such schools, detention 98  
facilities, forestry camps, other facilities, or combinations 99  
thereof. 100

(B) The joint board of county commissioners, as the taxing 101  
authority of a detention facility district, or a district 102  
organized under section 2151.65 of the Revised Code, or of a 103  
combined district organized under sections 2152.41 and 2151.65 of 104  
the Revised Code, may submit to the electors of the district the 105  
question of issuing general obligation bonds of the district to 106  
pay the cost of acquiring, constructing, enlarging, or otherwise 107  
improving sites, buildings, and facilities for any purposes for 108  
which the district was organized. The election on such question 109  
shall be submitted and held under section 133.18 of the Revised 110  
Code. 111

(C)(1) To pay the cost of permanent improvements of the 112  
district, the board of trustees of a detention facility district, 113  
of a district organized under section 2151.65 of the Revised Code, 114  
or of a combined district organized under sections 2152.41 and 115

2151.65 of the Revised Code may enter into an agreement with the  
several boards of county commissioners constituting the joint  
board of county commissioners. The agreement shall provide for  
each such board of county commissioners to pay the district a  
share of such costs for a stated term from the proceeds of a tax  
levied by the board under division (F) or (R) of section 5705.19  
of the Revised Code or from funds of the county otherwise lawfully  
available to pay the county's share of the costs of the district's  
permanent improvements. County shares shall be allocated on the  
basis prescribed in the agreement, which may include an allocation  
in proportion to the taxable value of each county or in proportion  
to the number of children from each county who are maintained in  
district facilities.

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More than one agreement may be entered into under this  
division with respect to a district, and more than one agreement  
may exist at the same time with respect to a district. An  
agreement entered into under this division may be amended if the  
amendment is mutually agreed to by the board of trustees of the  
district and the several boards of county commissioners  
constituting the joint board of county commissioners.

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If a board of county commissioners withdraws from the  
district before the end of the term of the agreement, the board  
shall be required to make payments as required in the agreement  
until all debt charges or loan repayments for which such payments  
are pledged are paid in full, unless the board of trustees agrees  
otherwise.

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(2) In any such district where the board of trustees has  
entered into an agreement under division (C)(1) of this section,  
the joint board of county commissioners, as the taxing authority  
of a district, may issue self-supporting securities of the  
district under section 133.152 of the Revised Code for the purpose  
of paying the cost of permanent improvements of the district. If

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such securities are issued, the term of an agreement shall be for 148  
no fewer years than the maximum maturity of securities secured by 149  
a pledge of payments made under the agreement. 150

(3) In any such district where the board of trustees has 151  
entered into an agreement under division (C)(1) of this section, 152  
the joint board of county commissioners, as the taxing authority 153  
of a district, may obtain loans from a financial institution to be 154  
repaid from amounts to be paid to the district under the agreement 155  
by the boards of county commissioners constituting the joint board 156  
of county commissioners. 157

**Section 2.** That existing section 2151.655 of the Revised Code 158  
is hereby repealed. 159