

**As Passed by the House**

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

**S. B. No. 125**

**Senators Schuring, Amstutz, Carey, Niehaus, Dann, Hagan  
Representatives Wolpert, Domenick, Williams, Bulp, Aslanides, Combs,  
Daniels, McGregor, J., Barrett, Blessing, Book, Carano, Cassell, Chandler,  
DeBose, Evans, C., Evans, D., Gibbs, Hagan, Healy, Otterman, Patton, T.,  
Perry, Reidelbach, Sayre, Seitz, Willamowski**

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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,  
without limitation as to other costs properly allocable to the  
permanent improvements, the costs of: acquiring, constructing,  
reconstructing, rehabilitating, installing, remodeling,  
renovating, enlarging, equipping, furnishing, or otherwise  
improving permanent improvements; site clearance, improvement, and  
preparation; acquisition of real or personal property; indemnity  
and surety bonds and premiums on insurance; all related direct  
administrative expenses and allocable portions of direct costs of  
the taxing authority; engineering, architectural, legal, and other  
consulting and professional services; designs, plans,  
specifications, feasibility or rate studies, appraisals, surveys,  
and estimates of cost; interest or interest equivalent on the  
securities, whether capitalized or not; financing costs; title  
work and title commitment, insurance, and guaranties; amounts  
necessary to establish any debt service reserve or other reserves  
as required by the proceedings for the securities; audits; the  
reimbursement of moneys advanced or applied by or borrowed from  
any person, whether to or by the taxing authority or others, from  
whatever source provided, for the payment of any item or items of  
cost of the permanent improvements; and all other expenses  
necessary or incidental to planning or determining feasibility or  
practicability with respect to permanent improvements or necessary  
or incidental to the acquisition, construction, reconstruction,  
rehabilitation, installation, remodeling, renovation, enlargement,  
equipping, furnishing, or other improvement of the permanent  
improvements, the financing of the permanent improvements, and the  
placing of the permanent improvements in condition for use and  
operation, and all like or related costs, including any one, part,  
or combination of, or the taxing authority's share of, those costs  
and expenses.

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The total of the principal of and interest on all securities

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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. 53

(B) Self-supporting securities issued under this section are 54  
not general obligations of the district or of the counties 55  
composing the district. Self-supporting securities issued under 56  
this section shall be secured by a pledge of and a lien on the 57  
payments due from counties under the agreement entered into under 58  
division (C) of section 2151.655 of the Revised Code or the 59  
revenue, if any, of the district derived from ownership or 60  
operation of the district's permanent improvements, including 61  
rates, charges, or rents. If any such rates, charges, or rents are 62  
levied, the securities shall further be secured by covenants of 63  
the taxing authority to maintain sufficient rates, charges, or 64  
rents to pay debt charges on the securities to the extent those 65  
debt charges are not payable from other funds of the district or 66  
to the extent other funds of the district are not pledged to the 67  
payment of the debt charges. If any securities are issued to fund 68  
or refund any self-supporting securities issued under this 69  
section, the self-supporting securities shall be secured by a 70  
pledge of and lien on the proceeds of such funding or refunding 71  
securities. 72

(C) A joint board of county commissioners issuing 73  
self-supporting securities under this section shall do so by 74  
resolution, and such resolution shall set forth the terms of the 75  
securities, the date of the securities, the amount to be issued, 76  
and the maximum rate of interest. The securities shall mature at 77  
such times not exceeding the maximum limits specified for general 78  
obligations in section 133.20 of the Revised Code, and shall be 79  
executed in such manner as the resolution provides. The securities 80

shall be negotiable, bear interest at such rate or rates, be in 81  
such denominations, be in such form, carry such registration 82  
privileges, be payable in such medium of payment at such place or 83  
places, and be subject to such terms of redemption as the taxing 84  
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 district, the board of trustees of a detention facility district, of a district organized under section 2151.65 of the Revised Code, or of a combined district organized under sections 2152.41 and 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.

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.

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.

(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 144  
of a district, may issue self-supporting securities of the 145  
district under section 133.152 of the Revised Code for the purpose 146  
of paying the cost of permanent improvements of the district. If 147  
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