

As Passed by the Senate

126th General Assembly
Regular Session
2005-2006

S. B. No. 125

Senators Schuring, Amstutz, Carey, Niehaus, Dann, Hagan

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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