

As Introduced

**128th General Assembly
Regular Session
2009-2010**

S. B. No. 1

Senator Hughes

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A B I L L

To amend sections 133.52, 151.01, 151.09, and 151.40 1
of the Revised Code and to amend Sections 217.10, 2
217.11, 239.10, 241.10, 243.10, and 243.11 of Am. 3
Sub. H.B. 562 of the 127th General Assembly to 4
implement the additional debt authority for 5
conservation and revitalization programs provided 6
by Section 2q of Article VIII of the Ohio 7
Constitution, to authorize the issuance of that 8
debt, to make new appropriations for the purpose 9
of continuing programs established by Am. Sub. 10
H.B. 554 of the 127th General Assembly, the 11
Bipartisan Job Stimulus Act, and to declare an 12
emergency. 13

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

Section 1. That sections 133.52, 151.01, 151.09, and 151.40 14
of the Revised Code be amended to read as follows: 15

Sec. 133.52. A county, municipal corporation, or township may 16
issue or incur public obligations, including general obligations, 17
to provide, or assist in providing, grants, loans, loan 18
guarantees, or contributions for conservation and revitalization 19
purposes pursuant to ~~Section~~ Sections 2o and 2q of Article VIII, 20

Ohio Constitution. 21

Sec. 151.01. (A) As used in sections 151.01 to 151.11 and 22
151.40 of the Revised Code and in the applicable bond proceedings 23
unless otherwise provided: 24

(1) "Bond proceedings" means the resolutions, orders, 25
agreements, and credit enhancement facilities, and amendments and 26
supplements to them, or any one or more or combination of them, 27
authorizing, awarding, or providing for the terms and conditions 28
applicable to or providing for the security or liquidity of, the 29
particular obligations, and the provisions contained in those 30
obligations. 31

(2) "Bond service fund" means the respective bond service 32
fund created by section 151.03, 151.04, 151.05, 151.06, 151.07, 33
151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised Code, and 34
any accounts in that fund, including all moneys and investments, 35
and earnings from investments, credited and to be credited to that 36
fund and accounts as and to the extent provided in the applicable 37
bond proceedings. 38

(3) "Capital facilities" means capital facilities or projects 39
as referred to in section 151.03, 151.04, 151.05, 151.06, 151.07, 40
151.08, 151.09, 151.10, 151.11, or 151.40 of the Revised Code. 41

(4) "Costs of capital facilities" means the costs of 42
acquiring, constructing, reconstructing, rehabilitating, 43
remodeling, renovating, enlarging, improving, equipping, or 44
furnishing capital facilities, and of the financing of those 45
costs. "Costs of capital facilities" includes, without limitation, 46
and in addition to costs referred to in section 151.03, 151.04, 47
151.05, 151.06, 151.07, 151.08, 151.09, 151.10, 151.11, or 151.40 48
of the Revised Code, the cost of clearance and preparation of the 49
site and of any land to be used in connection with capital 50
facilities, the cost of any indemnity and surety bonds and 51

premiums on insurance, all related direct administrative expenses 52
and allocable portions of direct costs of the issuing authority, 53
costs of engineering and architectural services, designs, plans, 54
specifications, surveys, and estimates of cost, financing costs, 55
interest on obligations from their date to the time when interest 56
is to be paid from sources other than proceeds of obligations, 57
amounts necessary to establish any reserves as required by the 58
bond proceedings, the reimbursement of all moneys advanced or 59
applied by or borrowed from any person or governmental agency or 60
entity for the payment of any item of costs of capital facilities, 61
and all other expenses necessary or incident to planning or 62
determining feasibility or practicability with respect to capital 63
facilities, and such other expenses as may be necessary or 64
incident to the acquisition, construction, reconstruction, 65
rehabilitation, remodeling, renovation, enlargement, improvement, 66
equipment, and furnishing of capital facilities, the financing of 67
those costs, and the placing of the capital facilities in use and 68
operation, including any one, part of, or combination of those 69
classes of costs and expenses. For purposes of sections 122.085 to 70
122.0820 of the Revised Code, "costs of capital facilities" 71
includes "allowable costs" as defined in section 122.085 of the 72
Revised Code. 73

(5) "Credit enhancement facilities," "financing costs," and 74
"interest" or "interest equivalent" have the same meanings as in 75
section 133.01 of the Revised Code. 76

(6) "Debt service" means principal, including any mandatory 77
sinking fund or redemption requirements for retirement of 78
obligations, interest and other accreted amounts, interest 79
equivalent, and any redemption premium, payable on obligations. If 80
not prohibited by the applicable bond proceedings, debt service 81
may include costs relating to credit enhancement facilities that 82
are related to and represent, or are intended to provide a source 83

of payment of or limitation on, other debt service. 84

(7) "Issuing authority" means the Ohio public facilities 85
commission created in section 151.02 of the Revised Code for 86
obligations issued under section 151.03, 151.04, 151.05, 151.07, 87
151.08, 151.09, 151.10, or 151.11 of the Revised Code, or the 88
treasurer of state, or the officer who by law performs the 89
functions of that office, for obligations issued under section 90
151.06 or 151.40 of the Revised Code. 91

(8) "Net proceeds" means amounts received from the sale of 92
obligations, excluding amounts used to refund or retire 93
outstanding obligations, amounts required to be deposited into 94
special funds pursuant to the applicable bond proceedings, and 95
amounts to be used to pay financing costs. 96

(9) "Obligations" means bonds, notes, or other evidences of 97
obligation of the state, including any appertaining interest 98
coupons, issued under Section 2k, 2l, 2m, 2n, 2o, 2p, 2q, or 15 of 99
Article VIII, Ohio Constitution, and pursuant to sections 151.01 100
to 151.11 or 151.40 of the Revised Code or other general assembly 101
authorization. 102

(10) "Principal amount" means the aggregate of the amount as 103
stated or provided for in the applicable bond proceedings as the 104
amount on which interest or interest equivalent on particular 105
obligations is initially calculated. Principal amount does not 106
include any premium paid to the state by the initial purchaser of 107
the obligations. "Principal amount" of a capital appreciation 108
bond, as defined in division (C) of section 3334.01 of the Revised 109
Code, means its face amount, and "principal amount" of a zero 110
coupon bond, as defined in division (J) of section 3334.01 of the 111
Revised Code, means the discounted offering price at which the 112
bond is initially sold to the public, disregarding any purchase 113
price discount to the original purchaser, if provided for pursuant 114
to the bond proceedings. 115

(11) "Special funds" or "funds," unless the context indicates otherwise, means the bond service fund, and any other funds, including any reserve funds, created under the bond proceedings and stated to be special funds in those proceedings, including moneys and investments, and earnings from investments, credited and to be credited to the particular fund. Special funds do not include the school building program assistance fund created by section 3318.25 of the Revised Code, the higher education improvement fund created by division (F) of section 154.21 of the Revised Code, the highway capital improvement bond fund created by section 5528.53 of the Revised Code, the state parks and natural resources fund created by section 1557.02 of the Revised Code, the coal research and development fund created by section 1555.15 of the Revised Code, the clean Ohio conservation fund created by section 164.27 of the Revised Code, the clean Ohio revitalization fund created by section 122.658 of the Revised Code, the job ready site development fund created by section 122.0820 of the Revised Code, the third frontier research and development fund created by section 184.19 of the Revised Code, the third frontier research and development taxable bond fund created by section 184.191 of the Revised Code, or other funds created by the bond proceedings that are not stated by those proceedings to be special funds.

(B) Subject to Section 21, 2m, 2n, 2o, 2p, 2q, or 15, and Section 17, of Article VIII, Ohio Constitution, the state, by the issuing authority, is authorized to issue and sell, as provided in sections 151.03 to 151.11 or 151.40 of the Revised Code, and in respective aggregate principal amounts as from time to time provided or authorized by the general assembly, general obligations of this state for the purpose of paying costs of capital facilities or projects identified by or pursuant to general assembly action.

(C) Each issue of obligations shall be authorized by

resolution or order of the issuing authority. The bond proceedings 148
shall provide for or authorize the manner for determining the 149
principal amount or maximum principal amount of obligations of an 150
issue, the principal maturity or maturities, the interest rate or 151
rates, the date of and the dates of payment of interest on the 152
obligations, their denominations, and the place or places of 153
payment of debt service which may be within or outside the state. 154
Unless otherwise provided by law, the latest principal maturity 155
may not be later than the earlier of the thirty-first day of 156
December of the twenty-fifth calendar year after the year of 157
issuance of the particular obligations or of the twenty-fifth 158
calendar year after the year in which the original obligation to 159
pay was issued or entered into. Sections 9.96, 9.98, 9.981, 9.982, 160
and 9.983 of the Revised Code apply to obligations. The purpose of 161
the obligations may be stated in the bond proceedings in general 162
terms, such as, as applicable, "financing or assisting in the 163
financing of projects as provided in Section 2l of Article VIII, 164
Ohio Constitution," "financing or assisting in the financing of 165
highway capital improvement projects as provided in Section 2m of 166
Article VIII, Ohio Constitution," "paying costs of capital 167
facilities for a system of common schools throughout the state as 168
authorized by Section 2n of Article VIII, Ohio Constitution," 169
"paying costs of capital facilities for state-supported and 170
state-assisted institutions of higher education as authorized by 171
Section 2n of Article VIII, Ohio Constitution," "paying costs of 172
coal research and development as authorized by Section 15 of 173
Article VIII, Ohio Constitution," "financing or assisting in the 174
financing of local subdivision capital improvement projects as 175
authorized by Section 2m of Article VIII, Ohio Constitution," 176
"paying costs of conservation projects as authorized by ~~Section~~ 177
Sections 2o and 2q of Article VIII, Ohio Constitution," "paying 178
costs of revitalization projects as authorized by ~~Section~~ Sections 179
2o and 2q of Article VIII, Ohio Constitution," "paying costs of 180

preparing sites for industry, commerce, distribution, or research 181
and development as authorized by Section 2p of Article VIII, Ohio 182
Constitution," or "paying costs of research and development as 183
authorized by Section 2p of Article VIII, Ohio Constitution." 184

(D) The issuing authority may appoint or provide for the 185
appointment of paying agents, bond registrars, securities 186
depositories, clearing corporations, and transfer agents, and may 187
without need for any other approval retain or contract for the 188
services of underwriters, investment bankers, financial advisers, 189
accounting experts, marketing, remarketing, indexing, and 190
administrative agents, other consultants, and independent 191
contractors, including printing services, as are necessary in the 192
judgment of the issuing authority to carry out the issuing 193
authority's functions under this chapter. When the issuing 194
authority is the Ohio public facilities commission, the issuing 195
authority also may without need for any other approval retain or 196
contract for the services of attorneys and other professionals for 197
that purpose. Financing costs are payable, as may be provided in 198
the bond proceedings, from the proceeds of the obligations, from 199
special funds, or from other moneys available for the purpose. 200

(E) The bond proceedings may contain additional provisions 201
customary or appropriate to the financing or to the obligations or 202
to particular obligations including, but not limited to, 203
provisions for: 204

(1) The redemption of obligations prior to maturity at the 205
option of the state or of the holder or upon the occurrence of 206
certain conditions, and at particular price or prices and under 207
particular terms and conditions; 208

(2) The form of and other terms of the obligations; 209

(3) The establishment, deposit, investment, and application 210
of special funds, and the safeguarding of moneys on hand or on 211

deposit, in lieu of the applicability of provisions of Chapter 212
131. or 135. of the Revised Code, but subject to any special 213
provisions of sections 151.01 to 151.11 or 151.40 of the Revised 214
Code with respect to the application of particular funds or 215
moneys. Any financial institution that acts as a depository of any 216
moneys in special funds or other funds under the bond proceedings 217
may furnish indemnifying bonds or pledge securities as required by 218
the issuing authority. 219

(4) Any or every provision of the bond proceedings being 220
binding upon the issuing authority and upon such governmental 221
agency or entity, officer, board, commission, authority, agency, 222
department, institution, district, or other person or body as may 223
from time to time be authorized to take actions as may be 224
necessary to perform all or any part of the duty required by the 225
provision; 226

(5) The maintenance of each pledge or instrument comprising 227
part of the bond proceedings until the state has fully paid or 228
provided for the payment of the debt service on the obligations or 229
met other stated conditions; 230

(6) In the event of default in any payments required to be 231
made by the bond proceedings, or by any other agreement of the 232
issuing authority made as part of a contract under which the 233
obligations were issued or secured, including a credit enhancement 234
facility, the enforcement of those payments by mandamus, a suit in 235
equity, an action at law, or any combination of those remedial 236
actions; 237

(7) The rights and remedies of the holders or owners of 238
obligations or of book-entry interests in them, and of third 239
parties under any credit enhancement facility, and provisions for 240
protecting and enforcing those rights and remedies, including 241
limitations on rights of individual holders or owners; 242

(8) The replacement of mutilated, destroyed, lost, or stolen obligations;	243 244
(9) The funding, refunding, or advance refunding, or other provision for payment, of obligations that will then no longer be outstanding for purposes of this section or of the applicable bond proceedings;	245 246 247 248
(10) Amendment of the bond proceedings;	249
(11) Any other or additional agreements with the owners of obligations, and such other provisions as the issuing authority determines, including limitations, conditions, or qualifications, relating to any of the foregoing.	250 251 252 253
(F) The great seal of the state or a facsimile of it may be affixed to or printed on the obligations. The obligations requiring execution by or for the issuing authority shall be signed as provided in the bond proceedings. Any obligations may be signed by the individual who on the date of execution is the authorized signer although on the date of these obligations that individual is not an authorized signer. In case the individual whose signature or facsimile signature appears on any obligation ceases to be an authorized signer before delivery of the obligation, that signature or facsimile is nevertheless valid and sufficient for all purposes as if that individual had remained the authorized signer until delivery.	254 255 256 257 258 259 260 261 262 263 264 265
(G) Obligations are investment securities under Chapter 1308. of the Revised Code. Obligations may be issued in bearer or in registered form, registrable as to principal alone or as to both principal and interest, or both, or in certificated or uncertificated form, as the issuing authority determines. Provision may be made for the exchange, conversion, or transfer of obligations and for reasonable charges for registration, exchange, conversion, and transfer. Pending preparation of final	266 267 268 269 270 271 272 273

obligations, the issuing authority may provide for the issuance of 274
interim instruments to be exchanged for the final obligations. 275

(H) Obligations may be sold at public sale or at private 276
sale, in such manner, and at such price at, above or below par, 277
all as determined by and provided by the issuing authority in the 278
bond proceedings. 279

(I) Except to the extent that rights are restricted by the 280
bond proceedings, any owner of obligations or provider of a credit 281
enhancement facility may by any suitable form of legal proceedings 282
protect and enforce any rights relating to obligations or that 283
facility under the laws of this state or granted by the bond 284
proceedings. Those rights include the right to compel the 285
performance of all applicable duties of the issuing authority and 286
the state. Each duty of the issuing authority and that authority's 287
officers, staff, and employees, and of each state entity or 288
agency, or using district or using institution, and its officers, 289
members, staff, or employees, undertaken pursuant to the bond 290
proceedings, is hereby established as a duty of the entity or 291
individual having authority to perform that duty, specifically 292
enjoined by law and resulting from an office, trust, or station 293
within the meaning of section 2731.01 of the Revised Code. The 294
individuals who are from time to time the issuing authority, 295
members or officers of the issuing authority, or those members' 296
designees acting pursuant to section 151.02 of the Revised Code, 297
or the issuing authority's officers, staff, or employees, are not 298
liable in their personal capacities on any obligations or 299
otherwise under the bond proceedings. 300

(J)(1) Subject to Section 2k, 2l, 2m, 2n, 2o, 2p, 2q, or 15, 301
and Section 17, of Article VIII, Ohio Constitution and sections 302
151.01 to 151.11 or 151.40 of the Revised Code, the issuing 303
authority may, in addition to the authority referred to in 304
division (B) of this section, authorize and provide for the 305

issuance of: 306

(a) Obligations in the form of bond anticipation notes, and 307
may provide for the renewal of those notes from time to time by 308
the issuance of new notes. The holders of notes or appertaining 309
interest coupons have the right to have debt service on those 310
notes paid solely from the moneys and special funds that are or 311
may be pledged to that payment, including the proceeds of bonds or 312
renewal notes or both, as the issuing authority provides in the 313
bond proceedings authorizing the notes. Notes may be additionally 314
secured by covenants of the issuing authority to the effect that 315
the issuing authority and the state will do all things necessary 316
for the issuance of bonds or renewal notes in such principal 317
amount and upon such terms as may be necessary to provide moneys 318
to pay when due the debt service on the notes, and apply their 319
proceeds to the extent necessary, to make full and timely payment 320
of debt service on the notes as provided in the applicable bond 321
proceedings. In the bond proceedings authorizing the issuance of 322
bond anticipation notes the issuing authority shall set forth for 323
the bonds anticipated an estimated schedule of annual principal 324
payments the latest of which shall be no later than provided in 325
division (C) of this section. While the notes are outstanding 326
there shall be deposited, as shall be provided in the bond 327
proceedings for those notes, from the sources authorized for 328
payment of debt service on the bonds, amounts sufficient to pay 329
the principal of the bonds anticipated as set forth in that 330
estimated schedule during the time the notes are outstanding, 331
which amounts shall be used solely to pay the principal of those 332
notes or of the bonds anticipated. 333

(b) Obligations for the refunding, including funding and 334
retirement, and advance refunding with or without payment or 335
redemption prior to maturity, of any obligations previously 336
issued. Refunding obligations may be issued in amounts sufficient 337

to pay or to provide for repayment of the principal amount, 338
including principal amounts maturing prior to the redemption of 339
the remaining prior obligations, any redemption premium, and 340
interest accrued or to accrue to the maturity or redemption date 341
or dates, payable on the prior obligations, and related financing 342
costs and any expenses incurred or to be incurred in connection 343
with that issuance and refunding. Subject to the applicable bond 344
proceedings, the portion of the proceeds of the sale of refunding 345
obligations issued under division (J)(1)(b) of this section to be 346
applied to debt service on the prior obligations shall be credited 347
to an appropriate separate account in the bond service fund and 348
held in trust for the purpose by the issuing authority or by a 349
corporate trustee. Obligations authorized under this division 350
shall be considered to be issued for those purposes for which the 351
prior obligations were issued. 352

(2) Except as otherwise provided in sections 151.01 to 151.11 353
or 151.40 of the Revised Code, bonds or notes authorized pursuant 354
to division (J) of this section are subject to the provisions of 355
those sections pertaining to obligations generally. 356

(3) The principal amount of refunding or renewal obligations 357
issued pursuant to division (J) of this section shall be in 358
addition to the amount authorized by the general assembly as 359
referred to in division (B) of the following sections: section 360
151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, 151.10, 361
151.11, or 151.40 of the Revised Code. 362

(K) Obligations are lawful investments for banks, savings and 363
loan associations, credit union share guaranty corporations, trust 364
companies, trustees, fiduciaries, insurance companies, including 365
domestic for life and domestic not for life, trustees or other 366
officers having charge of sinking and bond retirement or other 367
special funds of the state and political subdivisions and taxing 368
districts of this state, the sinking fund, the administrator of 369

workers' compensation subject to the approval of the workers' 370
compensation board, the state teachers retirement system, the 371
public employees retirement system, the school employees 372
retirement system, and the Ohio police and fire pension fund, 373
notwithstanding any other provisions of the Revised Code or rules 374
adopted pursuant to those provisions by any state agency with 375
respect to investments by them, and are also acceptable as 376
security for the repayment of the deposit of public moneys. The 377
exemptions from taxation in Ohio as provided for in particular 378
sections of the Ohio Constitution and section 5709.76 of the 379
Revised Code apply to the obligations. 380

(L)(1) Unless otherwise provided or provided for in any 381
applicable bond proceedings, moneys to the credit of or in a 382
special fund shall be disbursed on the order of the issuing 383
authority. No such order is required for the payment, from the 384
bond service fund or other special fund, when due of debt service 385
or required payments under credit enhancement facilities. 386

(2) Payments received by the state under interest rate hedges 387
entered into as credit enhancement facilities under this chapter 388
shall be deposited to the credit of the bond service fund for the 389
obligations to which those credit enhancement facilities relate. 390

(M) The full faith and credit, revenue, and taxing power of 391
the state are and shall be pledged to the timely payment of debt 392
service on outstanding obligations as it comes due, all in 393
accordance with Section 2k, 2l, 2m, 2n, 2o, 2p, 2q, or 15 of 394
Article VIII, Ohio Constitution, and section 151.03, 151.04, 395
151.05, 151.06, 151.07, 151.08, 151.09, 151.10, or 151.11 of the 396
Revised Code. Moneys referred to in Section 5a of Article XII, 397
Ohio Constitution, may not be pledged or used for the payment of 398
debt service except on obligations referred to in section 151.06 399
of the Revised Code. Net state lottery proceeds, as provided for 400
and referred to in section 3770.06 of the Revised Code, may not be 401

pledged or used for the payment of debt service except on 402
obligations referred to in section 151.03 of the Revised Code. The 403
state covenants, and that covenant shall be controlling 404
notwithstanding any other provision of law, that the state and the 405
applicable officers and agencies of the state, including the 406
general assembly, shall, so long as any obligations are 407
outstanding in accordance with their terms, maintain statutory 408
authority for and cause to be levied, collected and applied 409
sufficient pledged excises, taxes, and revenues of the state so 410
that the revenues shall be sufficient in amounts to pay debt 411
service when due, to establish and maintain any reserves and other 412
requirements, and to pay financing costs, including costs of or 413
relating to credit enhancement facilities, all as provided for in 414
the bond proceedings. Those excises, taxes, and revenues are and 415
shall be deemed to be levied and collected, in addition to the 416
purposes otherwise provided for by law, to provide for the payment 417
of debt service and financing costs in accordance with sections 418
151.01 to 151.11 of the Revised Code and the bond proceedings. 419

(N) The general assembly may from time to time repeal or 420
reduce any excise, tax, or other source of revenue pledged to the 421
payment of the debt service pursuant to Section 2k, 2l, 2m, 2n, 422
2o, 2p, 2q, or 15 of Article VIII, Ohio Constitution, and sections 423
151.01 to 151.11 or 151.40 of the Revised Code, and may levy, 424
collect and apply any new or increased excise, tax, or revenue to 425
meet the pledge, to the payment of debt service on outstanding 426
obligations, of the state's full faith and credit, revenue and 427
taxing power, or of designated revenues and receipts, except fees, 428
excises or taxes referred to in Section 5a of Article XII, Ohio 429
Constitution, for other than obligations referred to in section 430
151.06 of the Revised Code and except net state lottery proceeds 431
for other than obligations referred to in section 151.03 of the 432
Revised Code. Nothing in division (N) of this section authorizes 433
any impairment of the obligation of this state to levy and collect 434

sufficient excises, taxes, and revenues to pay debt service on 435
obligations outstanding in accordance with their terms. 436

(O) Each bond service fund is a trust fund and is hereby 437
pledged to the payment of debt service on the applicable 438
obligations. Payment of that debt service shall be made or 439
provided for by the issuing authority in accordance with the bond 440
proceedings without necessity for any act of appropriation. The 441
bond proceedings may provide for the establishment of separate 442
accounts in the bond service fund and for the application of those 443
accounts only to debt service on specific obligations, and for 444
other accounts in the bond service fund within the general 445
purposes of that fund. 446

(P) Subject to the bond proceedings pertaining to any 447
obligations then outstanding in accordance with their terms, the 448
issuing authority may in the bond proceedings pledge all, or such 449
portion as the issuing authority determines, of the moneys in the 450
bond service fund to the payment of debt service on particular 451
obligations, and for the establishment and maintenance of any 452
reserves for payment of particular debt service. 453

(Q) The issuing authority shall by the fifteenth day of July 454
of each fiscal year, certify or cause to be certified to the 455
office of budget and management the total amount of moneys 456
required during the current fiscal year to meet in full all debt 457
service on the respective obligations and any related financing 458
costs payable from the applicable bond service fund and not from 459
the proceeds of refunding or renewal obligations. The issuing 460
authority shall make or cause to be made supplemental 461
certifications to the office of budget and management for each 462
debt service payment date and at such other times during each 463
fiscal year as may be provided in the bond proceedings or 464
requested by that office. Debt service, costs of credit 465
enhancement facilities, and other financing costs shall be set 466

forth separately in each certification. If and so long as the 467
moneys to the credit of the bond service fund, together with any 468
other moneys available for the purpose, are insufficient to meet 469
in full all payments when due of the amount required as stated in 470
the certificate or otherwise, the office of budget and management 471
shall at the times as provided in the bond proceedings, and 472
consistent with any particular provisions in sections 151.03 to 473
151.11 and 151.40 of the Revised Code, transfer a sufficient 474
amount to the bond service fund from the pledged revenues in the 475
case of obligations issued pursuant to section 151.40 of the 476
Revised Code, and in the case of other obligations from the 477
revenues derived from excises, taxes, and other revenues, 478
including net state lottery proceeds in the case of obligations 479
referred to in section 151.03 of the Revised Code. 480

(R) Unless otherwise provided in any applicable bond 481
proceedings, moneys to the credit of special funds may be invested 482
by or on behalf of the state only in one or more of the following: 483

(1) Notes, bonds, or other direct obligations of the United 484
States or of any agency or instrumentality of the United States, 485
or in no-front-end-load money market mutual funds consisting 486
exclusively of those obligations, or in repurchase agreements, 487
including those issued by any fiduciary, secured by those 488
obligations, or in collective investment funds consisting 489
exclusively of those obligations; 490

(2) Obligations of this state or any political subdivision of 491
this state; 492

(3) Certificates of deposit of any national bank located in 493
this state and any bank, as defined in section 1101.01 of the 494
Revised Code, subject to inspection by the superintendent of 495
financial institutions; 496

(4) The treasurer of state's pooled investment program under 497

section 135.45 of the Revised Code. 498

The income from investments referred to in division (R) of 499
this section shall, unless otherwise provided in sections 151.01 500
to 151.11 or 151.40 of the Revised Code, be credited to special 501
funds or otherwise as the issuing authority determines in the bond 502
proceedings. Those investments may be sold or exchanged at times 503
as the issuing authority determines, provides for, or authorizes. 504

(S) The treasurer of state shall have responsibility for 505
keeping records, making reports, and making payments, relating to 506
any arbitrage rebate requirements under the applicable bond 507
proceedings. 508

Sec. 151.09. (A) As used in this section: 509

(1) "Costs of conservation projects" includes related direct 510
administrative expenses and allocable portions of the direct costs 511
of those projects of the department of agriculture, the department 512
of natural resources, or the Ohio public works commission. 513

(2) "Obligations" means obligations as defined in section 514
151.01 of the Revised Code issued to pay costs of projects for 515
conservation purposes as referred to in division (A)(1) of Section 516
2o of Article VIII, Ohio Constitution and division (A)(1) of 517
Section 2q of Article VIII, Ohio Constitution. 518

(B)(1) The issuing authority shall issue general obligations 519
of the state to pay costs of conservation projects pursuant to 520
division (B)(1) of Section 2o of Article VIII, Ohio Constitution, 521
division (B)(1) of Section 2q of Article VIII, Ohio Constitution, 522
section 151.01 of the Revised Code, and this section. The issuing 523
authority, upon the certification to it by the Ohio public works 524
commission of amounts needed in and for the purposes of the clean 525
Ohio conservation fund created by section 164.27 of the Revised 526
Code, the clean Ohio agricultural easement fund created by section 527

901.21 of the Revised Code, and the clean Ohio trail fund created 528
by section 1519.05 of the Revised Code, shall issue obligations in 529
the amount determined by the issuing authority to be required for 530
those purposes. Not more than ~~two~~ four hundred million dollars 531
principal amount of obligations issued under this section for 532
conservation purposes may be outstanding at any one time. Not more 533
than ~~fifty~~ one hundred million dollars principal amount of 534
obligations, plus the principal amount of obligations that in any 535
prior fiscal year could have been, but were not issued within the 536
~~fifty~~ one hundred-million-dollar fiscal year limit, may be issued 537
in any fiscal year. 538

(2) In making the certification required under division 539
(B)(1) of this section, the Ohio public works commission shall 540
consult with the department of agriculture and the department of 541
natural resources. The commission shall certify amounts that 542
correspond to the distribution of the net proceeds of obligations 543
provided in division (C) of this section. 544

(C) Net proceeds of obligations shall be deposited as 545
follows: 546

(1) Seventy-five per cent into the clean Ohio conservation 547
fund created by section 164.27 of the Revised Code; 548

(2) Twelve and one-half per cent into the clean Ohio 549
agricultural easement fund created by section 901.21 of the 550
Revised Code; 551

(3) Twelve and one-half per cent into the clean Ohio trail 552
fund created by section 1519.05 of the Revised Code. 553

(D) There is hereby created in the state treasury the 554
conservation projects bond service fund. All moneys received by 555
the state and required by the bond proceedings, consistent with 556
section 151.01 of the Revised Code and this section, to be 557
deposited, transferred, or credited to the bond service fund, and 558

all other moneys transferred or allocated to or received for the 559
purposes of that fund, shall be deposited and credited to the bond 560
service fund, subject to any applicable provisions of the bond 561
proceedings, but without necessity for any act of appropriation. 562
During the period beginning with the date of the first issuance of 563
obligations and continuing during the time that any obligations 564
are outstanding in accordance with their terms, so long as moneys 565
in the bond service fund are insufficient to pay debt service when 566
due on those obligations payable from that fund, except the 567
principal amounts of bond anticipation notes payable from the 568
proceeds of renewal notes or bonds anticipated, and due in the 569
particular fiscal year, a sufficient amount of revenues of the 570
state is committed and, without necessity for further act of 571
appropriation, shall be paid to the bond service fund for the 572
purpose of paying that debt service when due. 573

Sec. 151.40. (A) As used in this section: 574

(1) "Bond proceedings" includes any trust agreements, and any 575
amendments or supplements to them, as authorized by this section. 576

(2) "Costs of revitalization projects" includes related 577
direct administrative expenses and allocable portions of the 578
direct costs of those projects of the department of development or 579
the environmental protection agency. 580

(3) "Issuing authority" means the treasurer of state. 581

(4) "Obligations" means obligations as defined in section 582
151.01 of the Revised Code issued to pay the costs of projects for 583
revitalization purposes as referred to in division (A)(2) of 584
Section 2o of Article VIII, Ohio Constitution and division (A)(2) 585
of Section 2q of Article VIII, Ohio Constitution. 586

(5) "Pledged liquor profits" means all receipts of the state 587
representing the gross profit on the sale of spirituous liquor, as 588

referred to in division (B)(4) of section 4301.10 of the Revised Code, after paying all costs and expenses of the division of liquor control and providing an adequate working capital reserve for the division of liquor control as provided in that division, but excluding the sum required by the second paragraph of section 4301.12 of the Revised Code, as it was in effect on May 2, 1980, to be paid into the state treasury.

(6) "Pledged receipts" means, as and to the extent provided in bond proceedings:

(a) Pledged liquor profits. The pledge of pledged liquor profits to obligations is subject to the priority of the pledge of those profits to obligations issued and to be issued pursuant to Chapter 166. of the Revised Code.

(b) Moneys accruing to the state from the lease, sale, or other disposition or use of revitalization projects or from the repayment, including any interest, of loans or advances made from net proceeds;

(c) Accrued interest received from the sale of obligations;

(d) Income from the investment of the special funds;

(e) Any gifts, grants, donations, or pledges, and receipts therefrom, available for the payment of debt service;

(f) Additional or any other specific revenues or receipts lawfully available to be pledged, and pledged, pursuant to further authorization by the general assembly, to the payment of debt service.

(B)(1) The issuing authority shall issue obligations of the state to pay costs of revitalization projects pursuant to division (B)(2) of Section 2o of Article VIII, Ohio Constitution, division (B)(2) of Section 2q of Article VIII, Ohio Constitution, section 151.01 of the Revised Code as applicable to this section, and this

section. The issuing authority, upon the certification to it by 619
the clean Ohio council of the amount of moneys needed in and for 620
the purposes of the clean Ohio revitalization fund created by 621
section 122.658 of the Revised Code, shall issue obligations in 622
the amount determined by the issuing authority to be required for 623
those purposes. Not more than ~~two~~ four hundred million dollars 624
principal amount of obligations issued under this section for 625
revitalization purposes may be outstanding at any one time. Not 626
more than ~~fifty~~ one hundred million dollars principal amount of 627
obligations, plus the principal amount of obligations that in any 628
prior fiscal year could have been, but were not issued within the 629
~~fifty~~ one hundred-million-dollar fiscal year limit, may be issued 630
in any fiscal year. 631

(2) The provisions and authorizations in section 151.01 of 632
the Revised Code apply to the obligations and the bond proceedings 633
except as otherwise provided or provided for in those obligations 634
and bond proceedings. 635

(C) Net proceeds of obligations shall be deposited in the 636
clean Ohio revitalization fund created in section 122.658 of the 637
Revised Code. 638

(D) There is hereby created the revitalization projects bond 639
service fund, which shall be in the custody of the treasurer of 640
state, but shall be separate and apart from and not a part of the 641
state treasury. All money received by the state and required by 642
the bond proceedings, consistent with section 151.01 of the 643
Revised Code and this section, to be deposited, transferred, or 644
credited to the bond service fund, and all other money transferred 645
or allocated to or received for the purposes of that fund, shall 646
be deposited and credited to the bond service fund, subject to any 647
applicable provisions of the bond proceedings, but without 648
necessity for any act of appropriation. During the period 649
beginning with the date of the first issuance of obligations and 650

continuing during the time that any obligations are outstanding in 651
accordance with their terms, so long as moneys in the bond service 652
fund are insufficient to pay debt service when due on those 653
obligations payable from that fund, except the principal amounts 654
of bond anticipation notes payable from the proceeds of renewal 655
notes or bonds anticipated, and due in the particular fiscal year, 656
a sufficient amount of pledged receipts is committed and, without 657
necessity for further act of appropriation, shall be paid to the 658
bond service fund for the purpose of paying that debt service when 659
due. 660

(E) The issuing authority may pledge all, or such portion as 661
the issuing authority determines, of the pledged receipts to the 662
payment of the debt service charges on obligations issued under 663
this section, and for the establishment and maintenance of any 664
reserves, as provided in the bond proceedings, and make other 665
provisions in the bond proceedings with respect to pledged 666
receipts as authorized by this section, which provisions are 667
controlling notwithstanding any other provisions of law pertaining 668
to them. 669

(F) The issuing authority may covenant in the bond 670
proceedings, and such covenants shall be controlling 671
notwithstanding any other provision of law, that the state and 672
applicable officers and state agencies, including the general 673
assembly, so long as any obligations issued under this section are 674
outstanding, shall maintain statutory authority for and cause to 675
be charged and collected wholesale or retail prices for spirituous 676
liquor sold by the state or its agents so that the available 677
pledged receipts are sufficient in time and amount to meet debt 678
service payable from pledged liquor profits and for the 679
establishment and maintenance of any reserves and other 680
requirements provided for in the bond proceedings. 681

(G) Obligations may be further secured, as determined by the 682

issuing authority, by a trust agreement between the state and a 683
corporate trustee, which may be any trust company or bank having a 684
place of business within the state. Any trust agreement may 685
contain the resolution or order authorizing the issuance of the 686
obligations, any provisions that may be contained in any bond 687
proceedings, and other provisions that are customary or 688
appropriate in an agreement of that type, including, but not 689
limited to: 690

(1) Maintenance of each pledge, trust agreement, or other 691
instrument comprising part of the bond proceedings until the state 692
has fully paid or provided for the payment of debt service on the 693
obligations secured by it; 694

(2) In the event of default in any payments required to be 695
made by the bond proceedings, enforcement of those payments or 696
agreements by mandamus, the appointment of a receiver, suit in 697
equity, action at law, or any combination of them; 698

(3) The rights and remedies of the holders or owners of 699
obligations and of the trustee and provisions for protecting and 700
enforcing them, including limitations on rights of individual 701
holders and owners. 702

(H) The obligations shall not be general obligations of the 703
state and the full faith and credit, revenue, and taxing power of 704
the state shall not be pledged to the payment of debt service on 705
them. The holders or owners of the obligations shall have no right 706
to have any moneys obligated or pledged for the payment of debt 707
service except as provided in this section and in the applicable 708
bond proceedings. The rights of the holders and owners to payment 709
of debt service are limited to all or that portion of the pledged 710
receipts, and those special funds, pledged to the payment of debt 711
service pursuant to the bond proceedings in accordance with this 712
section, and each obligation shall bear on its face a statement to 713
that effect. 714

Section 2. That existing sections 133.52, 151.01, 151.09, and 151.40 of the Revised Code are hereby repealed. 715
716

Section 3. Except as otherwise provided in this act, all appropriation items in this act are appropriated out of any moneys in the state treasury to the credit of the designated fund that are not otherwise appropriated. For all appropriations made in this act, the amounts in the first column are for fiscal year 2010 and the amounts in the second column are for fiscal year 2011. 717
718
719
720
721
722

Section 4. BOR BOARD OF REGENTS 723

General Revenue Fund 724
GRF 235441 Co-Op/Internship \$ 50,000,000 \$ 50,000,000 725
Program
TOTAL GRF General Revenue Fund \$ 50,000,000 50,000,000 726
TOTAL ALL BUDGET FUND GROUPS \$ 50,000,000 \$ 50,000,000 727

Section 5. DEV DEPARTMENT OF DEVELOPMENT 729

General Revenue Fund 730
Facilities Establishment Fund Group 731
7008 195698 Logistics & \$ 25,000,000 \$ 25,000,000 732
Distribution
Infrastructure
TOTAL 037 Facilities Establishment \$ 25,000,000 \$ 25,000,000 733
Fund Group
Tobacco Master Settlement Agreement Fund Group 734
5Z30 195694 Jobs Fund Bioproducts \$ 20,000,000 \$ 10,000,000 735
5Z30 195695 Jobs Fund Biomedical \$ 40,000,000 \$ 20,000,000 736
TOTAL TSF Tobacco Master Settlement \$ 60,000,000 \$ 30,000,000 737
Agreement Fund Group
TOTAL ALL BUDGET FUND GROUPS \$ 85,000,000 \$ 55,000,000 738

LOGISTICS AND DISTRIBUTION INFRASTRUCTURE 739

The foregoing appropriation item 195698, Logistics and 740
Distribution Infrastructure, shall be used for eligible logistics 741
and distribution projects as defined in section 166.01 of the 742
Revised Code. 743

JOBS FUND BIOPRODUCTS 744

The foregoing appropriation item 195694, Jobs Fund 745
Bioproducts, shall be used for the Ohio Bioproducts Development 746
Program established in section 184.25 of the Revised Code. 747

JOBS FUND BIOMEDICAL The foregoing appropriation item 195695, 748
Jobs Fund Biomedical, shall be used for the Ohio Biomedical 749
Development Program established in section 184.26 of the Revised 750
Code. 751

Section 6. That Sections 217.10, 217.11, 239.10, 241.10, 752
243.10, and 243.11 of Am. Sub. H.B. 562 of the 127th General 753
Assembly be amended to read as follows: 754

Sec. 217.10. The items set forth in this section are hereby 755
appropriated out of any moneys in the state treasury to the credit 756
of the Clean Ohio Revitalization Fund (Fund 7003) that are not 757
otherwise appropriated: 758

		Appropriations	
DEV DEPARTMENT OF DEVELOPMENT			759
C19500	Clean Ohio Revitalization	\$ 32,000,000	760
		<u>72,000,000</u>	
C19501	Clean Ohio Assistance	\$ 8,000,000	761
		<u>18,000,000</u>	
Total Department of Development		\$ 40,000,000	762
		<u>90,000,000</u>	
TOTAL Clean Ohio Assistance Fund		\$ 40,000,000	763
		<u>90,000,000</u>	

Sec. 217.11. CLEAN OHIO REVITALIZATION 765

The Treasurer of State is hereby authorized to issue and 766
sell, in accordance with ~~Section~~ Sections 2o and 2g of Article 767
VIII, Ohio Constitution, and pursuant to sections 151.01 and 768
151.40 of the Revised Code, original obligations in an aggregate 769
principal amount not to exceed ~~\$40,000,000~~ \$90,000,000 in addition 770
to the original issuance of obligations heretofore authorized by 771
prior acts of the General Assembly. These authorized obligations 772
shall be issued and sold from time to time, subject to applicable 773
constitutional and statutory limitations, as needed to ensure 774
sufficient moneys to the credit of the Clean Ohio Revitalization 775
Fund (Fund 7003) to pay costs of revitalization projects. 776
777

Sec. 239.10. The items set forth in this section are hereby 778
appropriated out of any moneys in the state treasury to the credit 779
of the Clean Ohio Conservation Fund (Fund 7056) that are not 780
otherwise appropriated. 781

	Appropriations	
PWC PUBLIC WORKS COMMISSION		782
C15060 Clean Ohio Conservation	\$ 30,000,000	783
	<u>67,500,000</u>	
Total Public Works Commission	\$ 30,000,000	784
	<u>67,500,000</u>	
TOTAL Clean Ohio Conservation Fund	\$ 30,000,000	785
	<u>67,500,000</u>	

The foregoing appropriation item C15060, Clean Ohio 786
Conservation, shall be used in accordance with sections 164.20 to 787
164.27 of the Revised Code. If the Public Works Commission 788
receives refunds due to project overpayments that are discovered 789
during the post-project audit, the Director of the Public Works 790
Commission may certify to the Director of Budget and Management 791

that refunds have been received. If the Director of Budget and Management determines that the project refunds are available to support additional appropriations, such amounts are hereby appropriated.

Sec. 241.10. The items set forth in this section are hereby appropriated out of any moneys in the state treasury to the credit of the Clean Ohio Agricultural Easement Fund (Fund 7057) that are not otherwise appropriated.

		Appropriations	
AGR DEPARTMENT OF AGRICULTURE			800
C70009	Clean Ohio Agricultural Easements	\$ 5,000,000	801
		<u>11,250,000</u>	
Total Department of Agriculture		\$ 5,000,000	802
		<u>11,250,000</u>	
TOTAL Clean Ohio Agricultural Easement Fund		\$ 5,000,000	803
		<u>11,250,000</u>	

Sec. 243.10. The items set forth in this section are hereby appropriated out of any moneys in the state treasury to the credit of the Clean Ohio Trail Fund (Fund 7061) that are not otherwise appropriated.

		Appropriations	
DNR DEPARTMENT OF NATURAL RESOURCES			809
C72514	Clean Ohio Trail - Grants	\$ 5,000,000	810
		<u>11,250,000</u>	
Total Department of Natural Resources		\$ 5,000,000	811
		<u>11,250,000</u>	
TOTAL Clean Ohio Trail Fund		\$ 5,000,000	812
		<u>11,250,000</u>	

Sec. 243.11. The Ohio Public Facilities Commission is hereby authorized to issue and sell, in accordance with ~~Section~~ Sections

2o and 2q of Article VIII, Ohio Constitution, and pursuant to 816
sections 151.01 and 151.09 of the Revised Code, original 817
obligations of the state in an aggregate principal amount not to 818
exceed ~~\$40,000,000~~ \$90,000,000 in addition to the original 819
issuance of obligations heretofore authorized by prior acts of the 820
General Assembly. These authorized obligations shall be issued and 821
sold from time to time, subject to applicable constitutional and 822
statutory limitations, as needed to ensure sufficient moneys to 823
the credit of the Clean Ohio Conservation Fund (Fund 7056), the 824
Clean Ohio Agricultural Easement Fund (Fund 7057), and the Clean 825
Ohio Trail Fund (Fund 7061) to pay costs of conservation projects. 826
827

Section 7. That existing Sections 217.10, 217.11, 239.10, 828
241.10, 243.10, and 243.11 of Am. Sub. H.B. 562 of the 127th 829
General Assembly are hereby repealed. 830

Section 8. This act is hereby declared to be an emergency 831
measure necessary for the immediate preservation of the public 832
peace, health, and safety. The reason for such necessity is to 833
make appropriations pursuant to the Bipartisan Job Stimulus Act of 834
2008 and Article VIII, Section 2q of the Ohio Constitution in 835
order to revive Ohio's economy and create jobs. Therefore, this 836
act shall go into immediate effect. 837