

As Introduced

**129th General Assembly
Regular Session
2011-2012**

H. B. No. 435

Representative Beck

Cosponsors: Representatives Terhar, Thompson, Henne

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A B I L L

To enact section 135.146 of the Revised Code to 1
authorize boards of township trustees to invest 2
all or part of township interim funds in corporate 3
bonds. 4

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

Section 1. That section 135.146 of the Revised Code be 5
enacted to read as follows: 6

Sec. 135.146. (A) In addition to the investments authorized 7
by section 135.14 of the Revised Code, a board of township 8
trustees, by majority vote of its members, may authorize the 9
township treasurer to invest any part or all of the interim moneys 10
of the township, which are available for investment at any one 11
time, in debt interests that have been registered with the United 12
States securities and exchange commission, rated in one of the 13
three highest rating classifications by at least two nationally 14
recognized rating agencies, and issued by entities that are 15
defined in division (D) of section 1705.01 of the Revised Code. 16

(B) No investment authorized under this section shall be 17
made, whether or not authorized by a board of township trustees, 18
unless the township treasurer has completed training for making 19
the types of investments authorized under this section. The type 20

and amount of the training shall be approved by the treasurer of 21
state, and shall be provided by the treasurer of state under 22
section 135.22 of the Revised Code. 23

(C) The township treasurer shall prepare annually and submit 24
to the auditor of state, and to the treasurer of state, on or 25
before the thirty-first day of August, a report listing each 26
investment made under this section during the preceding fiscal 27
year, income earned from the investments, fees and commissions 28
paid pursuant to division (D) of this section, and any other 29
information required by the auditor of state or the treasurer of 30
state. 31

(D) A board of township trustees may make appropriations and 32
expenditures for fees and commissions in connection with 33
investments made under this section. 34

(E) Any investment made under this section shall mature 35
within five years from the date of settlement. 36

(F) If any of the debt interests acquired under this section 37
ceases to be rated as required, its issuer shall notify the 38
township treasurer in writing of this fact within twenty-four 39
hours. At any time thereafter the township treasurer may require 40
collateralization, by securities authorized for investment under 41
section 135.143 of the Revised Code, at the rate of one hundred 42
two per cent of any remaining obligation of the issuer. The 43
collateral shall be delivered to and held by a custodian 44
acceptable to the township treasurer and marked to market daily. 45
If the value of the collateral falls below the level required by 46
this division, the insufficiency shall be cured within twelve 47
hours. Unlimited substitution shall be allowed of comparable 48
securities. 49