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S.B. 15
136th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Sens. Brenner and Wilson

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SUMMARY

- Allows a port authority to establish a common bond fund program to finance port authority facilities and enhance the credit of port authority obligations using credit enhancement facilities, cash reserves, or other money available for that purpose.

DETAILED ANALYSIS

Common bond fund program

The bill allows port authorities, by resolution of its board of directors, to establish a common bond fund program to finance port authority facilities and enhance the credit of port authority obligations using credit enhancement facilities, cash reserves, or other money available for such purpose.¹ Accordingly, it allows port authorities to do all of the following under the program:

1. Operate and manage the program and authorize agreements and other documents related to a program;
2. Appropriate port authority funds for the support of the program; and
3. Authorize the use of one or more credit enhancement facilities and cash reserves or other money available to finance port authority facilities as authorized in the bond proceedings associated with the obligations issued as part of the program.

Under the bill, any obligations issued by a port authority and secured by a trust agreement between the port authority and a corporate trustee may, in the discretion of the port authority, be issued as part of the program. Any trust agreement used in a program, and the establishment, deposit, investment and application of special funds, and the safeguarding of money, must be

¹ R.C. 4582.72(A)(2) and (B).

governed by the bond proceedings associated with the obligations and by the law governing port authorities. Additionally, the bill allows more than one obligation to be secured by a trust agreement used in a program.²

Under the bill, all terms, provisions, and authorizations in the law governing port authorities and bond proceedings apply to obligations issued as part of a program and the associated bond proceedings, except as otherwise provided in those obligations and associated bond proceedings.³

The bill specifies that it must be liberally construed to effect the purpose of authorizing common bond fund programs. Additionally, the powers and authorizations so granted may be exercised jointly or separately by one or more port authorities and are in addition to and supplemental to the powers and authorizations otherwise granted to port authorities under applicable Ohio law. The provisions are not to be construed as a limitation on any port authority powers or authorizations.⁴

HISTORY

Action	Date
Introduced	01-22-25

ANSB0015IN-136/ts

² R.C. 4582.72(B).

³ R.C. 4582.72(C).

⁴ R.C. 4582.72(D).