



OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis

Jennifer A. Parker

Sub. H.B. 251

132nd General Assembly
(As Reported by S. Finance)

Reps. Greenspan, Hambley, Stein, Dever, Anielski, Antonio, Arndt, Ashford, Barnes, Boyd, Brown, Carfagna, Galonski, Gavarone, Ginter, Green, Hill, Holmes, Howse, Lang, Leland, Lepore-Hagan, Manning, Miller, Patton, Reinke, Retherford, Rezabek, Riedel, Rogers, Ryan, Schaffer, Schuring, Seitz, Sheehy, Slaby, K. Smith, R. Smith, Sprague, Sweeney, Thompson, West, Wiggam, Young, Rosenberger

Sens. Eklund, Beagle

BILL SUMMARY

- Increases from five to ten years the maturity period of political subdivision bonds and obligations eligible for investment of a subdivision's interim moneys, county's inactive moneys, and money in the county public library fund.

CONTENT AND OPERATION

Investment in political subdivision bonds and obligations

The bill increases from five to ten years the maturity period of political subdivision bonds and obligations eligible for investment of a subdivision's interim moneys, a county's inactive moneys, and money in the county public library fund. Under continuing law, subdivisions¹ invest their interim moneys² and counties invest

¹ "Subdivision" means "any municipal corporation, except one which has adopted a charter under Article XVIII, Ohio Constitution, and the charter or ordinances of the chartered municipal corporation set forth special provisions respecting the deposit or investment of its public moneys, or any school district or educational service center, a county school financing district, township, municipal or school district sinking fund, special taxing or assessment district, or other district or local authority electing or appointing a treasurer, except a county. . . . The term also includes a union or joint institution or enterprise of two or more subdivisions, that is not authorized to elect or appoint a treasurer, and for which no ex officio treasurer is provided by law." R.C. 135.01(L), not in the bill.

² "Interim moneys" means "public moneys in the treasury of the . . . subdivision after the award of inactive deposits has been made. . . , which moneys are in excess of the aggregate amount of the inactive deposits

their inactive moneys³ and money in the public library fund in accordance with the Uniform Depository Act,⁴ which generally requires the subdivision or county to invest only in investments that mature not later than five years after the date of settlement.⁵ The bill extends this to ten years for investments in bonds or obligations of political subdivisions.⁶ Under continuing law, an investment generally may mature beyond five years, or ten years in the case of political subdivision debts and obligations under the bill, if the investment is matched to a specific obligation or debt of the subdivision or county.⁷

HISTORY

ACTION	DATE
Introduced	05-31-17
Reported, H. Financial Housing, & Urban Development Institutions,	10-10-17
Passed House (94-0)	10-24-17
Reported, S. Finance	02-28-18

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as estimated by the governing board prior to the period of designation and which the treasurer or governing board finds should not be deposited as active or inactive deposits for the reason that such moneys will not be needed for immediate use but will be needed before the end of the period of designation." R.C. 135.01(F), not in the bill.

³ "Inactive moneys" means all public moneys in public depositories in excess of the amount determined to be needed as "active moneys," which is an amount of public moneys in public depositories determined to be necessary to meet current demands upon a county treasury. R.C. 135.31(A) and (B), not in the bill.

⁴ R.C. Chapter 135.

⁵ R.C. 135.14(D) and 135.35(C).

⁶ R.C. 135.14(B)(4) and (D) and 135.35(A)(4) and (C).

⁷ R.C. 135.14(D) and 135.35(C).

