



OHIO LEGISLATIVE SERVICE COMMISSION

Final Analysis

Jennifer A. Parker

Sub. H.B. 251

132nd General Assembly
(As Passed by the General Assembly)

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, Burke, Coley, Dolan, Gardner, Hackett, Hoagland, Huffman, LaRose, O'Brien, Oelslager, Schiavoni, Thomas, Williams, Wilson

Effective date: August 1, 2018

ACT SUMMARY

- Increases from five to ten years the maturity period of political subdivision bonds and obligations that are 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 act increases from five to ten years the maturity period of political subdivision bonds and obligations that are 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

* This version updates the effective date.

¹ "Subdivisions" include municipal corporations, school districts, educational service centers, county school financing districts, townships, municipal or school district sinking funds, special taxing or assessment districts, or other districts or local authorities electing or appointing a treasurer, except a county. R.C. 135.01(L), not in the act.

² The Uniform Depository Act classifies deposits as "active," "inactive," or "interim." "Active" deposits are those "necessary to meet current demands on the treasury." "Inactive" deposits include funds that are

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

HISTORY

ACTION	DATE
Introduced	05-31-17
Reported, H. Financial Institutions, Housing, & Urban Development	10-10-17
Passed House (94-0)	10-24-17
Reported, S. Finance	02-28-18
Passed Senate (33-0)	04-11-18

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invested for a specific period of designation. "Interim" deposits are funds that will not be needed immediately, but before the end of the period designated for inactive deposits. R.C. 135.01, not in the act.

³ "Inactive moneys," for counties, means *all* public moneys in public depositories exceeding the amount determined necessary to meet current demands on the county treasury. R.C. 135.31(A) and (B), not in the act.

⁴ R.C. 135.14(D) and 135.35(C).

⁵ R.C. 135.14(B)(4) and (D) and 135.35(A)(4) and (C).

⁶ R.C. 135.14(D) and 135.35(C).

