



# Ohio Legislative Service Commission

## Sub. Bill Comparative Synopsis

Carla Napolitano

### H.B. 435

131st General Assembly

(H. Financial Institutions, Housing and Urban Development)

This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Topic	H.B. 435 (As Introduced)	Sub. Version (LSC 131 1974-2)
<b>Treasurer of State rules for bond service charges</b>	<p>Permits the Treasurer to adopt reasonable rules that are not inconsistent with the bill to secure payment of bond service charges on obligations, including but not limited to the following:</p> <ul style="list-style-type: none"> <li>• The withholding of any amounts payable by Ohio and allocated to a qualified entity;</li> <li>• No provision (<i>R.C. 158.02(F)</i>).</li> </ul>	<p>Similar, but instead permits the Treasurer to adopt reasonable rules and enter into agreements to the extent permitted by law.</p> <ul style="list-style-type: none"> <li>• Same, but also includes the payment of those amounts as described in the bond proceedings.</li> <li>• The directing of a department, agency, or instrumentality of Ohio, or an Ohio political subdivision, that is a custodian of money payable to a qualified entity to withhold the money and pay it over as described in the bond proceedings (<i>R.C. 158.02(F)</i>).</li> </ul>

Topic	H.B. 435 (As Introduced)	Sub. Version (LSC 131 1974-2)
<b>Bond proceedings</b>	<p>Requires the bond proceedings to provide or authorize the manner for determining all of the following:</p> <ul style="list-style-type: none"> <li>• The principle amount or maximum principle amount of obligations of an issue;</li> <li>• The principle maturity (not to exceed 35 years);</li> <li>• The interest rate or the method for determining the interest rate and maximum interest rate;</li> <li>• The date of the obligation and the dates of payment of the interest;</li> <li>• Their denominations;</li> <li>• The place or places of payment of the bond service charge;</li> <li>• No provision;</li> <li>• No provision (<i>R.C. 158.03(B)</i>).</li> </ul>	<ul style="list-style-type: none"> <li>• Same.</li> <li>• Same.</li> <li>• Same.</li> <li>• Same.</li> <li>• Clarifies that the reference is to the denominations of the obligations.</li> <li>• Same.</li> <li>• The method of sale of the obligations.</li> <li>• The authority to retain the necessary professional to complete a revenue obligation sale or issuance. (<i>R.C. 158.03(B)</i>.)</li> </ul>
<b>Pooled issuance requirements</b>	No provision.	Requires the Treasurer to create groups for the pooled issuances authorized by the bill, so that the public obligations of qualifying entities that are purchased with the proceeds of a particular revenue obligation issuance of the state bond bank are of a similar quality.

Topic	H.B. 435 (As Introduced)	Sub. Version (LSC 131 1974-2)
	<p>No provision.</p> <p>No provision.</p>	<p>Requires the Treasurer to determine the quality of a public obligation.</p> <p>Permits an exception to the Treasurer's determination by allowing an obligation of a qualified entity to be included in a group of a different quality obligation with the consent of all of the qualifying entities participating in that group. <i>(R.C. 158.03(E).)</i></p>
<p><b>Qualified entity – waiver of defenses for nonpayment</b></p>	<p>No provision.</p>	<p>Establishes that once a qualified entity sells and delivers a public obligation to the State Bond Bank, the qualified entity is considered to have agreed to waive all defenses to nonpayment for failure to pay interest or principle on the public obligation owned or held by or arising from an agreement with the State Bond Bank. <i>(R.C. 158.03(F).)</i></p>

H0435-2-131.docx/emr

