

Sub. H. B. No. 23  
As Passed by the Senate

\_\_\_\_\_ moved to amend as follows:

In line 5 of the title, after "5525.16" insert ", 5531.09, 5531.10" 1

In line 26, after "5525.16" insert ", 5531.09, 5531.10" 2

After line 2549, insert: 3

**"Sec. 5531.09.** (A) As used in this section and section 4  
5531.10 of the Revised Code: 5

(1) "Qualified project" means any public or private 6  
transportation project as determined by the director of 7  
transportation, including, without limitation, planning, 8  
environmental impact studies, engineering, construction, 9  
reconstruction, resurfacing, restoring, rehabilitation, or 10  
replacement of public or private transportation facilities 11  
within the state, studying the feasibility thereof, and the 12  
acquisition of real or personal property or interests therein; 13  
any highway, public transit, aviation, rail, or other 14  
transportation project eligible for financing or aid under any 15  
federal or state program; and any project involving the 16  
maintaining, repairing, improving, or construction of any public 17



or private highway, road, street, parkway, public transit, 18  
aviation, or rail project, and any related rights-of-way, 19  
bridges, tunnels, railroad-highway crossings, drainage 20  
structures, signs, guardrails, or protective structures. 21

(2) "Small municipal corporation" means a municipal 22  
corporation that is determined by the department of 23  
transportation to be an eligible small city in accordance with 24  
the department's small city program. 25

(B) The state infrastructure bank shall consist of the 26  
highway and transit infrastructure bank fund, the aviation 27  
infrastructure bank fund, the rail infrastructure bank fund, and 28  
the infrastructure bank obligations fund, which are hereby 29  
created as funds of the state treasury, to be administered by 30  
the director of transportation and used for the purposes 31  
described in division ~~(B)~~ (C) of this section. The highway and 32  
transit infrastructure bank fund, the aviation infrastructure 33  
bank fund, and the rail infrastructure bank fund shall consist 34  
of federal grants and awards or other assistance received by the 35  
state and eligible for deposit therein under applicable federal 36  
law, payments received by the department in connection with 37  
providing financial assistance for qualifying projects under 38  
division ~~(B)~~ (C) of this section, and such other amounts as may 39  
be provided by law. The infrastructure bank obligations fund 40  
shall consist of such amounts of the proceeds of obligations 41  
issued under section 5531.10 of the Revised Code as the director 42  
of transportation determines with the advice of the director of 43  
budget and management; and such other amounts as may be provided 44  
by law. The director of budget and management, upon the request 45  
of the director of transportation, may transfer amounts between 46  
the funds created in this division, except the infrastructure 47  
bank obligations fund. The investment earnings of each fund 48

created by this division shall be credited to such fund. 49

~~(B)~~ (C) The director of transportation shall use the state 50  
infrastructure bank to encourage public and private investment 51  
in transportation facilities that contribute to the multi-modal 52  
and intermodal transportation capabilities of the state, develop 53  
a variety of financing techniques designed to expand the 54  
availability of funding resources and to reduce direct state 55  
costs, maximize private and local participation in financing 56  
projects, and improve the efficiency of the state transportation 57  
system by using and developing the particular advantages of each 58  
transportation mode to the fullest extent. In furtherance of 59  
these purposes, the director shall use the state infrastructure 60  
bank to provide financial assistance to public or private 61  
entities for qualified projects. Such assistance shall be in the 62  
form of loans, loan guarantees, letters of credit, leases, 63  
lease-purchase agreements, interest rate subsidies, debt service 64  
reserves, and such other forms as the director determines to be 65  
appropriate. All fees, charges, rates of interest, payment 66  
schedules, security for, and other terms and conditions relating 67  
to such assistance shall be determined by the director. Any loan 68  
made to a small municipal corporation from the state 69  
infrastructure bank shall be a zero interest loan. 70

~~(C)~~ (D) The director of transportation shall adopt rules 71  
establishing guidelines necessary for the implementation and 72  
exercise of the authority granted by this section, including 73  
rules for receiving, reviewing, evaluating, and selecting 74  
projects for which financial assistance may be approved. 75

~~(D) As used in this section and in section 5531.10 of the 76~~  
~~Revised Code, "qualified project" means any public or private 77~~  
~~transportation project as determined by the director of 78~~

~~transportation, including, without limitation, planning, 79  
environmental impact studies, engineering, construction, 80  
reconstruction, resurfacing, restoring, rehabilitation, or 81  
replacement of public or private transportation facilities 82  
within the state, studying the feasibility thereof, and the 83  
acquisition of real or personal property or interests therein; 84  
any highway, public transit, aviation, rail, or other 85  
transportation project eligible for financing or aid under any 86  
federal or state program; and any project involving the 87  
maintaining, repairing, improving, or construction of any public 88  
or private highway, road, street, parkway, public transit, 89  
aviation, or rail project, and any related rights of way, 90  
bridges, tunnels, railroad-highway crossings, drainage 91  
structures, signs, guardrails, or protective structures. 92~~

(E) The general assembly finds that state infrastructure 93  
projects, as defined in division (A) (8) of section 5531.10 of 94  
the Revised Code, and the state infrastructure bank, will 95  
materially contribute to the economic revitalization of areas of 96  
the state and result in improving the economic welfare of all 97  
the people of the state. Accordingly, it is declared to be the 98  
public purpose of the state, through operations under sections 99  
5531.09 and 5531.10 of the Revised Code, and other applicable 100  
laws adopted pursuant to Section 13 of Article VIII, Ohio 101  
Constitution, and other authority vested in the general 102  
assembly, to assist in and facilitate the purposes set forth in 103  
division (B) of section 5531.10 of the Revised Code, and to 104  
assist and cooperate with any governmental agency in achieving 105  
such purposes. 106

**Sec. 5531.10.** (A) As used in this chapter: 107

(1) "Bond proceedings" means the resolution, order, trust 108

agreement, indenture, lease, lease-purchase agreements, and 109  
other agreements, amendments and supplements to the foregoing, 110  
or any one or more or combination thereof, authorizing or 111  
providing for the terms and conditions applicable to, or 112  
providing for the security or liquidity of, obligations issued 113  
pursuant to this section, and the provisions contained in such 114  
obligations. 115

(2) "Bond service charges" means principal, including 116  
mandatory sinking fund requirements for retirement of 117  
obligations, and interest, and redemption premium, if any, 118  
required to be paid by the state on obligations. 119

(3) "Bond service fund" means the applicable fund and 120  
accounts therein created for and pledged to the payment of bond 121  
service charges, which may be, or may be part of, the state 122  
infrastructure bank revenue bond service fund created by 123  
division (R) of this section including all moneys and 124  
investments, and earnings from investments, credited and to be 125  
credited thereto. 126

(4) "Issuing authority" means the treasurer of state, or 127  
the officer who by law performs the functions of the treasurer 128  
of state. 129

(5) "Obligations" means bonds, notes, or other evidence of 130  
obligation including interest coupons pertaining thereto, issued 131  
pursuant to this section. 132

(6) "Pledged receipts" means moneys accruing to the state 133  
from the lease, lease-purchase, sale, or other disposition, or 134  
use, of qualified projects, and from the repayment, including 135  
interest, of loans made from proceeds received from the sale of 136  
obligations; accrued interest received from the sale of 137

obligations; income from the investment of the special funds; 138  
any gifts, grants, donations, and pledges, and receipts 139  
therefrom, available for the payment of bond service charges; 140  
and any amounts in the state infrastructure bank pledged to the 141  
payment of such charges. If the amounts in the state 142  
infrastructure bank are insufficient for the payment of such 143  
charges, "pledged receipts" also means moneys that are 144  
apportioned by the United States secretary of transportation 145  
under United States Code, Title XXIII, as amended, or any 146  
successor legislation, or under any other federal law relating 147  
to aid for highways, and that are to be received as a grant by 148  
the state, to the extent the state is not prohibited by state or 149  
federal law from using such moneys and the moneys are pledged to 150  
the payment of such bond service charges. 151

(7) "Special funds" or "funds" means, except where the 152  
context does not permit, the bond service fund, and any other 153  
funds, including reserve funds, created under the bond 154  
proceedings, and the state infrastructure bank revenue bond 155  
service fund created by division (R) of this section to the 156  
extent provided in the bond proceedings, including all moneys 157  
and investments, and earnings from investment, credited and to 158  
be credited thereto. 159

(8) "State infrastructure project" means any public 160  
transportation project undertaken by the state, including, but 161  
not limited to, all components of any such project, as described 162  
in division ~~(D)~~(A)(1) of section 5531.09 of the Revised Code. 163

(9) "District obligations" means bonds, notes, or other 164  
evidence of obligation including interest coupons pertaining 165  
thereto, issued to finance a qualified project by a 166  
transportation improvement district created pursuant to section 167

5540.02 of the Revised Code, of which the principal, including 168  
mandatory sinking fund requirements for retirement of such 169  
obligations, and interest and redemption premium, if any, are 170  
payable by the department of transportation. 171

(B) The issuing authority, after giving written notice to 172  
the director of budget and management and upon the certification 173  
by the director of transportation to the issuing authority of 174  
the amount of moneys or additional moneys needed either for 175  
state infrastructure projects or to provide financial assistance 176  
for any of the purposes for which the state infrastructure bank 177  
may be used under section 5531.09 of the Revised Code, or needed 178  
for capitalized interest, funding reserves, and paying costs and 179  
expenses incurred in connection with the issuance, carrying, 180  
securing, paying, redeeming, or retirement of the obligations or 181  
any obligations refunded thereby, including payment of costs and 182  
expenses relating to letters of credit, lines of credit, 183  
insurance, put agreements, standby purchase agreements, 184  
indexing, marketing, remarketing and administrative 185  
arrangements, interest swap or hedging agreements, and any other 186  
credit enhancement, liquidity, remarketing, renewal, or 187  
refunding arrangements, all of which are authorized by this 188  
section, shall issue obligations of the state under this section 189  
in the required amount. The proceeds of such obligations, except 190  
for the portion to be deposited in special funds, including 191  
reserve funds, as may be provided in the bond proceedings, shall 192  
as provided in the bond proceedings be credited to the 193  
infrastructure bank obligations fund of the state infrastructure 194  
bank created by section 5531.09 of the Revised Code and 195  
disbursed as provided in the bond proceedings for such 196  
obligations. The issuing authority may appoint trustees, paying 197  
agents, transfer agents, and authenticating agents, and may 198

retain the services of financial advisors, accounting experts, 199  
and attorneys, and retain or contract for the services of 200  
marketing, remarketing, indexing, and administrative agents, 201  
other consultants, and independent contractors, including 202  
printing services, as are necessary in the issuing authority's 203  
judgment to carry out this section. The costs of such services 204  
are payable from funds of the state infrastructure bank or as 205  
otherwise provided in the bond proceedings. 206

(C) The holders or owners of such obligations shall have 207  
no right to have moneys raised by taxation by the state of Ohio 208  
obligated or pledged, and moneys so raised shall not be 209  
obligated or pledged, for the payment of bond service charges. 210  
The right of such holders and owners to the payment of bond 211  
service charges is limited to all or that portion of the pledged 212  
receipts and those special funds pledged thereto pursuant to the 213  
bond proceedings for such obligations in accordance with this 214  
section, and each such obligation shall bear on its face a 215  
statement to that effect. Moneys received as repayment of loans 216  
made by the state infrastructure bank pursuant to section 217  
5531.09 of the Revised Code shall not be considered moneys 218  
raised by taxation by the state of Ohio regardless of the source 219  
of the moneys. 220

(D) Obligations shall be authorized by order of the 221  
issuing authority and the bond proceedings shall provide for the 222  
purpose thereof and the principal amount or amounts, and shall 223  
provide for or authorize the manner or agency for determining 224  
the principal maturity or maturities, not exceeding twenty-five 225  
years from the date of issuance or, with respect to obligations 226  
issued to finance a transportation facility pursuant to a 227  
public-private agreement, not exceeding forty-five years from 228  
the date of issuance, the interest rate or rates or the maximum 229



interest rate, the date of the obligations and the dates of 230  
payment of interest thereon, their denomination, and the 231  
establishment within or without the state of a place or places 232  
of payment of bond service charges. Sections 9.98 to 9.983 of 233  
the Revised Code are applicable to obligations issued under this 234  
section. The purpose of such obligations may be stated in the 235  
bond proceedings in terms describing the general purpose or 236  
purposes to be served. The bond proceedings also shall provide, 237  
subject to the provisions of any other applicable bond 238  
proceedings, for the pledge of all, or such part as the issuing 239  
authority may determine, of the pledged receipts and the 240  
applicable special fund or funds to the payment of bond service 241  
charges, which pledges may be made either prior or subordinate 242  
to other expenses, claims, or payments, and may be made to 243  
secure the obligations on a parity with obligations theretofore 244  
or thereafter issued, if and to the extent provided in the bond 245  
proceedings. The pledged receipts and special funds so pledged 246  
and thereafter received by the state immediately are subject to 247  
the lien of such pledge without any physical delivery thereof or 248  
further act, and the lien of any such pledges is valid and 249  
binding against all parties having claims of any kind against 250  
the state or any governmental agency of the state, irrespective 251  
of whether such parties have notice thereof, and shall create a 252  
perfected security interest for all purposes of Chapter 1309. of 253  
the Revised Code, without the necessity for separation or 254  
delivery of funds or for the filing or recording of the bond 255  
proceedings by which such pledge is created or any certificate, 256  
statement, or other document with respect thereto; and the 257  
pledge of such pledged receipts and special funds is effective 258  
and the money therefrom and thereof may be applied to the 259  
purposes for which pledged without necessity for any act of 260

appropriation. Every pledge, and every covenant and agreement 261  
made with respect thereto, made in the bond proceedings may 262  
therein be extended to the benefit of the owners and holders of 263  
obligations authorized by this section, and to any trustee 264  
therefor, for the further security of the payment of the bond 265  
service charges. 266

For purposes of this division, "transportation facility" 267  
and "public-private agreement" have the same meanings as in 268  
section 5501.70 of the Revised Code. 269

(E) The bond proceedings may contain additional provisions 270  
as to: 271

(1) The redemption of obligations prior to maturity at the 272  
option of the issuing authority at such price or prices and 273  
under such terms and conditions as are provided in the bond 274  
proceedings; 275

(2) Other terms of the obligations; 276

(3) Limitations on the issuance of additional obligations; 277

(4) The terms of any trust agreement or indenture securing 278  
the obligations or under which the same may be issued; 279

(5) The deposit, investment, and application of special 280  
funds, and the safeguarding of moneys on hand or on deposit, 281  
without regard to Chapter 131. or 135. of the Revised Code, but 282  
subject to any special provisions of this section with respect 283  
to particular funds or moneys, provided that any bank or trust 284  
company which acts as depository of any moneys in the special 285  
funds may furnish such indemnifying bonds or may pledge such 286  
securities as required by the issuing authority; 287

(6) Any or every provision of the bond proceedings being 288

binding upon such officer, board, commission, authority, agency,	289
department, or other person or body as may from time to time	290
have the authority under law to take such actions as may be	291
necessary to perform all or any part of the duty required by	292
such provision;	293
(7) Any provision that may be made in a trust agreement or	294
indenture;	295
(8) Any other or additional agreements with the holders of	296
the obligations, or the trustee therefor, relating to the	297
obligations or the security therefor, including the assignment	298
of mortgages or other security relating to financial assistance	299
for qualified projects under section 5531.09 of the Revised	300
Code.	301
(F) The obligations may have the great seal of the state	302
or a facsimile thereof affixed thereto or printed thereon. The	303
obligations and any coupons pertaining to obligations shall be	304
signed or bear the facsimile signature of the issuing authority.	305
Any obligations or coupons may be executed by the person who, on	306
the date of execution, is the proper issuing authority although	307
on the date of such bonds or coupons such person was not the	308
issuing authority. In case the issuing authority whose signature	309
or a facsimile of whose signature appears on any such obligation	310
or coupon ceases to be the issuing authority before delivery	311
thereof, such signature or facsimile nevertheless is valid and	312
sufficient for all purposes as if the former issuing authority	313
had remained the issuing authority until such delivery; and in	314
case the seal to be affixed to obligations has been changed	315
after a facsimile of the seal has been imprinted on such	316
obligations, such facsimile seal shall continue to be sufficient	317
as to such obligations and obligations issued in substitution or	318

exchange therefor.	319
(G) All obligations are negotiable instruments and securities under Chapter 1308. of the Revised Code, subject to the provisions of the bond proceedings as to registration. The obligations may be issued in coupon or in registered form, or both, as the issuing authority determines. Provision may be made for the registration of any obligations with coupons attached thereto as to principal alone or as to both principal and interest, their exchange for obligations so registered, and for the conversion or reconversion into obligations with coupons attached thereto of any obligations registered as to both principal and interest, and for reasonable charges for such registration, exchange, conversion, and reconversion.	320 321 322 323 324 325 326 327 328 329 330 331
(H) Obligations may be sold at public sale or at private sale, as determined in the bond proceedings.	332 333
(I) Pending preparation of definitive obligations, the issuing authority may issue interim receipts or certificates which shall be exchanged for such definitive obligations.	334 335 336
(J) In the discretion of the issuing authority, obligations may be secured additionally by a trust agreement or indenture between the issuing authority and a corporate trustee which may be any trust company or bank possessing corporate trust powers that has a place of business within or without the state. Any such agreement or indenture may contain the order authorizing the issuance of the obligations, any provisions that may be contained in any bond proceedings, and other provisions which are customary or appropriate in an agreement or indenture of such type, including, but not limited to:	337 338 339 340 341 342 343 344 345 346
(1) Maintenance of each pledge, trust agreement,	347

indenture, or other instrument comprising part of the bond	348
proceedings until the state has fully paid the bond service	349
charges on the obligations secured thereby, or provision	350
therefor has been made;	351
(2) In the event of default in any payments required to be	352
made by the bond proceedings, or any other agreement of the	353
issuing authority made as a part of the contract under which the	354
obligations were issued, enforcement of such payments or	355
agreement by mandamus, the appointment of a receiver, suit in	356
equity, action at law, or any combination of the foregoing;	357
(3) The rights and remedies of the holders of obligations	358
and of the trustee, and provisions for protecting and enforcing	359
them, including limitations on the rights of individual holders	360
of obligations;	361
(4) The replacement of any obligations that become	362
mutilated or are destroyed, lost, or stolen;	363
(5) Such other provisions as the trustee and the issuing	364
authority agree upon, including limitations, conditions, or	365
qualifications relating to any of the foregoing.	366
(K) Any holder of obligations or a trustee under the bond	367
proceedings, except to the extent that the holder's or trustee's	368
rights are restricted by the bond proceedings, may by any	369
suitable form of legal proceedings, protect and enforce any	370
rights under the laws of this state or granted by such bond	371
proceedings. Such rights include the right to compel the	372
performance of all duties of the issuing authority and the	373
director of transportation required by the bond proceedings or	374
sections 5531.09 and 5531.10 of the Revised Code; to enjoin	375
unlawful activities; and in the event of default with respect to	376

the payment of any bond service charges on any obligations or in 377  
the performance of any covenant or agreement on the part of the 378  
issuing authority or the director of transportation in the bond 379  
proceedings, to apply to a court having jurisdiction of the 380  
cause to appoint a receiver to receive and administer the 381  
pledged receipts and special funds, other than those in the 382  
custody of the treasurer of state, which are pledged to the 383  
payment of the bond service charges on such obligations or which 384  
are the subject of the covenant or agreement, with full power to 385  
pay, and to provide for payment of bond service charges on, such 386  
obligations, and with such powers, subject to the direction of 387  
the court, as are accorded receivers in general equity cases, 388  
excluding any power to pledge additional revenues or receipts or 389  
other income or moneys of the state or local governmental 390  
entities, or agencies thereof, to the payment of such principal 391  
and interest and excluding the power to take possession of, 392  
mortgage, or cause the sale or otherwise dispose of any project 393  
facilities. 394

Each duty of the issuing authority and the issuing 395  
authority's officers and employees, and of each state or local 396  
governmental agency and its officers, members, or employees, 397  
undertaken pursuant to the bond proceedings or any loan, loan 398  
guarantee, lease, lease-purchase agreement, or other agreement 399  
made under authority of section 5531.09 of the Revised Code, and 400  
in every agreement by or with the issuing authority, is hereby 401  
established as a duty of the issuing authority, and of each such 402  
officer, member, or employee having authority to perform such 403  
duty, specifically enjoined by the law resulting from an office, 404  
trust, or station within the meaning of section 2731.01 of the 405  
Revised Code. 406

The person who is at the time the issuing authority, or 407

the issuing authority's officers or employees, are not liable in 408  
their personal capacities on any obligations issued by the 409  
issuing authority or any agreements of or with the issuing 410  
authority. 411

(L) The issuing authority may authorize and issue 412  
obligations for the refunding, including funding and retirement, 413  
and advance refunding with or without payment or redemption 414  
prior to maturity, of any obligations previously issued by the 415  
issuing authority or district obligations. Such refunding 416  
obligations may be issued in amounts sufficient for payment of 417  
the principal amount of the prior obligations or district 418  
obligations, any redemption premiums thereon, principal 419  
maturities of any such obligations or district obligations 420  
maturing prior to the redemption of the remaining obligations or 421  
district obligations on a parity therewith, interest accrued or 422  
to accrue to the maturity dates or dates of redemption of such 423  
obligations or district obligations, and any expenses incurred 424  
or to be incurred in connection with such issuance and such 425  
refunding, funding, and retirement. Subject to the bond 426  
proceedings therefor, the portion of proceeds of the sale of 427  
refunding obligations issued under this division to be applied 428  
to bond service charges on the prior obligations or district 429  
obligations shall be credited to an appropriate account held by 430  
the trustee for such prior or new obligations or to the 431  
appropriate account in the bond service fund for such 432  
obligations or district obligations. Obligations authorized 433  
under this division shall be deemed to be issued for those 434  
purposes for which such prior obligations or district 435  
obligations were issued and are subject to the provisions of 436  
this section pertaining to other obligations, except as 437  
otherwise provided in this section. The last maturity of 438

obligations authorized under this division shall not be later 439  
than the latest permitted maturity of the original securities 440  
issued for the original purpose. 441

(M) The authority to issue obligations under this section 442  
includes authority to issue obligations in the form of bond 443  
anticipation notes and to renew the same from time to time by 444  
the issuance of new notes. The holders of such notes or interest 445  
coupons pertaining thereto shall have a right to be paid solely 446  
from the pledged receipts and special funds that may be pledged 447  
to the payment of the bonds anticipated, or from the proceeds of 448  
such bonds or renewal notes, or both, as the issuing authority 449  
provides in the order authorizing such notes. Such notes may be 450  
additionally secured by covenants of the issuing authority to 451  
the effect that the issuing authority and the state will do such 452  
or all things necessary for the issuance of such bonds or 453  
renewal notes in the appropriate amount, and apply the proceeds 454  
thereof to the extent necessary, to make full payment of the 455  
principal of and interest on such notes at the time or times 456  
contemplated, as provided in such order. For such purpose, the 457  
issuing authority may issue bonds or renewal notes in such 458  
principal amount and upon such terms as may be necessary to 459  
provide funds to pay when required the principal of and interest 460  
on such notes, notwithstanding any limitations prescribed by or 461  
for purposes of this section. Subject to this division, all 462  
provisions for and references to obligations in this section are 463  
applicable to notes authorized under this division. 464

The issuing authority in the bond proceedings authorizing 465  
the issuance of bond anticipation notes shall set forth for such 466  
bonds an estimated interest rate and a schedule of principal 467  
payments for such bonds and the annual maturity dates thereof. 468



(N) Obligations issued under this section are lawful 469  
investments for banks, societies for savings, savings and loan 470  
associations, deposit guarantee associations, trust companies, 471  
trustees, fiduciaries, insurance companies, including domestic 472  
for life and domestic not for life, trustees or other officers 473  
having charge of sinking and bond retirement or other special 474  
funds of political subdivisions and taxing districts of this 475  
state, the commissioners of the sinking fund of the state, the 476  
administrator of workers' compensation, the state teachers 477  
retirement system, the public employees retirement system, the 478  
school employees retirement system, and the Ohio police and fire 479  
pension fund, notwithstanding any other provisions of the 480  
Revised Code or rules adopted pursuant thereto by any agency of 481  
the state with respect to investments by them, and are also 482  
acceptable as security for the deposit of public moneys. 483

(O) Unless otherwise provided in any applicable bond 484  
proceedings, moneys to the credit of or in the special funds 485  
established by or pursuant to this section may be invested by or 486  
on behalf of the issuing authority only in notes, bonds, or 487  
other obligations of the United States, or of any agency or 488  
instrumentality of the United States, obligations guaranteed as 489  
to principal and interest by the United States, obligations of 490  
this state or any political subdivision of this state, and 491  
certificates of deposit of any national bank located in this 492  
state and any bank, as defined in section 1101.01 of the Revised 493  
Code, subject to inspection by the superintendent of financial 494  
institutions. If the law or the instrument creating a trust 495  
pursuant to division (J) of this section expressly permits 496  
investment in direct obligations of the United States or an 497  
agency of the United States, unless expressly prohibited by the 498  
instrument, such moneys also may be invested in no-front-end- 499

load money market mutual funds consisting exclusively of 500  
obligations of the United States or an agency of the United 501  
States and in repurchase agreements, including those issued by 502  
the fiduciary itself, secured by obligations of the United 503  
States or an agency of the United States; and in collective 504  
investment funds as defined in division (A) of section 1111.01 505  
of the Revised Code and consisting exclusively of any such 506  
securities. The income from such investments shall be credited 507  
to such funds as the issuing authority determines, and such 508  
investments may be sold at such times as the issuing authority 509  
determines or authorizes. 510

(P) Provision may be made in the applicable bond 511  
proceedings for the establishment of separate accounts in the 512  
bond service fund and for the application of such accounts only 513  
to the specified bond service charges on obligations pertinent 514  
to such accounts and bond service fund and for other accounts 515  
therein within the general purposes of such fund. Unless 516  
otherwise provided in any applicable bond proceedings, moneys to 517  
the credit of or in the several special funds established 518  
pursuant to this section shall be disbursed on the order of the 519  
treasurer of state, provided that no such order is required for 520  
the payment from the bond service fund when due of bond service 521  
charges on obligations. 522

(Q) (1) The issuing authority may pledge all, or such 523  
portion as the issuing authority determines, of the pledged 524  
receipts to the payment of bond service charges on obligations 525  
issued under this section, and for the establishment and 526  
maintenance of any reserves, as provided in the bond 527  
proceedings, and make other provisions therein with respect to 528  
pledged receipts as authorized by this chapter, which provisions 529  
are controlling notwithstanding any other provisions of law 530

pertaining thereto. 531

(2) An action taken under division (Q) (2) of this section 532  
does not limit the generality of division (Q) (1) of this 533  
section, and is subject to division (C) of this section and, if 534  
and to the extent otherwise applicable, Section 13 of Article 535  
VIII, Ohio Constitution. The bond proceedings may contain a 536  
covenant that, in the event the pledged receipts primarily 537  
pledged and required to be used for the payment of bond service 538  
charges on obligations issued under this section, and for the 539  
establishment and maintenance of any reserves, as provided in 540  
the bond proceedings, are insufficient to make any such payment 541  
in full when due, or to maintain any such reserve, the director 542  
of transportation shall so notify the governor, and shall 543  
determine to what extent, if any, the payment may be made or 544  
moneys may be restored to the reserves from lawfully available 545  
moneys previously appropriated for that purpose to the 546  
department of transportation. The covenant also may provide that 547  
if the payments are not made or the moneys are not immediately 548  
and fully restored to the reserves from such moneys, the 549  
director shall promptly submit to the governor and to the 550  
director of budget and management a written request for either 551  
or both of the following: 552

(a) That the next biennial budget submitted by the 553  
governor to the general assembly include an amount to be 554  
appropriated from lawfully available moneys to the department 555  
for the purpose of and sufficient for the payment in full of 556  
bond service charges previously due and for the full 557  
replenishment of the reserves; 558

(b) That the general assembly be requested to increase 559  
appropriations from lawfully available moneys for the department 560

in the current biennium sufficient for the purpose of and for 561  
the payment in full of bond service charges previously due and 562  
to come due in the biennium and for the full replenishment of 563  
the reserves. 564

The director of transportation shall include with such 565  
requests a recommendation that the payment of the bond service 566  
charges and the replenishment of the reserves be made in the 567  
interest of maximizing the benefits of the state infrastructure 568  
bank. Any such covenant shall not obligate or purport to 569  
obligate the state to pay the bond service charges on such bonds 570  
or notes or to deposit moneys in a reserve established for such 571  
payments other than from moneys that may be lawfully available 572  
and appropriated for that purpose during the then-current 573  
biennium. 574

(R) There is hereby created the state infrastructure bank 575  
revenue bond service fund, which shall be in the custody of the 576  
treasurer of state but shall not be a part of the state 577  
treasury. All moneys received by or on account of the issuing 578  
authority or state agencies and required by the applicable bond 579  
proceedings, consistent with this section, to be deposited, 580  
transferred, or credited to the bond service fund, and all other 581  
moneys transferred or allocated to or received for the purposes 582  
of the fund, shall be deposited and credited to such fund and to 583  
any separate accounts therein, subject to applicable provisions 584  
of the bond proceedings, but without necessity for any act of 585  
appropriation. The state infrastructure bank revenue bond 586  
service fund is a trust fund and is hereby pledged to the 587  
payment of bond service charges to the extent provided in the 588  
applicable bond proceedings, and payment thereof from such fund 589  
shall be made or provided for by the treasurer of state in 590  
accordance with such bond proceedings without necessity for any 591

act of appropriation. 592

(S) The obligations issued pursuant to this section, the 593  
transfer thereof, and the income therefrom, including any profit 594  
made on the sale thereof, shall at all times be free from 595  
taxation within this state." 596

In line 4066, after "5525.16" insert ", 5531.09, 5531.10" 597

The motion was \_\_\_\_\_ agreed to.

SYNOPSIS 598

**State Infrastructure Bank - DOTCD37** 599

**R.C. 5531.09 and 5531.10** 600

Restores provisions from the House-passed version of the 601  
bill that do both of the following: 602

1. Require any loan made to a small municipal corporation 603  
from the State Infrastructure Bank to be a zero interest loan. 604

2. Specify that a small municipal corporation is a 605  
municipal corporation that is listed as an eligible small city 606  
in ODOT's Small City Program. 607