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136th General Assembly
Regular Session
2025-2026

Sub. H. B. No. 18

To amend sections 122.561, 131.43, 145.11, 169.05,
742.11, 3307.15, 3309.15, and 5505.06 and to
enact sections 113.052, 113.23, 113.231, and
113.232 of the Revised Code to address
investments in exchange-traded products by the
state retirement systems, to create a Ohio
Strategic Reserve Fund, to permit the Treasurer
of State to invest interest earnings from
certain state funds in digital assets, and to
name this act the Ohio Strategic Reserve Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 122.561, 131.43, 145.11, 169.05,
742.11, 3307.15, 3309.15, and 5505.06 be amended and sections
113.052, 113.23, 113.231, and 113.232 of the Revised Code be
enacted to read as follows:

Sec. 113.052. The treasurer of state, in the custodial
management of funds, may acquire, exchange, sell, supervise,
manage, or retain any investment that a prudent investor
exercising reasonable care, skill, and caution would acquire,
exchange, sell, supervise, manage, or retain in light of the



purposes, terms, distribution requirements, and other 20
circumstances then prevailing for the fund, and taking into 21
consideration the investment of all fund assets, as opposed to a 22
single investment. 23

Sec. 113.23. As used in sections 113.23 to 113.232 of the 24
Revised Code: 25

(A) "Digital asset" means a virtual currency, 26
cryptocurrency, native electronic asset, stablecoin, non- 27
fungible token, or any other digital-only asset that confers 28
economic, proprietary, or access rights or powers. 29

(B) "Exchange-traded product" means any financial 30
instrument that is duly registered and authorized for listing by 31
the United States securities and exchange commission on an 32
exchange registered as a national securities exchange under 33
section 6 of the "Securities Exchange Act of 1934," 15 U.S.C. 34
78f, or duly self-certified and authorized for trading by the 35
United States commodities futures trading commission, that is 36
traded on an exchange regulated by the United States government, 37
and derives its value from an underlying pool of assets such as 38
stocks, bonds, commodities, or indexes. 39

(C) "Private key" means a unique element of cryptographic 40
data used for signing transactions on a blockchain that is known 41
to the owner of the unique element. 42

(D) "Secure custody solution" means a technological 43
product or blended product and service that has all of the 44
following characteristics: 45

(1) The private keys that secure digital assets are 46
exclusively known and accessible by the government entity. 47

(2) The private keys that secure digital assets are 48

exclusively contained within an encrypted environment and are 49
accessible only via end-to-end encrypted channels. 50

(3) The private keys that secure digital assets are never 51
contained by, accessible by, or controllable via a smartphone. 52

(4) Any hardware that contains the private keys that 53
secure digital assets is maintained in at least two 54
geographically diversified specially designated secure data 55
centers. 56

(5) The secure custody solution enforces a multi-party 57
governance structure for authorizing transactions, enforces user 58
access controls, and logs all user-initiated actions. 59

(6) The provider of the secure custody solution has 60
implemented a disaster recovery protocol that ensures customer 61
access to digital assets in the event the provider becomes 62
unavailable. 63

(7) The secure custody solution undergoes regular code 64
audits and penetration testing from audit firms, and any 65
identified vulnerabilities are promptly remedied. 66

(E) "Qualified custodian" means any federal or state- 67
chartered bank, trust company, or a company regulated by the 68
state that has custody of a digital asset for an exchange-traded 69
product. 70

Sec. 113.231. (A) The Ohio strategic reserve fund is 71
created, which shall be in the custody of the treasurer of state 72
but shall not be part of the state treasury. The fund shall 73
consist of the following: 74

(1) Deposits required by sections 122.561, 131.43, and 75
169.05 of the Revised Code; 76

<u>(2) Money appropriated to the fund by the general</u>	77
<u>assembly;</u>	78
<u>(3) Digital assets acquired as investments under this</u>	79
<u>section;</u>	80
<u>(4) Investment earnings and other interest or rewards</u>	81
<u>earned by the fund and the assets of the fund, including both of</u>	82
<u>the following:</u>	83
<u>(a) Digital assets or earnings derived from a fork of a</u>	84
<u>distributed ledger;</u>	85
<u>(b) Digital assets or earnings distributed pursuant to an</u>	86
<u>airdrop to the state's cryptocurrency address.</u>	87
<u>(5) Gifts, grants, and other donations to the fund.</u>	88
<u>(B) The treasurer of state may invest or execute</u>	89
<u>transactions with all or part of the Ohio strategic reserve fund</u>	90
<u>in any of the following:</u>	91
<u>(1) Any classification of obligation listed in section</u>	92
<u>135.143 of the Revised Code, provided that the obligation shall</u>	93
<u>have a duration of not more than ten years;</u>	94
<u>(2) A digital asset exchange-traded product issued by an</u>	95
<u>investment company registered under Chapter 1707. of the Revised</u>	96
<u>Code;</u>	97
<u>(3) Digital assets that have an average market</u>	98
<u>capitalization of at least seven hundred fifty billion dollars</u>	99
<u>over the preceding twelve months, as determined by the treasurer</u>	100
<u>of state.</u>	101
<u>(C) Notwithstanding any contrary provision of section</u>	102
<u>113.05 of the Revised Code, a digital asset acquired as an</u>	103

investment of the Ohio strategic reserve fund shall be kept in 104
one of the following ways: 105

(1) On behalf of the state by a qualified custodian 106
contracted by the treasurer of state; 107

(2) In the form of an exchange-traded product issued by an 108
investment company registered under Chapter 1707. of the Revised 109
Code. 110

(D) The treasurer of state may loan the assets acquired as 111
an investment under this section to bring further returns to the 112
Ohio strategic reserve fund if the treasurer of state determines 113
that the loan does not increase the financial risk of the 114
investment. 115

(E) Not later than December 31 of each even-numbered year, 116
the treasurer of state shall submit to the general assembly, in 117
accordance with section 101.68 of the Revised Code, and publish 118
on the treasurer of state's web site, a report that includes all 119
of the following: 120

(1) A detailed accounting of all assets of the Ohio 121
strategic reserve fund as of the last day of the preceding 122
fiscal biennium; 123

(2) An estimate of the monetary value of those assets in 124
United States dollars; 125

(3) A comparison of the information and data described in 126
divisions (E) (1) and (2) of this section over the lifetime of 127
the Ohio strategic reserve fund; 128

(4) A description of the actions taken by the treasurer of 129
state to administer and manage the fund during the preceding 130
fiscal biennium. 131

(F) The treasurer of state may contract with investment 132
advisors, investment managers, qualified custodians, and other 133
service providers for the management of the Ohio strategic 134
reserve fund. 135

Sec. 113.232. The Ohio strategic reserve authority is 136
created. The authority shall advise the treasurer of state 137
regarding the administration and management of the Ohio 138
strategic reserve fund under section 113.231 of the Revised 139
Code, including approval of policies relating to investment 140
objectives, asset allocations, and administration of the fund. 141
The authority shall meet at the call of the chair and may 142
conduct virtual meetings. The authority shall consist of the 143
following members: 144

(A) The treasurer of state, who shall serve as the 145
chairperson of the authority; 146

(B) The auditor of state; 147

(C) The director of the office of budget and management; 148

(D) An appointee of the president of the senate, who shall 149
be an investment designee who is a resident of this state and 150
has direct experience in the management, analysis, supervision, 151
or investment of assets; 152

(E) An appointee of the speaker of the house of 153
representatives, who shall be an investment designee who is a 154
resident of this state and has direct experience in the 155
management, analysis, supervision, or investment of assets. 156

Sec. 122.561. The mortgage insurance fund of the director 157
of development services is hereby created to consist of all 158
money allocated by the director from the proceeds of the sale of 159
any issue of revenue bonds, to the extent and subject to the 160

conditions provided in the proceedings authorizing such bonds or 161
in the trust agreements securing such bonds, for the purpose of 162
insuring mortgage payments pursuant to section 122.451 of the 163
Revised Code, all grants and contributions made to the director 164
for such purpose, all moneys deposited or credited to the 165
mortgage insurance fund pursuant to section 169.05 of the 166
Revised Code, all other moneys and property designated by the 167
director and by law for such purpose, all mortgage insurance 168
premiums charged and collected as provided in this section, and 169
all receipts and proceeds from the sale, disposal, lease, or 170
rental of real or personal property which the director may hold 171
as a result of a default in an insured mortgage. The director 172
shall fix mortgage insurance premiums for the insurance of 173
mortgage payments pursuant to section 122.451 of the Revised 174
Code, to be computed as a percentage of the principal obligation 175
of the mortgage outstanding at the beginning of each mortgage 176
year. Such insurance premiums shall not be more than three per 177
cent per annum of the outstanding principal obligation, and 178
shall be calculated on the basis of all pertinent available 179
data. Such premiums shall be payable by the mortgagors or the 180
mortgagees in such manner as is prescribed by the director. The 181
amount of premium need not be uniform among the various 182
mortgages insured. The director may provide for the custody, 183
investment, and use of the unclaimed funds trust fund created by 184
section 169.05 of the Revised Code and all mortgage insurance 185
premiums, including the payment therefrom of the expenses and 186
costs of the director in insuring mortgage payments pursuant to 187
section 122.451 of the Revised Code. Any financial statements or 188
financial data submitted to the director or the controlling 189
board in connection with any application for the insurance of 190
mortgage payments, or any information taken from such statements 191
or data, is not open to public inspection. Five per cent of any 192

interest earned by the fund shall be credited to the Ohio 193
strategic reserve fund under section 113.231 of the Revised 194
Code. 195

Sec. 131.43. There is hereby created in the state treasury 196
the budget stabilization fund. All—Ten per cent of all 197
investment earnings of the fund shall be credited to the Ohio 198
strategic reserve fund under section 113.231 of the Revised 199
Code, with the remainder credited to the budget stabilization 200
fund. It is the intent of the general assembly to maintain an 201
amount of money in the budget stabilization fund that amounts to 202
approximately ten per cent of the general revenue fund revenues 203
for the preceding fiscal year. The governor shall include in the 204
state budget the governor submits to the general assembly under 205
section 107.03 of the Revised Code proposals for transfers 206
between the general revenue fund and the budget stabilization 207
fund for the ensuing fiscal biennium. The balance in the fund 208
may be combined with the balance in the general revenue fund for 209
purposes of cash management. 210

Sec. 145.11. (A) The members of the public employees 211
retirement board shall be the trustees of the funds created by 212
section 145.23 of the Revised Code. The board shall have full 213
power to invest the funds. The board and other fiduciaries shall 214
discharge their duties with respect to the funds solely in the 215
interest of the participants and beneficiaries; for the 216
exclusive purpose of providing benefits to participants and 217
their beneficiaries and defraying reasonable expenses of 218
administering the public employees retirement system; with care, 219
skill, prudence, and diligence under the circumstances then 220
prevailing that a prudent person acting in a like capacity and 221
familiar with these matters would use in the conduct of an 222
enterprise of a like character and with like aims; and by 223

diversifying the investments of the system so as to minimize the 224
risk of large losses, unless under the circumstances it is 225
clearly prudent not to do so. 226

The board, in accordance with its fiduciary duties 227
described under this section, shall make investment decisions 228
with the sole purpose of maximizing the return on its 229
investments. The board shall not make an investment decision 230
with the primary purpose of influencing any social or 231
environmental policy or attempting to influence the governance 232
of any corporation. 233

Nothing in this section shall be construed to prohibit the 234
board from investing in an exchange-traded product as defined in 235
section 113.23 of the Revised Code. 236

To facilitate investment of the funds, the board may 237
establish a partnership, trust, limited liability company, 238
corporation, including a corporation exempt from taxation under 239
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 240
amended, or any other legal entity authorized to transact 241
business in this state. 242

(B) In exercising its fiduciary responsibility with 243
respect to the investment of the funds, it shall be the intent 244
of the board to give consideration to investments that enhance 245
the general welfare of the state and its citizens where the 246
investments offer quality, return, and safety comparable to 247
other investments currently available to the board. In 248
fulfilling this intent, equal consideration shall also be given 249
to investments otherwise qualifying under this section that 250
involve minority owned and controlled firms and firms owned and 251
controlled by women, either alone or in joint venture with other 252
firms. 253

The board shall adopt, in regular meeting, policies, 254
objectives, or criteria for the operation of the investment 255
program that include asset allocation targets and ranges, risk 256
factors, asset class benchmarks, time horizons, total return 257
objectives, and performance evaluation guidelines. In adopting 258
policies and criteria for the selection of agents with whom the 259
board may contract for the administration of the funds, the 260
board shall comply with sections 145.114 and 145.116 of the 261
Revised Code and shall also give equal consideration to minority 262
owned and controlled firms, firms owned and controlled by women, 263
and ventures involving minority owned and controlled firms and 264
firms owned and controlled by women that otherwise meet the 265
policies and criteria established by the board. Amendments and 266
additions to the policies and criteria shall be adopted in 267
regular meeting. The board shall publish its policies, 268
objectives, and criteria under this provision no less often than 269
annually and shall make copies available to interested parties. 270

The board shall not adopt a policy, or take any action to 271
promote a policy, under which the board makes investment 272
decisions with the primary purpose of influencing any social or 273
environmental policy or attempting to influence the governance 274
of any corporation. 275

When reporting on the performance of investments, the 276
board shall comply with the performance presentation standards 277
established by the association for investment management and 278
research. 279

(C) All investments shall be purchased at current market 280
prices and the evidences of title of the investments shall be 281
placed in the hands of the treasurer of state, who is hereby 282
designated as custodian thereof, or in the hands of the 283

treasurer of state's authorized agent. Evidences of title of the 284
investments so purchased may be deposited by the treasurer of 285
state for safekeeping with an authorized agent, selected by the 286
treasurer of state, who is a qualified trustee under section 287
135.18 of the Revised Code. The treasurer of state or the agent 288
shall collect the principal, dividends, distributions, and 289
interest thereon as they become due and payable and place them 290
when so collected into the custodial funds. 291

The treasurer of state shall pay for investments purchased 292
by the retirement board on receipt of written or electronic 293
instructions from the board or the board's designated agent 294
authorizing the purchase and pending receipt of the evidence of 295
title of the investment by the treasurer of state or the 296
treasurer of state's authorized agent. The board may sell 297
investments held by the board, and the treasurer of state or the 298
treasurer of state's authorized agent shall accept payment from 299
the purchaser and deliver evidence of title of the investment to 300
the purchaser on receipt of written or electronic instructions 301
from the board or the board's designated agent authorizing the 302
sale, and pending receipt of the moneys for the investments. The 303
amount received shall be placed in the custodial funds. The 304
board and the treasurer of state may enter into agreements to 305
establish procedures for the purchase and sale of investments 306
under this division and the custody of the investments. 307

(D) No purchase or sale of any investment shall be made 308
under this section except as authorized by the public employees 309
retirement board. 310

(E) Any statement of financial position distributed by the 311
board shall include the fair value, as of the statement date, of 312
all investments held by the board under this section. 313

Sec. 169.05. (A) Every holder required to file a report 314
under section 169.03 of the Revised Code shall, at the time of 315
filing, pay to the director of commerce ten per cent of the 316
aggregate amount of unclaimed funds as shown on the report, 317
except for aggregate amounts of fifty dollars or less in which 318
case one hundred per cent shall be paid. The funds may be 319
deposited by the director in the state treasury to the credit of 320
the unclaimed funds trust fund, which is hereby created, or 321
placed with a financial organization. ~~Any~~ Five per cent of any 322
interest earned on money in the trust fund shall be credited to 323
the Ohio strategic reserve fund under section 113.231 of the 324
Revised Code, with the remainder credited to the trust fund. The 325
remainder of the aggregate amount of unclaimed funds as shown on 326
the report, plus earnings accrued to date of payment to the 327
director, shall, at the option of the director, be retained by 328
the holder or paid to the director for deposit as agent for the 329
mortgage funds with a financial organization as defined in 330
section 169.01 of the Revised Code, with the funds to be in 331
income-bearing accounts to the credit of the mortgage funds, or 332
the holder may enter into an agreement with the director 333
specifying the obligations of the United States in which funds 334
are to be invested, and agree to pay the interest on the 335
obligations to the state. Holders retaining any funds not in 336
obligations of the United States shall enter into an agreement 337
with the director specifying the classification of income- 338
bearing account in which the funds will be held and pay the 339
state interest on the funds at a rate equal to the prevailing 340
market rate for similar funds. Moneys that the holder is 341
required to pay to the director rather than to retain may be 342
deposited with the treasurer of state, or placed with a 343
financial organization. 344

Securities and other intangible property transferred to 345
the director shall, within a reasonable time, be converted to 346
cash and the proceeds deposited as provided for other funds. 347

One-half of the funds evidenced by agreements, in income- 348
bearing accounts, or on deposit with the treasurer of state 349
shall be allocated on the records of the director to the 350
mortgage insurance fund created by section 122.561 of the 351
Revised Code. Out of the remaining half, after allocation of 352
sufficient moneys to the minority business bonding fund to meet 353
the provisions of division (B) of this section, the remainder 354
shall be allocated on the records of the director to the housing 355
development fund created by division (A) of section 175.11 of 356
the Revised Code. 357

(B) The director shall serve as agent for the director of 358
development and as agent for the Ohio housing finance agency in 359
making deposits and withdrawals and maintaining records 360
pertaining to the minority business bonding fund created by 361
section 122.88 of the Revised Code, the mortgage insurance fund, 362
and the housing development fund created by section 175.11 of 363
the Revised Code. Funds from the mortgage insurance fund are 364
available to the director of development when those funds are to 365
be disbursed to prevent or cure, or upon the occurrence of, a 366
default of a mortgage insured pursuant to section 122.451 of the 367
Revised Code. Funds from the housing development fund are 368
available upon request to the Ohio housing finance agency, in an 369
amount not to exceed the funds allocated on the records of the 370
director, for the purposes of section 175.05 of the Revised 371
Code. Funds from the minority business bonding fund are 372
available to the director of development upon request to pay 373
obligations on bonds the director writes pursuant to section 374
122.88 of the Revised Code; except that, unless the general 375

assembly authorizes additional amounts, the total maximum amount 376
of moneys that may be allocated to the minority business bonding 377
fund under this division is ten million dollars. 378

When funds are to be disbursed, the appropriate agency 379
shall call upon the director to transfer the necessary funds to 380
it. The director shall first withdraw the funds paid by the 381
holders and deposited with the treasurer of state or in a 382
financial institution as agent for the funds. Whenever these 383
funds are inadequate to meet the request, the director shall 384
provide for a withdrawal of funds, within a reasonable time and 385
in the amount necessary to meet the request, from financial 386
institutions in which the funds were retained or placed by a 387
holder and from other holders who have retained funds, in an 388
equitable manner as the director prescribes. In the event that 389
the amount to be withdrawn from any one holder is less than five 390
hundred dollars, the amount to be withdrawn is at the director's 391
discretion. The director shall then transfer to the agency the 392
amount of funds requested. 393

Funds deposited in the unclaimed funds trust fund are 394
subject to call by the director when necessary to pay claims the 395
director allows under section 169.08 of the Revised Code, in 396
accordance with the director's rules, to defray the necessary 397
costs of making publications this chapter requires and to pay 398
other operating and administrative expenses the department of 399
commerce incurs in the administration and enforcement of this 400
chapter. 401

The unclaimed funds trust fund shall be assessed a 402
proportionate share of the administrative costs of the 403
department of commerce in accordance with procedures the 404
director of commerce prescribes. The assessment shall be paid 405

from the unclaimed funds trust fund to the division of 406
administration fund. 407

(C) Earnings on the accounts in financial organizations to 408
the credit of the mortgage funds shall, at the option of the 409
financial organization, be credited to the accounts at times and 410
at rates as earnings are paid on other accounts of the same 411
classification held in the financial organization or paid to the 412
director. The director shall be notified annually, and at other 413
times as the director may request, of the amount of the earnings 414
credited to the accounts. Interest on unclaimed funds a holder 415
retains shall be paid to the director or credited as specified 416
in the agreement under which the organization retains the funds. 417
Interest payable to the director under an agreement to invest 418
unclaimed funds in income-bearing accounts or obligations of the 419
United States shall be paid annually by the holder to the 420
director. Any earnings or interest the director receives under 421
this division shall be deposited in and credited to the mortgage 422
funds. 423

Sec. 742.11. (A) The members of the board of trustees of 424
the Ohio police and fire pension fund shall be the trustees of 425
the funds created by section 742.59 of the Revised Code. The 426
board shall have full power to invest the funds. The board and 427
other fiduciaries shall discharge their duties with respect to 428
the funds solely in the interest of the participants and 429
beneficiaries; for the exclusive purpose of providing benefits 430
to participants and their beneficiaries and defraying reasonable 431
expenses of administering the Ohio police and fire pension fund; 432
with care, skill, prudence, and diligence under the 433
circumstances then prevailing that a prudent person acting in a 434
like capacity and familiar with these matters would use in the 435
conduct of an enterprise of a like character and with like aims; 436

and by diversifying the investments of the disability and 437
pension fund so as to minimize the risk of large losses, unless 438
under the circumstances it is clearly prudent not to do so. 439

The board, in accordance with its fiduciary duties 440
described under this section, shall make investment decisions 441
with the sole purpose of maximizing the return on its 442
investments. The board shall not make an investment decision 443
with the primary purpose of influencing any social or 444
environmental policy or attempting to influence the governance 445
of any corporation. 446

Nothing in this section shall be construed to prohibit the 447
board from investing in an exchange-traded product as defined in 448
section 113.23 of the Revised Code. 449

To facilitate investment of the funds, the board may 450
establish a partnership, trust, limited liability company, 451
corporation, including a corporation exempt from taxation under 452
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C.A. 1, as 453
amended, or any other legal entity authorized to transact 454
business in this state. 455

(B) In exercising its fiduciary responsibility with 456
respect to the investment of the funds, it shall be the intent 457
of the board to give consideration to investments that enhance 458
the general welfare of the state and its citizens where the 459
investments offer quality, return, and safety comparable to 460
other investments currently available to the board. In 461
fulfilling this intent, equal consideration shall be given to 462
investments otherwise qualifying under this section that involve 463
minority owned and controlled firms and firms owned and 464
controlled by women, either alone or in joint venture with other 465
firms. 466

The board shall adopt, in regular meeting, policies, 467
objectives, or criteria for the operation of the investment 468
program that include asset allocation targets and ranges, risk 469
factors, asset class benchmarks, time horizons, total return 470
objectives, and performance evaluation guidelines. In adopting 471
policies and criteria for the selection of agents with whom the 472
board may contract for the administration of the funds, the 473
board shall comply with sections 742.114 and 742.116 of the 474
Revised Code and shall also give equal consideration to minority 475
owned and controlled firms, firms owned and controlled by women, 476
and joint ventures involving minority owned and controlled firms 477
and firms owned and controlled by women that otherwise meet the 478
policies and criteria established by the board. Amendments and 479
additions to the policies and criteria shall be adopted in 480
regular meeting. The board shall publish its policies, 481
objectives, and criteria under this provision no less often than 482
annually and shall make copies available to interested parties. 483

The board shall not adopt a policy, or take any action to 484
promote a policy, under which the board makes investment 485
decisions with the primary purpose of influencing any social or 486
environmental policy or attempting to influence the governance 487
of any corporation. 488

When reporting on the performance of investments, the 489
board shall comply with the performance presentation standards 490
established by the association for investment management and 491
research. 492

(C) All bonds, notes, certificates, stocks, or other 493
evidences of investments purchased by the board shall be 494
delivered to the treasurer of state, who is hereby designated as 495
custodian thereof, or to the treasurer of state's authorized 496

agent, and the treasurer of state or the agent shall collect the 497
principal, interest, dividends, and distributions that become 498
due and payable and place them when so collected into the 499
custodial funds. Evidences of title of the investments may be 500
deposited by the treasurer of state for safekeeping with an 501
authorized agent, selected by the treasurer of state, who is a 502
qualified trustee under section 135.18 of the Revised Code. The 503
treasurer of state shall pay for the investments purchased by 504
the board on receipt of written or electronic instructions from 505
the board or the board's designated agent authorizing the 506
purchase and pending receipt of the evidence of title of the 507
investment by the treasurer of state or the treasurer of state's 508
authorized agent. The board may sell investments held by the 509
board, and the treasurer of state or the treasurer of state's 510
authorized agent shall accept payment from the purchaser and 511
deliver evidence of title of the investment to the purchaser on 512
receipt of written or electronic instructions from the board or 513
the board's designated agent authorizing the sale, and pending 514
receipt of the moneys for the investments. The amount received 515
shall be placed into the custodial funds. The board and the 516
treasurer of state may enter into agreements to establish 517
procedures for the purchase and sale of investments under this 518
division and the custody of the investments. 519

(D) All of the board's business shall be transacted, all 520
its funds shall be invested, all warrants for money drawn and 521
payments shall be made, and all of its cash, securities, and 522
other property shall be held, in the name of the board or its 523
nominee, provided that nominees are authorized by board 524
resolution for the purpose of facilitating the ownership and 525
transfer of investments. 526

(E) No purchase or sale of any investment shall be made 527

under this section except as authorized by the board of trustees 528
of the Ohio police and fire pension fund. 529

(F) Any statement of financial position distributed by the 530
board shall include the fair value, as of the statement date, of 531
all investments held by the board under this section. 532

Sec. 3307.15. (A) The members of the state teachers 533
retirement board shall be the trustees of the funds created by 534
section 3307.14 of the Revised Code. The board shall have full 535
power to invest the funds. The board and other fiduciaries shall 536
discharge their duties with respect to the funds solely in the 537
interest of the participants and beneficiaries; for the 538
exclusive purpose of providing benefits to participants and 539
their beneficiaries and defraying reasonable expenses of 540
administering the system; with care, skill, prudence, and 541
diligence under the circumstances then prevailing that a prudent 542
person acting in a like capacity and familiar with these matters 543
would use in the conduct of an enterprise of a like character 544
and with like aims; and by diversifying the investments of the 545
system so as to minimize the risk of large losses, unless under 546
the circumstances it is clearly prudent not to do so. 547

The board, in accordance with its fiduciary duties 548
described under this section, shall make investment decisions 549
with the sole purpose of maximizing the return on its 550
investments. The board shall not make an investment decision 551
with the primary purpose of influencing any social or 552
environmental policy or attempting to influence the governance 553
of any corporation. 554

Nothing in this section shall be construed to prohibit the 555
board from investing in an exchange-traded product as defined in 556
section 113.23 of the Revised Code. 557

To facilitate investment of the funds, the board may 558
establish a partnership, trust, limited liability company, 559
corporation, including a corporation exempt from taxation under 560
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 561
amended, or any other legal entity authorized to transact 562
business in this state. 563

(B) In exercising its fiduciary responsibility with 564
respect to the investment of the funds, it shall be the intent 565
of the board to give consideration to investments that enhance 566
the general welfare of the state and its citizens where the 567
investments offer quality, return, and safety comparable to 568
other investments currently available to the board. In 569
fulfilling this intent, equal consideration shall also be given 570
to investments otherwise qualifying under this section that 571
involve minority owned and controlled firms and firms owned and 572
controlled by women, either alone or in joint venture with other 573
firms. 574

The board shall adopt, in regular meeting, policies, 575
objectives, or criteria for the operation of the investment 576
program that include asset allocation targets and ranges, risk 577
factors, asset class benchmarks, time horizons, total return 578
objectives, and performance evaluation guidelines. In adopting 579
policies and criteria for the selection of agents with whom the 580
board may contract for the administration of the funds, the 581
board shall comply with sections 3307.152 and 3307.154 of the 582
Revised Code and shall also give equal consideration to minority 583
owned and controlled firms, firms owned and controlled by women, 584
and ventures involving minority owned and controlled firms and 585
firms owned and controlled by women that otherwise meet the 586
policies and criteria established by the board. Amendments and 587
additions to the policies and criteria shall be adopted in 588

regular meeting. The board shall publish its policies, 589
objectives, and criteria under this provision no less often than 590
annually and shall make copies available to interested parties. 591

The board shall not adopt a policy, or take any action to 592
promote a policy, under which the board makes investment 593
decisions with the primary purpose of influencing any social or 594
environmental policy or attempting to influence the governance 595
of any corporation. 596

When reporting on the performance of investments, the 597
board shall comply with the performance presentation standards 598
established by the CFA institute. 599

(C) All bonds, notes, certificates, stocks, or other 600
evidences of investments purchased by the board shall be 601
delivered to the treasurer of state, who is hereby designated as 602
custodian thereof, or to the treasurer of state's authorized 603
agent, and the treasurer of state or the agent shall collect the 604
principal, interest, dividends, and distributions that become 605
due and payable and place them when so collected into the 606
custodial funds. Evidences of title of the investments may be 607
deposited by the treasurer of state for safekeeping with an 608
authorized agent, selected by the treasurer of state, who is a 609
qualified trustee under section 135.18 of the Revised Code. The 610
treasurer of state shall pay for the investments purchased by 611
the board on receipt of written or electronic instructions from 612
the board or the board's designated agent authorizing the 613
purchase and pending receipt of the evidence of title of the 614
investment by the treasurer of state or the treasurer of state's 615
authorized agent. The board may sell investments held by the 616
board, and the treasurer of state or the treasurer of state's 617
authorized agent shall accept payment from the purchaser and 618

deliver evidence of title of the investment to the purchaser on 619
receipt of written or electronic instructions from the board or 620
the board's designated agent authorizing the sale, and pending 621
receipt of the moneys for the investments. The amount received 622
shall be placed into the custodial funds. The board and the 623
treasurer of state may enter into agreements to establish 624
procedures for the purchase and sale of investments under this 625
division and the custody of the investments. 626

(D) No purchase or sale of any investment shall be made 627
under this section except as authorized by the board. 628

(E) Any statement of financial position distributed by the 629
board shall include the fair value, as of the statement date, of 630
all investments held by the board under this section. 631

Sec. 3309.15. (A) The members of the school employees 632
retirement board shall be the trustees of the funds created by 633
section 3309.60 of the Revised Code. The board shall have full 634
power to invest the funds. The board and other fiduciaries shall 635
discharge their duties with respect to the funds solely in the 636
interest of the participants and beneficiaries; for the 637
exclusive purpose of providing benefits to participants and 638
their beneficiaries and defraying reasonable expenses of 639
administering the school employees retirement system; with care, 640
skill, prudence, and diligence under the circumstances then 641
prevailing that a prudent person acting in a like capacity and 642
familiar with such matters would use in the conduct of an 643
enterprise of a like character and with like aims; and by 644
diversifying the investments of the system so as to minimize the 645
risk of large losses, unless under the circumstances it is 646
clearly prudent not to do so. 647

The board, in accordance with its fiduciary duties 648

described under this section, shall make investment decisions 649
with the sole purpose of maximizing the return on its 650
investments. The board shall not make an investment decision 651
with the primary purpose of influencing any social or 652
environmental policy or attempting to influence the governance 653
of any corporation. 654

Nothing in this section shall be construed to prohibit the 655
board from investing in an exchange-traded product as defined in 656
section 113.23 of the Revised Code. 657

The board may establish a partnership, trust, limited 658
liability company, corporation, including a corporation exempt 659
from taxation under the Internal Revenue Code, 100 Stat. 2085, 660
26 U.S.C.A. 1, as amended, or any other legal entity authorized 661
to transact business in this state. 662

(B) In exercising its fiduciary responsibility with 663
respect to the investment of the funds, it shall be the intent 664
of the board to give consideration to investments that enhance 665
the general welfare of the state and its citizens where the 666
investments offer quality, return, and safety comparable to 667
other investments currently available to the board. In 668
fulfilling this intent, equal consideration shall also be given 669
to investments otherwise qualifying under this section that 670
involve minority owned and controlled firms and firms owned and 671
controlled by women, either alone or in joint venture with other 672
firms. 673

The board shall adopt, in regular meeting, policies, 674
objectives, or criteria for the operation of the investment 675
program that include asset allocation targets and ranges, risk 676
factors, asset class benchmarks, time horizons, total return 677
objectives, and performance evaluation guidelines. In adopting 678

policies and criteria for the selection of agents with whom the 679
board may contract for the administration of the funds, the 680
board shall comply with sections 3309.157 and 3309.159 of the 681
Revised Code and shall also give equal consideration to minority 682
owned and controlled firms, firms owned and controlled by women, 683
and ventures involving minority owned and controlled firms and 684
firms owned and controlled by women that otherwise meet the 685
policies and criteria established by the board. Amendments and 686
additions to the policies and criteria shall be adopted in 687
regular meeting. The board shall publish its policies, 688
objectives, and criteria under this provision no less often than 689
annually and shall make copies available to interested parties. 690

The board shall not adopt a policy, or take any action to 691
promote a policy, under which the board makes investment 692
decisions with the primary purpose of influencing any social or 693
environmental policy or attempting to influence the governance 694
of any corporation. 695

If the board contracts with a person, including an agent 696
or investment manager, for the management or investment of the 697
funds, the board shall require the person to comply with the 698
global investment performance standards established by the 699
chartered financial analyst institute, or a successor 700
organization, when reporting on the performance of investments. 701

(C) All evidences of title of investments purchased by the 702
board under this section shall be delivered to the treasurer of 703
state, who is hereby designated as custodian thereof, or to the 704
treasurer of state's authorized agent, and the treasurer of 705
state or the agent shall collect principal, interest, dividends, 706
and distributions that become due and payable and place the same 707
when so collected into the custodial funds. Evidences of title 708

of the investments may be deposited by the treasurer of state 709
for safekeeping with an authorized agent, selected by the 710
treasurer of state, who is a qualified trustee under section 711
135.18 of the Revised Code. The treasurer of state shall pay for 712
the investments purchased by the board pending receipt of the 713
evidence of title of the investments by the treasurer of state 714
or to the treasurer of state's authorized agent, and on receipt 715
of written or electronic instructions from the board or the 716
board's designated agent authorizing the purchase. The board may 717
sell any investments held by the board, and the treasurer of 718
state or the treasurer of state's authorized agent shall accept 719
payment from the purchaser and deliver evidence of title of the 720
investment to the purchaser on receipt of written or electronic 721
instructions from the board or the board's designated agent 722
authorizing the sale, and pending receipt of the moneys for the 723
investments. The amount received shall be placed into the 724
custodial funds. The board and the treasurer of state may enter 725
into agreements to establish procedures for the purchase and 726
sale of investments under this division and the custody of the 727
investment. 728

(D) No purchase or sale of any investment shall be made 729
under this section except as authorized by the school employees 730
retirement board. 731

(E) Any statement of financial position distributed by the 732
board shall include the fair value, as of the statement date, of 733
all investments held by the board under this section. 734

Sec. 5505.06. (A) The members of the state highway patrol 735
retirement board shall be the trustees of the funds created by 736
section 5505.03 of the Revised Code. The board shall have full 737
power to invest the funds. The board and other fiduciaries shall 738

discharge their duties with respect to the funds solely in the 739
interest of the participants and beneficiaries; for the 740
exclusive purpose of providing benefits to participants and 741
their beneficiaries and defraying reasonable expenses of 742
administering the system; with care, skill, prudence, and 743
diligence under the circumstances then prevailing that a prudent 744
person acting in a like capacity and familiar with these matters 745
would use in the conduct of an enterprise of a like character 746
and with like aims; and by diversifying the investments of the 747
system so as to minimize the risk of large losses, unless under 748
the circumstances it is clearly prudent not to do so. 749

The board, in accordance with its fiduciary duties 750
described under this section, shall make investment decisions 751
with the sole purpose of maximizing the return on its 752
investments. The board shall not make an investment decision 753
with the primary purpose of influencing any social or 754
environmental policy or attempting to influence the governance 755
of any corporation. 756

Nothing in this section shall be construed to prohibit the 757
board from investing in an exchange-traded product as defined in 758
section 113.23 of the Revised Code. 759

To facilitate investment of the funds, the board may 760
establish a partnership, trust, limited liability company, 761
corporation, including a corporation exempt from taxation under 762
the Internal Revenue Code, 100 Stat. 2085, 26 U.S.C. 1, as 763
amended, or any other legal entity authorized to transact 764
business in this state. 765

(B) In exercising its fiduciary responsibility with 766
respect to the investment of the funds, it shall be the intent 767
of the board to give consideration to investments that enhance 768

the general welfare of the state and its citizens where the 769
investments offer quality, return, and safety comparable to 770
other investments currently available to the board. In 771
fulfilling this intent, equal consideration shall be given to 772
investments otherwise qualifying under this section that involve 773
minority owned and controlled firms and firms owned and 774
controlled by women, either alone or in joint venture with other 775
firms. 776

The board shall adopt, in regular meeting, policies, 777
objectives, or criteria for the operation of the investment 778
program that include asset allocation targets and ranges, risk 779
factors, asset class benchmarks, time horizons, total return 780
objectives, and performance evaluation guidelines. In adopting 781
policies and criteria for the selection of agents with whom the 782
board may contract for the administration of the funds, the 783
board shall comply with sections 5505.068 and 5505.0610 of the 784
Revised Code and shall also give equal consideration to minority 785
owned and controlled firms, firms owned and controlled by women, 786
and joint ventures involving minority owned and controlled firms 787
and firms owned and controlled by women that otherwise meet the 788
policies and criteria established by the board. Amendments and 789
additions to the policies and criteria shall be adopted in 790
regular meeting. The board shall publish its policies, 791
objectives, and criteria under this provision no less often than 792
annually and shall make copies available to interested parties. 793

The board shall not adopt a policy, or take any action to 794
promote a policy, under which the board makes investment 795
decisions with the primary purpose of influencing any social or 796
environmental policy or attempting to influence the governance 797
of any corporation. 798

When reporting on the performance of investments, the 799
board shall comply with the performance presentation standards 800
established by the association for investment management and 801
research. 802

(C) All evidences of title of the investments purchased by 803
the board shall be delivered to the treasurer of state, who is 804
hereby designated as the custodian thereof, or to the treasurer 805
of state's authorized agent. Evidences of title of the 806
investments may be deposited by the treasurer of state for 807
safekeeping with an authorized agent, selected by the treasurer 808
of state, who is a qualified trustee under section 135.18 of the 809
Revised Code. The treasurer of state shall collect the 810
principal, interest, dividends, and distributions that become 811
due and payable and, when collected, shall credit them to the 812
custodial funds. 813

The treasurer of state shall pay for the investments 814
purchased by the board on receipt of written or electronic 815
instructions from the board or the board's designated agent 816
authorizing the purchase and pending receipt of the evidence of 817
title of the investment by the treasurer of state or the 818
treasurer of state's authorized agent. The board may sell 819
investments held by the board, and the treasurer of state or the 820
treasurer of state's authorized agent shall accept payment from 821
the purchaser and deliver evidence of title of the investment to 822
the purchaser on receipt of written or electronic instructions 823
from the board or the board's designated agent authorizing the 824
sale, and pending receipt of the moneys for the investments. The 825
amount received shall be placed in the custodial funds. The 826
board and the treasurer of state may enter into agreements to 827
establish procedures for the purchase and sale of investments 828
under this division and the custody of the investments. 829

(D) All of the board's business shall be transacted, all 830
its funds shall be invested, all warrants for money drawn and 831
payments shall be made, and all of its cash, securities, and 832
other property shall be held, in the name of the board or its 833
nominee, provided that nominees are authorized by board 834
resolution for the purpose of facilitating the ownership and 835
transfer of investments. 836

(E) No purchase or sale of any investment shall be made 837
under this section except as authorized by the board. 838

(F) Any statement of financial position distributed by the 839
board shall include the fair value, as of the statement date, of 840
all investments held by the board under this section. 841

Section 2. That existing sections 122.561, 131.43, 145.11, 842
169.05, 742.11, 3307.15, 3309.15, and 5505.06 of the Revised 843
Code are hereby repealed. 844

Section 3. This act shall be known as the Ohio Strategic 845
Reserve Act. 846