

Sub. H. B. No. 96  
As Passed by the Senate  
BDPCD3

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

After line 13501, insert:

"Sec. 135.01. Except as otherwise provided in sections  
135.14, 135.143, 135.181, and 135.182 of the Revised Code, as  
used in sections 135.01 to 135.21 of the Revised Code:

(A) "Active deposit" means a public deposit necessary to  
meet current demands on the treasury, and that is deposited in  
any of the following:

(1) A commercial account that is payable or withdrawable,  
in whole or in part, on demand;

(2) A negotiable order of withdrawal account as authorized  
in the "Consumer Checking Account Equity Act of 1980," 94 Stat.  
146, 12 U.S.C.A. 1832(a);

(3) A money market deposit account as authorized in the  
"Garn-St. Germain Depository Institutions Act of 1982," 96 Stat.  
1501, 12 U.S.C. 3503.

(B) "Auditor" includes the auditor of state and the  
auditor, or officer exercising the functions of an auditor, of

any subdivision.

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(C) "Capital funds" means the sum of the following: the par value of the outstanding common capital stock, the par value of the outstanding preferred capital stock, the aggregate par value of all outstanding capital notes and debentures, and the surplus. In the case of an institution having offices in more than one county, the capital funds of such institution, for the purposes of sections 135.01 to 135.21 of the Revised Code, relative to the deposit of the public moneys of the subdivisions in one such county, shall be considered to be that proportion of the capital funds of the institution that is represented by the ratio that the deposit liabilities of such institution originating at the office located in the county bears to the total deposit liabilities of the institution.

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(D) "Governing board" means, in the case of the state, the state board of deposit; in the case of all school districts and educational service centers except as otherwise provided in this section, the board of education or governing board of a service center, and when the case so requires, the board of commissioners of the sinking fund; in the case of a municipal corporation, the legislative authority, and when the case so requires, the board of trustees of the sinking fund; in the case of a township, the board of township trustees; in the case of a union or joint institution or enterprise of two or more subdivisions not having a treasurer, the board of directors or trustees thereof; and in the case of any other subdivision electing or appointing a treasurer, the directors, trustees, or other similar officers of such subdivision. The governing board of a subdivision electing or appointing a treasurer shall be the governing board of all other subdivisions for which such

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treasurer is authorized by law to act. In the case of a county  
school financing district that levies a tax pursuant to section  
5705.215 of the Revised Code, the county board of education that  
serves as its taxing authority shall operate as a governing  
board. Any other county board of education shall operate as a  
governing board unless it adopts a resolution designating the  
board of county commissioners as the governing board for the  
county school district.

(E) "Inactive deposit" means a public deposit other than  
an interim deposit or an active deposit.

(F) "Interim deposit" means a deposit of interim moneys.  
"Interim moneys" means public moneys in the treasury of any  
subdivision after the award of inactive deposits has been made  
in accordance with section 135.07 of the Revised Code, which  
moneys are in excess of the aggregate amount of the inactive  
deposits as estimated by the governing board prior to the period  
of designation and which the governing board finds should not be  
deposited as active or inactive deposits for the reason that  
such moneys will not be needed for immediate use but will be  
needed before the end of the period of designation. In the case  
of the state treasury, "interim moneys" means public moneys that  
are not active deposits and may be invested in accordance with  
section 135.143 of the Revised Code.

(G) "Permissible rate of interest" means a rate of  
interest that all eligible institutions mentioned in section  
135.03 of the Revised Code are permitted to pay by law or valid  
regulations.

(H) "Warrant clearance account" means an account  
established by the treasurer of state for either of the  
following purposes:

~~(a)~~ (1) The deposit of active state moneys for the purposes 78  
of clearing state paper warrants or checks through the banking 79  
system, funding electronic benefit transfer cards, issuing 80  
stored value cards, or otherwise facilitating the settlement of 81  
state obligations; 82

~~(b)~~ (2) The deposit of custodial moneys from an account 83  
held in the custody of the treasurer of state to facilitate 84  
settlement of obligations of the custodial fund. 85

(I) "Public deposit" means public moneys deposited in a 86  
public depository pursuant to sections 135.01 to 135.21 of the 87  
Revised Code. 88

(J) "Public depository" means an institution which 89  
receives or holds any public deposits. 90

(K) "Public moneys" means all moneys in the treasury of 91  
the state or any subdivision of the state, or moneys coming 92  
lawfully into the possession or custody of the treasurer of 93  
state or of the treasurer of any subdivision. "Public moneys of 94  
the state" includes all such moneys coming lawfully into the 95  
possession of the treasurer of state; and "public moneys of a 96  
subdivision" includes all such moneys coming lawfully into the 97  
possession of the treasurer of the subdivision. 98

(L) "Subdivision" means any municipal corporation, except 99  
one which has adopted a charter under Article XVIII, Ohio 100  
Constitution, and the charter or ordinances of the chartered 101  
municipal corporation set forth special provisions respecting 102  
the deposit or investment of its public moneys, or any school 103  
district or educational service center, a county school 104  
financing district, township, municipal or school district 105  
sinking fund, special taxing or assessment district, or other 106

district or local authority electing or appointing a treasurer, 107  
except a county. In the case of a school district or educational 108  
service center, special taxing or assessment district, or other 109  
local authority for which a treasurer, elected or appointed 110  
primarily as the treasurer of a subdivision, is authorized or 111  
required by law to act as ex officio treasurer, the subdivision 112  
for which such a treasurer has been primarily elected or 113  
appointed shall be considered to be the "subdivision." The term 114  
also includes a union or joint institution or enterprise of two 115  
or more subdivisions, that is not authorized to elect or appoint 116  
a treasurer, and for which no ex officio treasurer is provided 117  
by law. 118

(M) "Treasurer" means, in the case of the state, the 119  
treasurer of state and in the case of any subdivision, the 120  
treasurer, or officer exercising the functions of a treasurer, 121  
of such subdivision. In the case of a board of trustees of the 122  
sinking fund of a municipal corporation, the board of 123  
commissioners of the sinking fund of a school district, or a 124  
board of directors or trustees of any union or joint institution 125  
or enterprise of two or more subdivisions not having a 126  
treasurer, such term means such board of trustees of the sinking 127  
fund, board of commissioners of the sinking fund, or board of 128  
directors or trustees. 129

(N) "Treasury investment board" of a municipal corporation 130  
means the mayor or other chief executive officer, the village 131  
solicitor or city director of law, and the auditor or other 132  
chief fiscal officer. 133

(O) "No-load money market mutual fund" means a no-load 134  
money market mutual fund to which all of the following apply: 135

(1) The fund is registered as an investment company under 136

the "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C.A. 137  
80a-1 to 80a-64; 138

(2) The fund has the highest letter or numerical rating 139  
provided by at least one nationally recognized statistical 140  
rating organization; 141

(3) The fund does not include any investment in a 142  
derivative. As used in division (O)(3) of this section, 143  
"derivative" means a financial instrument or contract or 144  
obligation whose value or return is based upon or linked to 145  
another asset or index, or both, separate from the financial 146  
instrument, contract, or obligation itself. Any security, 147  
obligation, trust account, or other instrument that is created 148  
from an issue of the United States treasury or is created from 149  
an obligation of a federal agency or instrumentality or is 150  
created from both is considered a derivative instrument. An 151  
eligible investment described in section 135.14 or 135.35 of the 152  
Revised Code with a variable interest rate payment, based upon a 153  
single interest payment or single index comprised of other 154  
investments provided for in division (B)(1) or (2) of section 155  
135.14 of the Revised Code, is not a derivative, provided that 156  
such variable rate investment has a maximum maturity of two 157  
years. 158

(P) "Public depositor" means the state or a subdivision, 159  
as applicable, that deposits public moneys in a public 160  
depository pursuant to sections 135.01 to 135.21 of the Revised 161  
Code. 162

(Q) "Uninsured public deposit" means the portion of a 163  
public deposit that is not insured by the federal deposit 164  
insurance corporation or by any other agency or instrumentality 165  
of the federal government." 166

Update the title, amend, enact, or repeal clauses accordingly 167

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

**SYNOPSIS**

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**Warrant clearance accounts**

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**R.C. 135.01**

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Reinserts an Executive provision that was removed by the 171  
Senate expanding the definition of "warrant clearance account" 172  
to include accounts established by TOS for the deposit of active 173  
state moneys for the purposes of clearing state checks through 174  
the banking system. 175