



November 16, 2021

Chairman Jordan  
House Financial Institutions Committee  
Ohio House of Representatives

RE: HB 440 Proponent

Chairman Jordan, Vice Chair Ferguson, Ranking Member Crossman, and members of the Financial institutions Committee:

Thank you for allowing me to submit proponent testimony on HB 440, which would expand obligations in which the Treasurer may invest state interim funds. This bill would help Ohio hospitals, including Nationwide Children's Hospital, lower our borrowing costs and help us reinvest savings into our patients and communities.

Nationwide Children's Hospital is America's second largest children's hospital and served nearly 1.3 million patients last year. We treat patients from all 50 states, advocate for best practices, conduct internationally recognized research and educate our families and communities. We are appreciative of the sponsors and Treasurer Sprague's consideration of Ohio hospitals in drafting this legislation.

HB 440 expands the role of the Treasurer's office when acting as a liquidity provider for a Variable Rate Demand Obligation (VRDO). The VRDO is a borrowing tool which requires an entity to act as a liquidity provider that would purchase the debt if there are no investors in the market. The Treasurer's office would step into this role, lowering borrowing costs and administrative burdens. This partnership with the Treasurer's office will help us save on our borrowing costs now and in the future.

Thank you to Representatives Swearingen and White, as well as Treasurer Sprague, for giving us another tool in the toolbox to help manage our finances, while we continue to provide the best possible care for our patients and families.

Sincerely,

Luke Brown

Chief Financial Officer

Nationwide Children's Hospital