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Representative Schuring

Cosponsors: Speaker Rosenberger Representatives Strahorn, Amstutz, Boyce, Brown, Celebrezze, Cera, Derickson, Driehaus, Hayes, McClain, Slesnick, Sprague, Buchy, Anielski, Antani, Barnes, Boyd, Brenner, Craig, Dever, Dovilla, Ginter, Goodman, Johnson, T., Leland, Maag, Merrin, Perales, Roegner, Romanchuk, Smith, R., Sweeney, Terhar, Thompson, Young, Zeltwanger,

Senator LaRose

A BILL

To amend sections 135.143 and 135.35 and to enact
section 9.76 of the Revised Code to raise the
foreign debt cap from one per cent to two per
cent regarding state interim funds and county
inactive and public library fund investments and
to prohibit a state agency from contracting with
a company that is involved in a boycott. 1

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

Section 1. That sections 135.143 and 135.35 be amended and
section 9.76 of the Revised Code be enacted to read as follows: 8

Sec. 9.76. (A) As used in this section: 10

(1) "Boycott" means engaging in refusals to deal,
terminating business activities, or other actions that are
intended to limit commercial relations with persons or entities
in a discriminatory manner. "Boycott" does not include: 11
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<u>(a) Boycotts to which 50 U.S.C. 4607(c) applies;</u>	15
<u>(b) A decision based on business or economic reasons, or the specific conduct of a targeted person or entity;</u>	16 17
<u>(c) A boycott against a public entity of a foreign state when the boycott is applied in a nondiscriminatory manner; and</u>	18 19
<u>(d) Conduct necessary to comply with applicable law in the business's home jurisdiction.</u>	20 21
<u>(2) "Company" means a sole proprietorship, partnership, corporation, national association, societe anonyme, limited liability company, limited partnership, limited liability partnership, joint venture, or other business organization, including their subsidiaries and affiliates, that operates to earn a profit.</u>	22 23 24 25 26 27
<u>(3) "Israel" means Israel or Israeli-controlled territories.</u>	28 29
<u>(4) "Jurisdiction with whom this state can enjoy open trade" means any world trade organization member and any jurisdiction with which the United States has free trade or other agreements aimed at ensuring open and nondiscriminatory trade relations.</u>	30 31 32 33 34
<u>(5) "State agency" means an organized body, office, agency, institution, or other entity established by the laws of the state for the exercise of a function of state government.</u>	35 36 37
<u>(B) A state agency may not enter into or renew a contract with a company for the acquisition or provision of supplies, equipment, or services, or for construction services, unless the contract declares that the company is not boycotting any jurisdiction with whom this state can enjoy open trade,</u>	38 39 40 41 42

including Israel, and will not do so during the contract period. 43

Sec. 135.143. (A) The treasurer of state may invest or 44
execute transactions for any part or all of the interim funds of 45
the state in the following classifications of obligations: 46

(1) United States treasury bills, notes, bonds, or any 47
other obligations or securities issued by the United States 48
treasury or any other obligation guaranteed as to principal and 49
interest by the United States; 50

(2) Bonds, notes, debentures, or any other obligations or 51
securities issued by any federal government agency or 52
instrumentality; 53

(3) (a) Bonds, notes, and other obligations of the state of 54
Ohio, including, but not limited to, any obligations issued by 55
the treasurer of state, the Ohio public facilities commission, 56
the Ohio building authority, the Ohio housing finance agency, 57
the Ohio water development authority, and the Ohio turnpike 58
infrastructure commission; 59

(b) Bonds, notes, and other obligations of any state or 60
political subdivision thereof rated in the three highest 61
categories by at least one nationally recognized standard rating 62
service and purchased through a registered securities broker or 63
dealer, provided the treasurer of state is not the sole 64
purchaser of the bonds, notes, or other obligations at original 65
issuance. 66

(4) (a) Written repurchase agreements with any eligible 67
Ohio financial institution that is a member of the federal 68
reserve system or federal home loan bank, or any registered 69
United States government securities dealer, under the terms of 70
which agreement the treasurer of state purchases and the 71

eligible financial institution or dealer agrees unconditionally 72
to repurchase any of the securities that are listed in division 73
(A) (1), (2), or (6) of this section. The market value of 74
securities subject to these transactions must exceed the 75
principal value of the repurchase agreement by an amount 76
specified by the treasurer of state, and the securities must be 77
delivered into the custody of the treasurer of state or the 78
qualified trustee or agent designated by the treasurer of state. 79
The agreement shall contain the requirement that for each 80
transaction pursuant to the agreement, the participating 81
institution or dealer shall provide all of the following 82
information: 83

- (i) The par value of the securities; 84
- (ii) The type, rate, and maturity date of the securities; 85
- (iii) A numerical identifier generally accepted in the 86
securities industry that designates the securities. 87

(b) The treasurer of state also may sell any securities, 88
listed in division (A) (1), (2), or (6) of this section, 89
regardless of maturity or time of redemption of the securities, 90
under the same terms and conditions for repurchase, provided 91
that the securities have been fully paid for and are owned by 92
the treasurer of state at the time of the sale. 93

(5) Securities lending agreements with any eligible 94
financial institution that is a member of the federal reserve 95
system or federal home loan bank or any recognized United States 96
government securities dealer, under the terms of which 97
agreements the treasurer of state lends securities and the 98
eligible financial institution or dealer agrees to 99
simultaneously exchange similar securities or cash, equal value 100

for equal value.	101
Securities and cash received as collateral for a	102
securities lending agreement are not interim funds of the state.	103
The investment of cash collateral received pursuant to a	104
securities lending agreement may be invested only in such	105
instruments specified by the treasurer of state in accordance	106
with a written investment policy.	107
(6) Various forms of commercial paper issued by any entity	108
that is organized under the laws of the United States or a	109
state, which notes are rated in the two highest categories by	110
two nationally recognized standard rating services, provided	111
that the total amount invested under this section in any	112
commercial paper at any time shall not exceed forty per cent of	113
the state's total average portfolio, as determined and	114
calculated by the treasurer of state;	115
(7) Bankers acceptances, maturing in two hundred seventy	116
days or less, provided that the total amount invested in bankers	117
acceptances at any time shall not exceed ten per cent of the	118
state's total average portfolio, as determined and calculated by	119
the treasurer of state;	120
(8) Certificates of deposit in eligible institutions	121
applying for interim moneys as provided in section 135.08 of the	122
Revised Code, including linked deposits as provided in sections	123
135.61 to 135.67 of the Revised Code, agricultural linked	124
deposits as provided in sections 135.71 to 135.76 of the Revised	125
Code, and housing linked deposits as provided in sections 135.81	126
to 135.87 of the Revised Code;	127
(9) The state treasurer's investment pool authorized under	128
section 135.45 of the Revised Code;	129

(10) Debt interests, other than commercial paper described 130
in division (A) (6) of this section, rated in the three highest 131
categories by two nationally recognized standard rating services 132
and issued by entities that are organized under the laws of the 133
United States or a state, or issued by foreign nations 134
diplomatically recognized by the United States government, or 135
any instrument based on, derived from, or related to such 136
interests, provided that: 137

(a) The investments in debt interests other than 138
commercial paper shall not exceed in the aggregate twenty-five 139
per cent of the state's portfolio. 140

(b) The investments in debt interests issued by foreign 141
nations shall not exceed in the aggregate ~~one~~ two per cent of 142
the state's portfolio. 143

The treasurer of state shall invest under division (A) (10) 144
of this section in a debt interest issued by a foreign nation 145
only if the debt interest is backed by the full faith and credit 146
of that foreign nation, and provided that all interest and 147
principal shall be denominated and payable in United States 148
funds. 149

(c) When added to the investment in commercial paper, the 150
investments in the debt interests of a single issuer shall not 151
exceed in the aggregate five per cent of the state's portfolio. 152

(d) For purposes of division (A) (10) of this section, a 153
debt interest is rated in the three highest categories by two 154
nationally recognized standard rating services if either the 155
debt interest itself or the issuer of the debt interest is 156
rated, or is implicitly rated, in the three highest categories 157
by two nationally recognized standard rating services. 158

(e) For purposes of division (A)(10) of this section, the "state's portfolio" means the state's total average portfolio, as determined and calculated by the treasurer of state.

(11) No-load money market mutual funds rated in the highest category by one nationally recognized standard rating service or consisting exclusively of obligations described in division (A)(1), (2), or (6) of this section and repurchase agreements secured by such obligations.

(12) Obligations of a political subdivision issued under Chapter 133. of the Revised Code and identified in an agreement described in division (G) of this section.

(B) Whenever, during a period of designation, the treasurer of state classifies public moneys as interim moneys, the treasurer of state shall notify the state board of deposit of such action. The notification shall be given within thirty days after such classification and, in the event the state board of deposit does not concur in such classification or in the investments or deposits made under this section, the board may order the treasurer of state to sell or liquidate any of the investments or deposits, and any such order shall specifically describe the investments or deposits and fix the date upon which they are to be sold or liquidated. Investments or deposits so ordered to be sold or liquidated shall be sold or liquidated for cash by the treasurer of state on the date fixed in such order at the then current market price. Neither the treasurer of state nor the members of the state board of deposit shall be held accountable for any loss occasioned by sales or liquidations of investments or deposits at prices lower than their cost. Any loss or expense incurred in making these sales or liquidations is payable as other expenses of the treasurer's office.

(C) If any securities or obligations invested in by the 189
treasurer of state pursuant to this section are registrable 190
either as to principal or interest, or both, such securities or 191
obligations shall be registered in the name of the treasurer of 192
state. 193

(D) The treasurer of state is responsible for the 194
safekeeping of all securities or obligations under this section. 195
Any such securities or obligations may be deposited for 196
safekeeping as provided in section 113.05 of the Revised Code. 197

(E) Interest earned on any investments or deposits 198
authorized by this section shall be collected by the treasurer 199
of state and credited by the treasurer of state to the proper 200
fund of the state. 201

(F) Whenever investments or deposits acquired under this 202
section mature and become due and payable, the treasurer of 203
state shall present them for payment according to their tenor, 204
and shall collect the moneys payable thereon. The moneys so 205
collected shall be treated as public moneys subject to sections 206
135.01 to 135.21 of the Revised Code. 207

(G) The treasurer of state and any political subdivision 208
issuing obligations referred to in division (A)(12) of this 209
section, which obligations mature within one year from the 210
original date of issuance, may enter into an agreement providing 211
for: 212

(1) The purchase of those obligations by the treasurer of 213
state on terms and subject to conditions set forth in the 214
agreement; 215

(2) The payment by the political subdivision to the 216
treasurer of state of a reasonable fee as consideration for the 217

agreement of the treasurer of state to purchase those 218
obligations; provided, however, that the treasurer of state 219
shall not be authorized to enter into any such agreement with a 220
board of education of a school district that has an outstanding 221
obligation with respect to a loan received under authority of 222
section 3313.483 of the Revised Code. 223

(H) For purposes of division (G) of this section, a fee 224
shall not be considered reasonable unless it is set to recover 225
only the direct costs, a reasonable estimate of the indirect 226
costs associated with the purchasing of obligations of a 227
political subdivision under division (G) of this section and any 228
reselling of the obligations or any interest in the obligations, 229
including interests in a fund comprised of the obligations, and 230
the administration thereof. No money from the general revenue 231
fund shall be used to subsidize the purchase or resale of these 232
obligations. 233

(I) All money collected by the treasurer of state from the 234
fee imposed by division (G) of this section shall be deposited 235
to the credit of the state political subdivision obligations 236
fund, which is hereby created in the state treasury. Money 237
credited to the fund shall be used solely to pay the treasurer 238
of state's direct and indirect costs associated with purchasing 239
and reselling obligations of a political subdivision under 240
division (G) of this section. 241

(J) As used in this section, "political subdivision" means 242
a county, township, municipal corporation, or school district. 243

Sec. 135.35. (A) The investing authority shall deposit or 244
invest any part or all of the county's inactive moneys and shall 245
invest all of the money in the county public library fund when 246
required by section 135.352 of the Revised Code. The following 247

classifications of securities and obligations are eligible for	248
such deposit or investment:	249
(1) United States treasury bills, notes, bonds, or any	250
other obligation or security issued by the United States	251
treasury, any other obligation guaranteed as to principal or	252
interest by the United States, or any book entry, zero-coupon	253
United States treasury security that is a direct obligation of	254
the United States.	255
Nothing in the classification of eligible securities and	256
obligations set forth in divisions (A) (2) to (10) of this	257
section shall be construed to authorize any investment in	258
stripped principal or interest obligations of such eligible	259
securities and obligations.	260
(2) Bonds, notes, debentures, or any other obligations or	261
securities issued by any federal government agency or	262
instrumentality, including, but not limited to, the federal	263
national mortgage association, federal home loan bank, federal	264
farm credit bank, federal home loan mortgage corporation, and	265
government national mortgage association. All federal agency	266
securities shall be direct issuances of federal government	267
agencies or instrumentalities.	268
(3) Time certificates of deposit or savings or deposit	269
accounts, including, but not limited to, passbook accounts, in	270
any eligible institution mentioned in section 135.32 of the	271
Revised Code;	272
(4) Bonds and other obligations of this state or the	273
political subdivisions of this state;	274
(5) No-load money market mutual funds rated in the highest	275
category at the time of purchase by at least one nationally	276

recognized standard rating service or consisting exclusively of	277
obligations described in division (A) (1), (2), or (6) of section	278
135.143 of the Revised Code and repurchase agreements secured by	279
such obligations, provided that investments in securities	280
described in this division are made only through eligible	281
institutions mentioned in section 135.32 of the Revised Code;	282
(6) The Ohio subdivision's fund as provided in section	283
135.45 of the Revised Code;	284
(7) Securities lending agreements with any eligible	285
institution mentioned in section 135.32 of the Revised Code that	286
is a member of the federal reserve system or federal home loan	287
bank or with any recognized United States government securities	288
dealer meeting the description in division (J) (1) of this	289
section, under the terms of which agreements the investing	290
authority lends securities and the eligible institution or	291
dealer agrees to simultaneously exchange similar securities or	292
cash, equal value for equal value.	293
Securities and cash received as collateral for a	294
securities lending agreement are not inactive moneys of the	295
county or moneys of a county public library fund. The investment	296
of cash collateral received pursuant to a securities lending	297
agreement may be invested only in instruments specified by the	298
investing authority in the written investment policy described	299
in division (K) of this section.	300
(8) Up to twenty-five per cent of the county's total	301
average portfolio in either of the following investments:	302
(a) Commercial paper notes issued by an entity that is	303
defined in division (D) of section 1705.01 of the Revised Code	304
and that has assets exceeding five hundred million dollars, to	305

which notes all of the following apply:	306
(i) The notes are rated at the time of purchase in the	307
highest classification established by at least two nationally	308
recognized standard rating services.	309
(ii) The aggregate value of the notes does not exceed ten	310
per cent of the aggregate value of the outstanding commercial	311
paper of the issuing corporation.	312
(iii) The notes mature not later than two hundred seventy	313
days after purchase.	314
(b) Bankers acceptances of banks that are insured by the	315
federal deposit insurance corporation and that mature not later	316
than one hundred eighty days after purchase.	317
No investment shall be made pursuant to division (A) (8) of	318
this section unless the investing authority has completed	319
additional training for making the investments authorized by	320
division (A) (8) of this section. The type and amount of	321
additional training shall be approved by the treasurer of state	322
and may be conducted by or provided under the supervision of the	323
treasurer of state.	324
(9) Up to fifteen per cent of the county's total average	325
portfolio in notes issued by corporations that are incorporated	326
under the laws of the United States and that are operating	327
within the United States, or by depository institutions that are	328
doing business under authority granted by the United States or	329
any state and that are operating within the United States,	330
provided both of the following apply:	331
(a) The notes are rated in the second highest or higher	332
category by at least two nationally recognized standard rating	333
services at the time of purchase.	334

(b) The notes mature not later than two years after 335
purchase. 336

(10) Debt interests rated at the time of purchase in the 337
three highest categories by two nationally recognized standard 338
rating services and issued by foreign nations diplomatically 339
recognized by the United States government. All interest and 340
principal shall be denominated and payable in United States 341
funds. The investments made under division (A) (10) of this 342
section shall not exceed in the aggregate ~~one~~ two per cent of a 343
county's total average portfolio. 344

The investing authority shall invest under division (A) 345
(10) of this section in a debt interest issued by a foreign 346
nation only if the debt interest is backed by the full faith and 347
credit of that foreign nation, there is no prior history of 348
default, and the debt interest matures not later than five years 349
after purchase. For purposes of division (A) (10) of this 350
section, a debt interest is rated in the three highest 351
categories by two nationally recognized standard rating services 352
if either the debt interest itself or the issuer of the debt 353
interest is rated, or is implicitly rated, at the time of 354
purchase in the three highest categories by two nationally 355
recognized standard rating services. 356

(11) A current unpaid or delinquent tax line of credit 357
authorized under division (G) of section 135.341 of the Revised 358
Code, provided that all of the conditions for entering into such 359
a line of credit under that division are satisfied, or bonds and 360
other obligations of a county land reutilization corporation 361
organized under Chapter 1724. of the Revised Code, if the county 362
land reutilization corporation is located wholly or partly 363
within the same county as the investing authority. 364

(B) Nothing in the classifications of eligible obligations and securities set forth in divisions (A) (1) to (10) of this section shall be construed to authorize investment in a derivative, and no investing authority shall invest any county inactive moneys or any moneys in a county public library fund in a derivative. For purposes of this division, "derivative" means a financial instrument or contract or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself. Any security, obligation, trust account, or other instrument that is created from an issue of the United States treasury or is created from an obligation of a federal agency or instrumentality or is created from both is considered a derivative instrument. An eligible investment described in this section with a variable interest rate payment, based upon a single interest payment or single index comprised of other eligible investments provided for in division (A) (1) or (2) of this section, is not a derivative, provided that such variable rate investment has a maximum maturity of two years. A treasury inflation-protected security shall not be considered a derivative, provided the security matures not later than five years after purchase.

(C) Except as provided in division (D) of this section, any investment made pursuant to this section must mature within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of the county or to a specific obligation or debt of a political subdivision of this state, and the investment is specifically approved by the investment advisory committee.

(D) The investing authority may also enter into a written repurchase agreement with any eligible institution mentioned in

section 135.32 of the Revised Code or any eligible securities 396
dealer pursuant to division (J) of this section, under the terms 397
of which agreement the investing authority purchases and the 398
eligible institution or dealer agrees unconditionally to 399
repurchase any of the securities listed in divisions (D) (1) to 400
(5), except letters of credit described in division (D) (2), of 401
section 135.18 of the Revised Code. The market value of 402
securities subject to an overnight written repurchase agreement 403
must exceed the principal value of the overnight written 404
repurchase agreement by at least two per cent. A written 405
repurchase agreement must exceed the principal value of the 406
overnight written repurchase agreement, by at least two per 407
cent. A written repurchase agreement shall not exceed thirty 408
days, and the market value of securities subject to a written 409
repurchase agreement must exceed the principal value of the 410
written repurchase agreement by at least two per cent and be 411
marked to market daily. All securities purchased pursuant to 412
this division shall be delivered into the custody of the 413
investing authority or the qualified custodian of the investing 414
authority or an agent designated by the investing authority. A 415
written repurchase agreement with an eligible securities dealer 416
shall be transacted on a delivery versus payment basis. The 417
agreement shall contain the requirement that for each 418
transaction pursuant to the agreement the participating 419
institution shall provide all of the following information: 420

- (1) The par value of the securities; 421
- (2) The type, rate, and maturity date of the securities; 422
- (3) A numerical identifier generally accepted in the 423
securities industry that designates the securities. 424

No investing authority shall enter into a written 425

repurchase agreement under the terms of which the investing 426
authority agrees to sell securities owned by the county to a 427
purchaser and agrees with that purchaser to unconditionally 428
repurchase those securities. 429

(E) No investing authority shall make an investment under 430
this section, unless the investing authority, at the time of 431
making the investment, reasonably expects that the investment 432
can be held until its maturity. The investing authority's 433
written investment policy shall specify the conditions under 434
which an investment may be redeemed or sold prior to maturity. 435

(F) No investing authority shall pay a county's inactive 436
moneys or moneys of a county public library fund into a fund 437
established by another subdivision, treasurer, governing board, 438
or investing authority, if that fund was established by the 439
subdivision, treasurer, governing board, or investing authority 440
for the purpose of investing or depositing the public moneys of 441
other subdivisions. This division does not apply to the payment 442
of public moneys into either of the following: 443

(1) The Ohio subdivision's fund pursuant to division (A) 444
(6) of this section; 445

(2) A fund created solely for the purpose of acquiring, 446
constructing, owning, leasing, or operating municipal utilities 447
pursuant to the authority provided under section 715.02 of the 448
Revised Code or Section 4 of Article XVIII, Ohio Constitution. 449

For purposes of division (F) of this section, 450
"subdivision" includes a county. 451

(G) The use of leverage, in which the county uses its 452
current investment assets as collateral for the purpose of 453
purchasing other assets, is prohibited. The issuance of taxable 454

notes for the purpose of arbitrage is prohibited. Contracting to 455
sell securities not owned by the county, for the purpose of 456
purchasing such securities on the speculation that bond prices 457
will decline, is prohibited. 458

(H) Any securities, certificates of deposit, deposit 459
accounts, or any other documents evidencing deposits or 460
investments made under authority of this section shall be issued 461
in the name of the county with the county treasurer or investing 462
authority as the designated payee. If any such deposits or 463
investments are registrable either as to principal or interest, 464
or both, they shall be registered in the name of the treasurer. 465

(I) The investing authority shall be responsible for the 466
safekeeping of all documents evidencing a deposit or investment 467
acquired under this section, including, but not limited to, 468
safekeeping receipts evidencing securities deposited with a 469
qualified trustee, as provided in section 135.37 of the Revised 470
Code, and documents confirming the purchase of securities under 471
any repurchase agreement under this section shall be deposited 472
with a qualified trustee, provided, however, that the qualified 473
trustee shall be required to report to the investing authority, 474
auditor of state, or an authorized outside auditor at any time 475
upon request as to the identity, market value, and location of 476
the document evidencing each security, and that if the 477
participating institution is a designated depository of the 478
county for the current period of designation, the securities 479
that are the subject of the repurchase agreement may be 480
delivered to the treasurer or held in trust by the participating 481
institution on behalf of the investing authority. 482

Upon the expiration of the term of office of an investing 483
authority or in the event of a vacancy in the office for any 484

reason, the officer or the officer's legal representative shall 485
transfer and deliver to the officer's successor all documents 486
mentioned in this division for which the officer has been 487
responsible for safekeeping. For all such documents transferred 488
and delivered, the officer shall be credited with, and the 489
officer's successor shall be charged with, the amount of moneys 490
evidenced by such documents. 491

(J) (1) All investments, except for investments in 492
securities described in divisions (A) (5), (6), and (11) of this 493
section, shall be made only through a member of the financial 494
industry regulatory authority (FINRA), through a bank, savings 495
bank, or savings and loan association regulated by the 496
superintendent of financial institutions, or through an 497
institution regulated by the comptroller of the currency, 498
federal deposit insurance corporation, or board of governors of 499
the federal reserve system. 500

(2) Payment for investments shall be made only upon the 501
delivery of securities representing such investments to the 502
treasurer, investing authority, or qualified trustee. If the 503
securities transferred are not represented by a certificate, 504
payment shall be made only upon receipt of confirmation of 505
transfer from the custodian by the treasurer, governing board, 506
or qualified trustee. 507

(K) (1) Except as otherwise provided in division (K) (2) of 508
this section, no investing authority shall make an investment or 509
deposit under this section, unless there is on file with the 510
auditor of state a written investment policy approved by the 511
investing authority. The policy shall require that all entities 512
conducting investment business with the investing authority 513
shall sign the investment policy of that investing authority. 514

All brokers, dealers, and financial institutions, described in 515
division (J) (1) of this section, initiating transactions with 516
the investing authority by giving advice or making investment 517
recommendations shall sign the investing authority's investment 518
policy thereby acknowledging their agreement to abide by the 519
policy's contents. All brokers, dealers, and financial 520
institutions, described in division (J) (1) of this section, 521
executing transactions initiated by the investing authority, 522
having read the policy's contents, shall sign the investment 523
policy thereby acknowledging their comprehension and receipt. 524

(2) If a written investment policy described in division 525
(K) (1) of this section is not filed on behalf of the county with 526
the auditor of state, the investing authority of that county 527
shall invest the county's inactive moneys and moneys of the 528
county public library fund only in time certificates of deposits 529
or savings or deposit accounts pursuant to division (A) (3) of 530
this section, no-load money market mutual funds pursuant to 531
division (A) (5) of this section, or the Ohio subdivision's fund 532
pursuant to division (A) (6) of this section. 533

(L) (1) The investing authority shall establish and 534
maintain an inventory of all obligations and securities acquired 535
by the investing authority pursuant to this section. The 536
inventory shall include a description of each obligation or 537
security, including type, cost, par value, maturity date, 538
settlement date, and any coupon rate. 539

(2) The investing authority shall also keep a complete 540
record of all purchases and sales of the obligations and 541
securities made pursuant to this section. 542

(3) The investing authority shall maintain a monthly 543
portfolio report and issue a copy of the monthly portfolio 544

report describing such investments to the county investment 545
advisory committee, detailing the current inventory of all 546
obligations and securities, all transactions during the month 547
that affected the inventory, any income received from the 548
obligations and securities, and any investment expenses paid, 549
and stating the names of any persons effecting transactions on 550
behalf of the investing authority. 551

(4) The monthly portfolio report shall be a public record 552
and available for inspection under section 149.43 of the Revised 553
Code. 554

(5) The inventory and the monthly portfolio report shall 555
be filed with the board of county commissioners. The monthly 556
portfolio report also shall be filed with the treasurer of 557
state. 558

(M) An investing authority may enter into a written 559
investment or deposit agreement that includes a provision under 560
which the parties agree to submit to nonbinding arbitration to 561
settle any controversy that may arise out of the agreement, 562
including any controversy pertaining to losses of public moneys 563
resulting from investment or deposit. The arbitration provision 564
shall be set forth entirely in the agreement, and the agreement 565
shall include a conspicuous notice to the parties that any party 566
to the arbitration may apply to the court of common pleas of the 567
county in which the arbitration was held for an order to vacate, 568
modify, or correct the award. Any such party may also apply to 569
the court for an order to change venue to a court of common 570
pleas located more than one hundred miles from the county in 571
which the investing authority is located. 572

For purposes of this division, "investment or deposit 573
agreement" means any agreement between an investing authority 574

and a person, under which agreement the person agrees to invest, 575
deposit, or otherwise manage, on behalf of the investing 576
authority, a county's inactive moneys or moneys in a county 577
public library fund, or agrees to provide investment advice to 578
the investing authority. 579

(N) (1) An investment held in the county portfolio on 580
September 27, 1996, that was a legal investment under the law as 581
it existed before September 27, 1996, may be held until 582
maturity. 583

(2) An investment held in the county portfolio on 584
September 10, 2012, that was a legal investment under the law as 585
it existed before September 10, 2012, may be held until 586
maturity. 587

Section 2. That existing sections 135.143 and 135.35 of 588
the Revised Code are hereby repealed. 589