



Ohio Revised Code Section 118.26 Debt obligations.

Effective: September 3, 1996

Legislation: House Bill 462 - 121st General Assembly

(A) Debt obligations issued by a municipal corporation, county, or township during a fiscal emergency period with the approval of the financial planning and supervision commission and for which the municipal corporation, county, or township has been paid in accordance with the contract for sale, shall in any action or proceeding involving their validity be conclusively deemed to have been issued, sold, executed, and delivered in conformity with law and shall be incontestable unless such action or proceeding is begun prior to the delivery of such bonds or notes, and all such debt obligations shall be lawful investments for banks, savings banks, societies for savings, building and loan associations, trust companies, or other financial institutions, trustees, fiduciaries, and insurance companies, including domestic for life and domestic not for life, the state, and sinking and bond retirement funds or other funds or investment accounts of municipal corporations, counties, townships, or other subdivisions of the state, notwithstanding any other provisions of the Revised Code or rule thereunder with respect to their investments and notwithstanding any prior default by the municipal corporation, county, or township.

(B) During a fiscal emergency period, none of the moneys received by a municipal corporation, county, or township from advance tax payments under section 118.24 of the Revised Code or from the sale of debt obligations, and no other moneys of the municipal corporation, county, or township, may be invested in, or used to acquire, or retain, debt obligations of such municipal corporation, county, or township. The municipal corporation, county, or township may, with the approval of the commission, accept renewal bond anticipation notes in exchange for bond anticipation notes of the municipal corporation, county, or township held by the municipal corporation, county, or township at the commencement of the fiscal emergency period or any renewals thereof.
