Ohio Revised Code

Section 1501.12 Issuance of state park revenue bonds.

Effective: September 14, 2016

Legislation: Senate Bill 293 - 131st General Assembly

(A) The director of natural resources, with the approval of the governor, may provide, at one time or from time to time, for the issuance of state park revenue bonds of the state, for the purpose of paying the cost of acquiring by purchase lands or interests therein to be used in the establishment or enlargement of state parks, and for the purpose of paying the cost of acquiring, constructing, enlarging, equipping, furnishing, and improving public service facilities in state parks and making land improvements incidental thereto. The principal of and interest on these bonds is payable solely from the revenues provided in section 1501.14 of the Revised Code. The bonds shall be authorized by order of the director of natural resources, approved by the governor, which shall recite an estimate by the director of the costs to be paid from the proceeds of the bond issue and provide for the issuance of bonds in an amount not in excess of the estimated cost. The bonds of each issue shall be dated, bear interest at a rate or rates not to exceed the rate provided in section 9.95 of the Revised Code, and mature at a time or times, not to exceed forty years from their date or dates, as determined by the director, and may be made redeemable before maturity, at the option of the director, at the price or prices and under the terms and conditions as fixed by the director prior to the issuance of the bonds. The director shall determine the form of the bonds, including the interest coupons to be attached thereto, and fix the denomination of the bonds and the place of payment of principal and interest thereof, which may be at any bank or trust company within or without the state.

The bonds shall be signed by the governor, the secretary of state, and the director, provided that all but one of these signatures may be a facsimile, and shall have affixed the great seal of Ohio or a facsimile thereof. Coupons attached thereto shall bear the facsimile signature of the director. The bonds shall contain a statement on their face that the state is not obligated to pay the same or the interest thereon and that they do not constitute a debt, or a pledge of the faith and credit, of the state or of any political subdivision thereof, but that the bonds and the interest thereon are payable solely from the revenues provided in section 1501.14 of the Revised Code. In case any of the officers whose signatures or facsimiles thereof appear on the bonds or coupons ceases to be such an officer before delivery of the bonds, the signatures or facsimiles are nevertheless valid and sufficient for all purposes as if they had remained in office until delivery. All the bonds shall have all the qualities and incidents of negotiable instruments under the applicable law of this state, and the bonds and the interest thereon are exempt from all taxation within this state. The bonds are lawful investments of banks, savings banks, trust companies, savings and loan associations, deposit guarantee associations, fiduciaries, trustees, trustees of the sinking fund or officer in charge of the bond retirement fund of municipal corporations and other subdivisions of the state, and of domestic insurance companies notwithstanding sections 3907.14 and 3925.08 of the Revised Code, and are acceptable as security for deposit of public money.

The bonds may be issued in coupon or registered form, or both, as the director determines, and provision may be made for the registration of any coupon bonds as to principal alone and for the exchange of coupon bonds for bonds registered as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest.

For the purpose of refunding any state park revenue bonds then outstanding that have been issued under sections 1501.12 to 1501.15 of the Revised Code, including payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of the bonds, the director, with the approval of the governor, may provide by order for the issuance of state park revenue refunding bonds of the state. The issuance of the bonds, the maturities, revenues pledged for their payment, and other details thereof, the rights of the holders thereof, and the rights, duties, and obligations of the director and chief of the division of parks and watercraft in respect to the bonds is governed by the sections insofar as they are applicable.

(B) The bonds shall be sold by the director to the highest bidder therefor, but for not less than the par value thereof plus accrued interest thereon, after a notice of sale has been published once a week for three consecutive weeks in one newspaper in each of the three most populous counties in the state. The notice of sale shall state the day, hour, and place of sale, the total principal amount of the bonds to be sold, their denominations, date, and the dates and amounts of their maturities, whether or not they are callable, information relative to the rates of interest that the bonds shall bear, and the dates upon which interest is payable, and any other information the director deems advisable.

(C) The proceeds of the bonds of each issue shall be used solely for the payment of the costs for which the bonds were issued, which cost shall include financing charges, interest during construction, legal fees, trustees' fees, and all other expenses incurred in connection with the issuance of the bonds, and shall be disbursed in a manner and under restrictions as the director provides in the order authorizing the issuance of the bonds or in the trust agreement, as provided in section 1501.13 of the Revised Code, securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, are less than that cost, additional bonds may in like manner be issued to provide the amount of the deficit, and, unless otherwise provided in the order authorizing the issuance of the bonds or in the trust agreement securing them, are deemed to be of the same issue and entitled to payments from the same fund, without preference or priority of the bonds first issued for the same facilities. If the proceeds of the bonds of any issue exceed the cost, the surplus shall be paid into a special fund to be established for payment of the principal and interest of the bonds as specified in the trust agreement securing them.