



Ohio Revised Code

Section 5537.08 Issuing revenue bonds.

Effective: July 1, 2013

Legislation: House Bill 51 - 130th General Assembly

(A) The Ohio turnpike and infrastructure commission may provide by resolution for the issuance, at one time or from time to time, of revenue bonds of the state for the purpose of paying all or any part of the cost of any one or more turnpike projects or infrastructure projects. The bond service charges shall be payable solely from pledged revenues pledged for such payment pursuant to the applicable bond proceedings. The bonds of each issue shall be dated, shall bear interest at a rate or rates or at variable rates, and shall mature or be payable at such time or times, with a final maturity not to exceed forty years from their date or dates, all as determined by the commission in the bond proceedings. The commission shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of bond service charges.

(B) The bonds shall be signed by the chairperson or vice-chairperson of the commission or by the facsimile signature of that officer, the official seal of the commission or a facsimile thereof shall be affixed thereto or printed thereon and attested by the secretary-treasurer of the commission, which may be by facsimile signature, and any coupons attached thereto shall bear the facsimile signature of the chairperson or vice-chairperson of the commission. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds or coupons ceases to be such officer before delivery of bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until such delivery.

(C) Subject to the bond proceedings and provisions for registration, the bonds shall have all the qualities and incidents of negotiable instruments under Title XIII of the Revised Code. The bonds may be issued in such form or forms as the commission determines, including without limitation coupon, book entry, and fully registered form, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the exchange of bonds between forms. The commission may sell such bonds by competitive bid on the best bid after advertisement or request for bids or by private sale in the manner, and for the price, it determines to be for the best interest of the state.



(D) The proceeds of the bonds of each issue shall be used solely for the payment of the costs of the turnpike project or projects for which such bonds were issued, or for the payment of the costs of the infrastructure project or projects as approved by the commission under section 5537.18 of the Revised Code. The proceeds shall be disbursed in such manner and under such restrictions as the commission provides in the applicable bond proceedings.

(E) Prior to the preparation of definitive bonds, the commission may, under like restrictions, issue interim receipts or temporary bonds or bond anticipation notes, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. The commission may provide for the replacement of any mutilated, stolen, destroyed, or lost bonds. Bonds may be issued by the commission under this chapter without obtaining the consent of any state agency, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions, or things that are specifically required by this chapter or those proceedings.

(F) Sections 9.98 to 9.983 of the Revised Code apply to the bonds.

(G) The bond proceedings shall provide, subject to the provisions of any other applicable bond proceedings, for the pledge to the payment of bond service charges and of any costs of or relating to credit enhancement facilities of all, or such part as the commission may determine, of the pledged revenues and the applicable special fund or funds, which pledges may be made to secure the bonds on a parity with bonds theretofore or thereafter issued if and to the extent provided in the bond proceedings. Every pledge, and every covenant and agreement with respect thereto, made in the bond proceedings may in the bond proceedings be extended to the benefit of the owners and holders of bonds and to any trustee and any person providing a credit enhancement facility for those bonds, for the further security for the payment of the bond service charges and credit enhancement facility costs.

(H) The bond proceedings may contain additional provisions as to:

(1) The redemption of bonds prior to maturity at the option of the commission or of the bondholders or upon the occurrence of certain stated conditions, and at such price or prices and under such terms



and conditions as are provided in the bond proceedings;

(2) Other terms of the bonds;

(3) Limitations on the issuance of additional bonds;

(4) The terms of any trust agreement securing the bonds or under which the same may be issued;

(5) Any or every provision of the bond proceedings being binding upon the commission and state agencies, or other person as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(6) Any provision that may be made in a trust agreement;

(7) Any other or additional agreements with the holders of the bonds, or the trustee therefor, relating to the bonds or the security for the bonds, including agreements for credit enhancement facilities.

(I) Any holder of bonds or a trustee under the bond proceedings, except to the extent that the holder's or trustee's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by the bond proceedings. Those rights include the right to compel the performance of all duties of the commission and state agencies required by this chapter or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any bonds or in the performance of any covenant or agreement on the part of the commission contained in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the revenues and the pledged revenues which are pledged to the payment of the bond service charges on such bonds or which are the subject of the covenant or agreement, with full power to pay, and to provide for payment of, bond service charges on such bonds, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income, funds, or moneys of the commission or state agencies to the payment of such bond service charges and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any turnpike project or other property of the commission.



(J) Each duty of the commission and the commission's officers and employees, undertaken pursuant to the bond proceedings, is hereby established as a duty of the commission, and of each such officer, member, or employee having authority to perform the duty, specifically enjoined by law resulting from an office, trust, or station within the meaning of section 2731.01 of the Revised Code.

(K) The commission's officers or employees are not liable in their personal capacities on any bonds issued by the commission or any agreements of or with the commission relating to those bonds.

(L) The bonds are lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other funds of the state or its political subdivisions and taxing districts, the commissioners of the sinking fund of the state, the administrator of workers' compensation, the state teachers retirement system, the public employees retirement system, the school employees retirement system, and the Ohio police and fire pension fund, notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any state agency with respect to investments by them, and are also acceptable as security for the repayment of the deposit of public moneys.

(M) Provision may be made in the applicable bond proceedings for the establishment of separate accounts in the bond service fund and for the application of such accounts only to the specified bond service charges pertinent to such accounts and bond service fund, and for other accounts therein within the general purposes of such fund.

(N) The commission may pledge all, or such portion as it determines, of the pledged revenues to the payment of bond service charges, and for the establishment and maintenance of any reserves and special funds, as provided in the bond proceedings, and make other provisions therein with respect to pledged revenues, revenues, and net revenues as authorized by this chapter, which provisions are controlling notwithstanding any other provisions of law pertaining thereto.