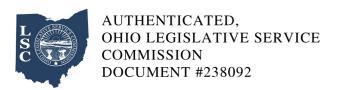


Ohio Revised Code Section 133.34 Refunding securities.

Effective: September 29, 2015

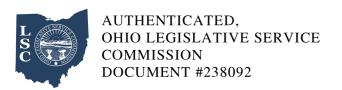
Legislation: House Bill 64 - 131st General Assembly

- (A) Upon the determination of the taxing authority that such funding or refunding will be in the subdivision's best interest, the subdivision may:
- (1) Issue general obligation securities to fund or refund any outstanding revenue or mortgage revenue, sales tax supported, or other special obligation securities previously issued by it for permanent improvements pursuant to authorization by law or the Ohio Constitution. Any general obligation bonds issued pursuant to this division (A)(1) shall be payable as to principal at such times and in such installments as determined by the taxing authority consistent with section 133.21 of the Revised Code. The last maturity of the refunding securities shall not be later than the later of:
- (a) Thirty years from the date of issuance of the original securities issued for the original purpose; or
- (b) The year of the last maturity that would have been permitted for the original securities if they had been issued as general obligation securities and the law as to the maximum maturity of general obligation securities issued for the original purpose were the same at the time the original securities were issued as the law existing at the time the refunding securities are issued.
- (2) Issue revenue or mortgage revenue securities, if authorized by other law or the Ohio Constitution to issue such securities for the original purpose, to fund or refund any outstanding general obligation or sales tax supported securities previously issued by it pursuant to authorization by law. The taxing authority shall establish the maturity date or dates, the interest payable, and other terms of such securities as it considers necessary or appropriate for their issuance.
- (3) Issue general obligation securities to fund or refund outstanding general obligation bonds issued in one or more issues for any purpose or purposes. General obligation securities issued pursuant to this division (A)(3) shall be payable as to principal at such times and in such installments as determined by the taxing authority. Section 133.21 of the Revised Code is not applicable to these refunding securities, but the last maturity of these refunding securities shall not be later than the year



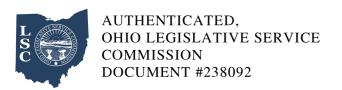
of last maturity permitted by law for the general obligation bonds refunded. Tax levies for debt charges on the refunding general obligation securities shall be considered to have the same status with respect to the provisions of the applicable tax limitation as the levies for debt charges on, and the refunding general obligation securities shall be considered to have the same status with respect to net indebtedness limitations as, the general obligation bonds that are refunded.

- (4) Issue sales tax supported or other special obligation securities to fund or refund any outstanding general obligation securities, or revenue or mortgage revenue, sales tax supported, or other special obligation securities previously issued by it for permanent improvements pursuant to authorization by law or the Ohio Constitution. Any sales tax supported bonds issued pursuant to this division (A)(4) shall be payable as to principal at such times and in such installments as determined by the taxing authority consistent with division (E) of section 133.081 of the Revised Code, but their last maturity shall be consistent with division (B) of section 133.081 of the Revised Code. Other special obligation securities issued under this division (A)(4) shall be payable as to principal at such times and in such installments as determined by the taxing authority, and are not subject to section 133.21 of the Revised Code. The last maturity of these refunding securities shall be not later than the year of last maturity permitted by law for the obligations refunded.
- (5) Apply moneys from other sources to fund any outstanding securities or public obligations issued by the taxing authority pursuant to authorization by law or the Ohio Constitution, including the funding of any mandatory sinking fund redemption requirements.
- (6) Issue tourism development district revenue supported bonds to fund or refund any outstanding revenue or mortgage revenue or general obligation or other special obligation securities previously issued by it for permanent improvements pursuant to authorization by law or the Ohio Constitution. Any tourism development district revenue supported bonds issued pursuant to division (A)(6) of this section shall be payable as to principal at such times and in such installments as determined by the taxing authority consistent with division (E) of section 133.083 of the Revised Code, but their last maturity shall be consistent with division (B) of section 133.083 of the Revised Code.
- (B) Securities issued pursuant to this section shall be considered to be issued for the same purpose or purposes as the securities that they are issued to fund or refund, and their proceeds shall be used as determined by the taxing authority consistent with their purpose. That use may include the payment



of the outstanding principal amount of, any redemption premium on, and any interest to redemption or maturity on, the securities being funded or refunded, and any expenses relating to the funding or refunding or the issuance of the refunding bonds, including financing costs, all as determined by the taxing authority. Proceeds of securities issued pursuant to this section may also be used to provide additional money for the purpose or purposes for which the securities being funded or refunded, or which they funded or refunded, were issued, but section 133.21 of the Revised Code is applicable to any such portion of general obligation securities.

- (C) Securities may be issued and other moneys may be applied pursuant to this section to fund or refund all or any portion of the outstanding securities, and whether or not the securities to be funded or refunded were issued subject to call or redemption prior to maturity or are the original securities or are themselves refunding securities.
- (D) Moneys derived from the proceeds of securities issued pursuant to this section to fund or refund general obligation bonds, or moneys from other sources, and required for the purpose shall, under an escrow agreement or otherwise, to the extent required by the legislation be placed in an escrow fund, which may be in the bond retirement fund in the case of the funded or refunded bonds being payable within ninety days of issuance of the refunding securities, and other moneys applied pursuant to this section to fund general obligation bonds shall, under an escrow agreement or otherwise, to the extent required by the legislation, be placed in an escrow fund that may be in the sinking fund or bond retirement fund, and in either case are pledged for the purpose of funding or refunding the refunded general obligation bonds and shall be used, together with any other available funds as provided in this section, for that purpose. Pending that use, the moneys in escrow shall be held in cash or, if and to the extent authorized by the taxing authority, invested in whole or in part in direct obligations of or obligations guaranteed as to payment by the United States that mature or are subject to redemption by and at the option of the holder not later than the date or dates when the moneys invested, together with interest or other investment income accrued on those moneys, and any moneys held in cash and not invested will be required for that use. Any moneys in the escrow fund derived from the issuance of revenue or mortgage revenue, sales tax supported, or other special obligation securities that will not be needed to pay debt charges on the funded or refunded general obligation bonds may be used for and pledged to the payment of debt charges on the refunding securities and on any securities issued on a parity with the refunding securities. Any moneys in the escrow fund derived from the proceeds of refunding general obligation securities and that will not be needed to pay debt charges



on the refunded general obligation bonds shall be transferred to the bond retirement fund. When the subdivision has placed in escrow moneys, derived from proceeds of refunding obligations or otherwise, or those direct or guaranteed obligations of the United States, or a combination of both, determined by an independent public accounting firm to be sufficient, with the interest or other investment income accruing on those direct or guaranteed obligations, for the payment of debt charges on the funded or refunded general obligation bonds, the funded or refunded general obligation bonds shall no longer be considered to be outstanding, shall not be considered for purposes of determining any limitation, direct or indirect, on the indebtedness or net indebtedness of the subdivision, and the levy of taxes or other charges for the payment of debt charges on the funded or refunded general obligation bonds under this chapter, Chapter 5705., or other provisions of the Revised Code, shall not be required. For purposes of this division, "direct obligations of or obligations guaranteed as to payment by the United States" includes rights to receive payment or portions of payments of the principal of or interest or other investment income on:

- (1) Those obligations; and
- (2) Other obligations fully secured as to payment by those obligations and the interest or other investment income on those obligations.
- (E) The authority granted by this section is in addition to and not a limitation on any other authorizations granted by or pursuant to law or the Ohio Constitution for the same or similar purposes, and does not limit or restrict the authority of municipal corporations to issue, under authority of Article XVIII, Ohio Constitution, revenue or mortgage revenue securities to fund or refund either general obligation securities or other revenue or mortgage revenue securities.