



## Ohio Revised Code

### Section 118.15 Prior approval of debt obligations.

Effective: September 3, 1996

Legislation: House Bill 462 - 121st General Assembly

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(A) No debt obligation may be issued or incurred by the municipal corporation, county, or township, whether purchased by the municipal corporation, county, or township or others, except with the prior approval of the financial planning and supervision commission.

(B) The commission shall disapprove the issuance of debt obligations upon a determination that, in its judgment, such action would impede the purposes of a financial plan under this chapter or be inconsistent with this chapter or the financial plan.

(C) The commission shall not approve the issuance of debt obligations unless:

(1) The ordinance authorizing their issuance, the ordinance or resolution providing for their award, and every document forming part of the contract with the purchasers of such debt obligations from the municipal corporation, county, or township is first submitted to the commission. The commission may adopt procedures for giving preliminary or conditional approval upon review of the ordinance authorizing such debt obligations and such other documents or information as it requires, and giving final approval upon review of the remaining documents, and for methods of evidencing such approvals.

(2) The ordinance authorizing the debt obligations contains a covenant to the effect that the municipal corporation, county, or township will comply with all provisions of this chapter, with the orders, directions, and requests of the commission and the auditor of state under this chapter, and with the financial plan. The commission may prescribe the form of such covenant.

(3) The municipal corporation, county, or township, at the time of such approval, is in compliance with this chapter.

(D) The commission shall not approve the issuance of a debt obligation if such issuance:



- (1) Would cause the municipal corporation, county, or township to exceed debt limits;
  
  - (2) Would impair the ability of overlapping subdivisions to issue unvoted faith and credit debt obligations for necessary permanent improvements, as defined in section 133.01 of the Revised Code;
  
  - (3) Would, in the judgment of the commission, be likely to lead to the reallocation of minimum levies as described in division (A)(3) of section 118.03 of the Revised Code.
- (E) For purposes of the validity of debt obligations approved by the commission and delivered to and paid for by a purchaser other than the municipal corporation, county, or township, but for no other purposes of this chapter, such approval shall be conclusive as to compliance with this section, unless such approval is withdrawn by the commission prior to such delivery and payment.