



Ohio Revised Code

Section 135.37 Security for repayment of county public moneys.

Effective: March 22, 2012

Legislation: House Bill 209 - 129th General Assembly

(A) Except as provided in section 135.353 or 135.354 of the Revised Code, any institution described in section 135.32 of the Revised Code shall, at the time it receives a deposit of public moneys under section 135.33 or 135.35 of the Revised Code, pledge to and deposit with the investing authority, as security for the repayment of all public moneys to be deposited, eligible securities of aggregate market value equal to or in excess of the amount of public moneys to be at the time so deposited. Any securities listed in division (B) of section 135.18 of the Revised Code are eligible for such purpose. The collateral so pledged or deposited may be in an amount that when added to the portion of the deposit insured by the federal deposit insurance corporation or any other agency or instrumentality of the federal government will, in the aggregate, equal or exceed the amount of public moneys so deposited; provided that, when an investment of inactive moneys consists of the purchase of one or more of the type of securities listed in division (A)(1) or (2) of section 135.35 of the Revised Code, no additional collateral need be pledged or deposited.

The investing authority also may require that additional eligible securities be pledged or deposited when depreciation occurs in the market value of any securities pledged or deposited.

(B) The public depository may, at any time, provide for the exchange or substitution of securities for other eligible securities or the release of securities when the amount of public moneys on deposit does not require that they be pledged or deposited, by notifying the investing authority of its intent to take such action.

Upon proper notification of the public depository's desire for release of securities, the investing authority may sign a release of such securities provided that the aggregate amount of collateral remaining pledged or deposited meets the requirements of divisions (A) to (E) of this section.

When a public depository desires to exchange or substitute securities for other eligible securities, the investing authority may release the securities pledged or deposited after the deposit of other securities having a current market value equal to or greater than the current market value of



securities then on deposit or after a safekeeping receipt has been received evidencing the deposit and pledge of such securities.

(C) Upon request from the investing authority, the trustee or the public depository shall furnish a statement of the securities pledged against the public moneys deposited in the public depository.

(D) If a public depository fails to pay over any part of any public deposit made as provided by law, the investing authority shall sell any pledged or deposited securities, as prescribed in division (C) of section 135.18 of the Revised Code.

(E) A public depository may designate, in accordance with the provisions of division (D) of section 135.18 of the Revised Code, a trustee for the safekeeping of any pledged securities. Such trustee shall be any bank or other institution eligible as a trustee under division (I) of section 135.18 of the Revised Code, except that, for the purposes of this section, a bank to which a certificate of qualification is issued shall be an institution mentioned in division (A) of section 135.32 of the Revised Code.

(F) In lieu of the pledging requirements prescribed in divisions (A) to (E) of this section, an institution designated as a public depository may pledge securities pursuant to section 135.181 of the Revised Code.