



Ohio Revised Code

Section 151.06 Highway capital improvement bond service fund.

Effective: September 14, 2000

Legislation: House Bill 640 - 123rd General Assembly

This section applies to obligations as defined in this section.

(A) As used in this section:

(1) "Capital facilities" or "projects" means highway capital improvements, which shall be limited to highways, including those on the state highway system and urban extensions thereof, those within or leading to public parks or recreation areas, and those within or leading to municipal corporations.

(2) "Costs of capital facilities" include related direct administrative expenses and allocable portions of direct costs of the Ohio department of transportation.

(3) "Obligations" means obligations as defined in section 151.01 of the Revised Code issued to pay costs of capital facilities.

(B) The issuing authority shall issue obligations to pay costs of capital facilities and projects pursuant to Section 2m of Article VIII, Ohio Constitution, section 151.01 of the Revised Code, and this section. Not more than two hundred twenty million dollars principal amount of obligations, plus the principal amount of obligations that in any prior fiscal years could have been, but were not, issued within that two-hundred-twenty-million dollar fiscal year limit, may be issued in any fiscal year, and not more than one billion two hundred million dollars principal amount of obligations may be outstanding at any one time, all determined as provided in section 151.01 of the Revised Code and this section.

(C) Net proceeds of obligations shall be deposited into the highway capital improvement fund created by section 5528.53 of the Revised Code.

(D) There is hereby created in the state treasury the "highway capital improvement bond service fund." All moneys received by the state and required by the bond proceedings, consistent with



sections 151.01 and 151.06 of the Revised Code, to be deposited, transferred, or credited to the bond service fund, and all other moneys transferred or allocated to or received for the purposes of that fund, shall be deposited and credited to the bond service fund, subject to any applicable provisions of the bond proceedings but without necessity for any act of appropriation. During the period beginning with the date of the first issuance of obligations and continuing during the time that any obligations are outstanding in accordance with their terms, so long as moneys in the bond service fund are insufficient to pay debt service when due on those obligations payable from that fund (except the principal amounts of bond anticipation notes payable from the proceeds of renewal notes or bonds anticipated) and due in the particular fiscal year, a sufficient amount of revenues of the state, including those referred to in Section 5a of Article XII, Ohio Constitution, is committed and, without necessity for further act of appropriation, shall be paid to the bond service fund for the purpose of paying that debt service when due. In each year that moneys referred to in Section 5a of Article XII, Ohio Constitution, pledged to the payment of bond service charges on obligations issued pursuant to this section are available for that purpose, those moneys shall be appropriated thereto and the required application of any other excises, taxes, and revenues shall be reduced in corresponding amount.

(E) The issuing authority may authorize and enter into agreements regarding the issuance of obligations, and may authorize the issuance of those obligations pursuant to such agreements, within amounts authorized from time to time by the general assembly, in support of and in combination with the issuance of infrastructure project obligations pursuant to section 5531.10 of the Revised Code for the purpose of assisting in the financing of projects, all in accordance with Section 2m of Article VIII, Ohio Constitution, section 151.01 of the Revised Code, and this section except as otherwise provided in division (E) of this section. Any agreement authorized and entered into under this division (E) may be irrevocable and may contain such other terms and conditions as shall be approved by the issuing authority consistent with this section and section 151.01 of the Revised Code.

The principal amount of obligations at the time authorized by the issuing authority to be issued pursuant to division (E) of this section shall be included in the fiscal year limitation provided for in division (B) of this section for the fiscal year in which the authorization occurs and shall also be included in the maximum principal amount which may be outstanding at any one time under division (B) of this section until such time as the related infrastructure project obligations are no longer



outstanding. The issuing authority shall covenant with the holders of the related infrastructure project obligations issued in combination with obligations under division (E) of this section that the obligations that may be issued under division (E) of this section shall not exceed the limits set forth in this section, and such covenant may be enforced as provided in division (I) of section 151.01 of the Revised Code.

Except as otherwise provided in division (E) of this section, section 151.01 of the Revised Code applies to obligations authorized under this section.

The bond proceedings for obligations issued under division (E) of this section may provide that the sale proceeds of the obligations shall be deposited in a special fund and used to pay bond service charges on the infrastructure project obligations or that those obligations, which need not be interest-bearing, may be deposited with the trustee for the infrastructure project obligations, in either case in exchange for an assignment of all or part of the revenues to be received by the trustee for payment of bond service charges on those infrastructure project obligations.

Any agreement authorized and delivered under division (E) of this section in combination with infrastructure project obligations shall be presumed to be in conformity with all legal requirements, and its terms and provisions shall be incontestable unless otherwise challenged in the manner referred to in division (B) of section 133.02 of the Revised Code prior to the delivery of the related infrastructure project obligations.