



Ohio Revised Code

Section 154.20 Capital facilities for mental hygiene or retardation.

Effective: September 29, 2013

Legislation: House Bill 59 - 130th General Assembly

(A) Subject to authorization by the general assembly under section 154.02 of the Revised Code, the issuing authority may issue obligations pursuant to this chapter to pay costs of capital facilities for mental hygiene and retardation, including housing for mental hygiene and retardation patients and persons with substance use disorders.

(B) Any capital facilities for mental hygiene or retardation, including housing for mental hygiene and retardation patients and persons with substance use disorders, may be leased by the commission to the department of mental health and addiction services or the department of developmental disabilities, and other agreements may be made by the commission and any one or more of these departments with respect to the use or purchase of such capital facilities or, subject to the approval of the director of the department, the commission may lease such capital facilities to, and make or provide for other agreements with respect to the use or purchase thereof with, any governmental agency having authority under law to operate such capital facilities, and the director of the department may sublease such capital facilities to, and make other agreements with respect to the use or purchase thereof with, any such governmental agency, which may include provisions for transmittal to the mental health bond service trust fund created under division (E) of this section, by such governmental agency or by a nonprofit corporation providing mental hygiene and retardation services for or under contract with or the supervision of that governmental agency, of receipts of that agency or nonprofit corporation from charges for the treatment or care of mental hygiene and retardation patients, all upon such terms and conditions as the parties may agree upon and pursuant to this chapter, notwithstanding any other provision of law affecting the leasing, acquisition, or disposition of capital facilities by the parties.

(C) For purposes of this section, "available receipts" means all receipts of the state from charges for the treatment or care of mental hygiene and retardation patients, including support payments received under Chapter 5121. of the Revised Code and moneys required to be transmitted to the mental health bond service trust fund pursuant to subleases and other agreements between any of the departments and another governmental agency pursuant to division (B) of this section as the



subleases and other agreements may be further implemented for internal planning, budgeting, and accounting purposes pursuant to rules adopted by the director of mental health and addiction services or director of developmental disabilities, any revenues or receipts derived by the commission from the operation, leasing, or other disposition of capital facilities financed under this section, the proceeds of obligations issued under this section and sections 154.11 and 154.12 of the Revised Code, and also means any gifts, grants, donations, and pledges, and receipts therefrom, available for the payment of bond service charges on such obligations. The issuing authority may pledge all, or such portion as that authority determines, of the available receipts to the payment of bond service charges on obligations issued under this section and under sections 154.11 and 154.12 of the Revised Code and for the establishment and maintenance of any reserves, as provided in the bond proceedings, and make other provisions therein with respect to such available receipts as authorized by this chapter, which provisions shall be controlling notwithstanding any other provision of law pertaining thereto.

(D) The issuing authority may covenant in the bond proceedings that the state and state agencies shall, so long as any obligations issued under this section are outstanding, cause to be charged and collected charges for the treatment or care of mental hygiene and retardation patients sufficient in amount to provide for the payment of bond service charges on such obligations and for the establishment and maintenance of any reserves, as provided in the bond proceedings, and such covenants shall be controlling notwithstanding any other provision of law pertaining to such charges.

(E) There is hereby created the mental health bond service trust fund, which shall be in the custody of the treasurer of state but shall be separate and apart from and not a part of the state treasury. All moneys received by or on account of the commission or issuing authority or state agencies and required by the applicable bond proceedings to be deposited, transferred, or credited to the fund, and all other moneys transferred or allocated to or received for the purposes of the fund, shall be deposited with the treasurer of state and credited to such fund, subject to applicable provisions of the bond proceedings, but without necessity for any act of appropriation. The mental health bond service trust fund is a trust fund and is hereby pledged to the payment of bond service charges on the obligations issued pursuant to this section and sections 154.11 and 154.12 of the Revised Code to the extent provided in the applicable bond proceedings, and payment thereof from such fund shall be made or provided for by the treasurer of state in accordance with such bond proceedings without



necessity for any act of appropriation.

(F) There is hereby created in the state treasury the mental health facilities improvement fund. Subject to the bond proceedings therefor, all of the proceeds of the sale of obligations pursuant to this section shall be credited to the fund, except that any accrued interest shall be credited to the mental health bond service fund. The mental health facilities improvement fund may also be comprised of gifts, grants, appropriated moneys, and other sums and securities received to the credit of such fund. All investment earnings on the cash balance in the fund shall be credited to the fund. The fund shall be applied only to the following purposes:

(1) Paying costs of capital facilities for mental hygiene and retardation, including housing for mental hygiene and retardation patients or for persons with substance use disorders, under the jurisdiction of the department of mental health and addiction services or department of developmental disabilities;

(2) Participating in capital facilities for mental hygiene and retardation, including housing for mental hygiene and retardation patients or for persons with substance use disorders, with the federal government, municipal corporations, counties, or other governmental agencies, or a nonprofit corporation specifically chartered to provide a mental health, substance use, or mental retardation service when such service fulfills a public purpose, which participation may be by grants or contributions to them for such capital facilities. Except as provided in division (G) of this section, the nonprofit corporation may act in concert with a limited partnership or a limited liability company eligible to participate in the nonprofit set-aside described in section 42(h)(5) of the "Internal Revenue Code of 1986," 100 Stat. 2198, 26 U.S.C. 42, and the Ohio housing finance agency's housing tax credit program for the purpose of making use of low-income housing tax credits in support of housing for mental hygiene and retardation patients.

(G) A nonprofit corporation providing a mental retardation service must obtain written approval from the director of developmental disabilities before acting in concert with a limited partnership or limited liability company as described in division (F)(2) of this section. However, the director may issue one blanket approval for all such nonprofit corporations.

(H) This section is to be applied with other applicable provisions of this chapter.