



Ohio Revised Code

Section 307.933 Issuance of securities.

Effective: July 10, 2014

Legislation: Senate Bill 82 - 130th General Assembly

(A) A corrections commission formed under section 307.93 of the Revised Code may issue securities of the commission, in an amount determined by the commission, to pay for all or part of the cost of the acquisition, construction, enlargement, modification, or repair of any improvements for a multicounty, municipal-county, or multicounty-municipal correctional center that is provided for in section 307.93 of the Revised Code and for which a county may issue securities under section 133.15 of the Revised Code.

(B) The commission may issue securities of the commission to fund or refund the securities issued under division (A) of this section. The commission may also issue securities of the commission in anticipation of the proceeds of the securities issued pursuant to this section.

(C) Securities issued under this section, including securities issued to fund or refund securities issued under this section and securities issued in anticipation of the proceeds of the securities to be issued under this section, shall be subject to the maximum maturity requirements provided in division (B) or (C) of section 133.20 of the Revised Code. The fiscal agent of the commission shall serve as its fiscal officer for purposes of division (C) of section 133.20 of the Revised Code.

(D) The securities issued under this section shall not constitute general obligations of the commission or a county or municipal corporation that has contracted for the creation of a center, and the general credit or taxing power of a contracting county or municipal corporation shall not be pledged for payment of any part of the principal of or interest on these securities. The holder or owner of securities issued under this section shall have no right to have money raised by taxation by a county or municipal corporation that has contracted for the creation of a center obligated or pledged, and money so raised shall not be obligated or pledged, for the payment of principal or interest on such securities. The securities under this section shall not constitute debt of the commission or a county or municipal corporation that has contracted for the creation of a center. Money received by the commission from a county or municipal corporation pursuant to section 307.93 of the Revised Code shall not be considered money raised by taxation.



(E) The securities issued under this section shall be secured by the revenues the commission receives:

(1) From the counties or municipal corporations that have contracted to create the center, as provided in section 307.93 of the Revised Code; and

(2) For the services the center provides.

(F) The commission shall authorize the issuance of securities under this section by adopting a resolution that includes all of the following:

(1) A statement that the securities issued under this section are not general obligations of either the commission or a county or municipal corporation that has contracted to create a center.

(2) A statement that the commission pledges to fix rates or charges for the services of the center and payments under the contract between or among participating counties or municipal corporations sufficient to provide adequate funds and reserves to pay the debt incurred by the issuance of the securities, after payment of the cost of management, maintenance, and operation of the center or other correctional facilities under the commission's control.

(3) A description of the fund or funds to which the proceeds of the sale of securities under this section shall be credited and a description of the fund or funds to which any pledged revenue for the retirement of the debt from the securities shall be credited.

(G) The resolution authorizing the issuance of securities may contain provisions governing the following subjects, which provisions shall be a part of the contract with the holders of such securities:

(1) The sale and execution of the securities, pledging all or any part of the revenues and contract payments to secure the payment of the securities;

(2) The use and disposition of revenues and contract payments;



- (3) The crediting of the proceeds of the sale of the securities to and among the funds referred to or provided for in the resolution;
 - (4) The use, lease, sale, or other disposition of the center or any correctional facilities under the commission's control;
 - (5) Limitations on the purpose to which the proceeds of the sale of securities may be applied to refund previously issued securities;
 - (6) As to securities issued in anticipation of the issuance of securities, the agreement of the commission to do all things necessary for the authorization, issuance, and sale of securities in such amounts as may be necessary for the timely retirement of such anticipation securities;
 - (7) Limitations on the issuance of additional securities;
 - (8) The terms on which additional securities may be issued and secured;
 - (9) The refunding of outstanding securities;
 - (10) The procedure by which the terms of any contract with holders of securities may be amended or abrogated, the amount of securities the holders of which are required to consent thereto, and the manner in which such consent may be given;
 - (11) Limitations on the amount of moneys to be expended by the commission for operation, administration, or other expenses of the center;
 - (12) Any other provisions related to the security or protection of the securities, as determined by the commission.
- (H) Any surplus of pledged revenues received by a commission in any year, in excess of the amount of principal and interest payable in that year, and any additional amount as is provided in the resolution authorizing the securities to be held as a reserve for debt service, may be used for the



enlargement and replacement of the center or other correctional facilities under a commission's control.

(I) A corrections commission who issues securities under this section may appoint or provide for the appointment of agents, consultants, independent contractors, or any other type of administrative, investment, financial, or accounting experts as are necessary, in the judgment of the commission, to carry out the commission's duties under this section.

(J) The issuance of securities under this section need not comply with any other law applicable to the issuance of securities.

(K) A pledge under this section shall be valid and binding from the time the pledge is made. The revenues so pledged, and thereafter received by the commission, shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the commission or a contracting county or municipal corporation, irrespective of whether such parties have notice thereof. The resolution by which a pledge is created need not be filed or recorded except in the records of the commission. Neither the members of the commission nor any person executing the securities shall be liable personally on the securities or be subject to any personal liability or accountability by reason of the issuance thereof.