



Ohio Legislative Service Commission

Final Analysis

Megan Cummiskey

Am. H.B. 497**

130th General Assembly
(As Passed by the General Assembly)

Reps. Amstutz, Sprague, R. Adams, Anielski, Antonio, Baker, Barborak, Barnes, Beck, Blessing, Boyce, Boyd, Brown, Buchy, Burkley, Butler, Carney, Celebrezze, Clyde, Dovilla, Driehaus, Fedor, Foley, Gerberry, Green, Grossman, Hackett, R. Hagan, Hall, Hayes, Heard, Hill, Landis, Letson, Mallory, McClain, Milkovich, Patmon, Patterson, Pelanda, Phillips, Pillich, Ramos, Retherford, Rogers, Romanchuk, Rosenberger, Ruhl, Scherer, Schuring, Sears, Sheehy, Slaby, Slesnick, Smith, Stebelton, Stinziano, Strahorn, Terhar, Winburn, Batchelder

Sens. Sawyer, Tavares, Bacon, Beagle, Brown, Eklund, Hite, Hughes, Lehner, Manning, Oelslager, Patton, Turner, Uecker

Effective date: July 1, 2014

ACT SUMMARY

- Specifies what duties and functions of the Ohio Building Authority are to be carried out by the Treasurer of State, the Department of Administrative Services, or another state agency.
- Establishes the Transportation Facilities Bond Service Trust Fund as a custodial fund.
- Establishes the Transportation Building Fund in the state treasury.
- Makes capital appropriations and reappropriations for the biennium ending June 30, 2016.

* This version updates the list of sponsors.

** This analysis does not address appropriations, fund transfers, and similar provisions. See the Legislative Service Commission's Fiscal Note, As Enacted, and Capital Item Analysis for Am. H.B. 497, As Enacted, for analysis of such provisions.

CONTENT AND OPERATION

Ohio Building Authority changes

(R.C. 9.981, 105.41, 111.26, 123.01, 125.29, 126.03, 126.11, 154.06, 307.021, 307.022, 5120.102, 5120.104, 5120.29, 5120.47, 5139.23, and 5139.36)

Transfer of authority to the Treasurer of State

On September 29, 2011, the Treasurer of State superseded the Ohio Building Authority (OBA) as the issuing authority in all matters relating to issuance of obligations for financing facilities to house branches and agencies of state government, and for community or technical colleges pursuant to the Bond Intercept Program. In uncodified law, H.B. 153 of the 129th General Assembly provided specifics about the transfer of authority, and authorized OBA to take any action necessary to effect an orderly transition.

H.B. 153 did not, however, repeal OBA's authority to issue bonds for those purposes (that is, R.C. Chapter 152. was retained). Nor did it modify any of the other statutory references to the various duties, functions, and responsibilities of OBA.

Distribution of specific duties

The act addresses those statutory references. In general, OBA's duties, functions, and responsibilities are distributed as follows:

--The construction or improvement of capital facilities is a function of the Department of Administrative Services (DAS), rather than OBA.

--The financing of the construction or improvement of capital facilities is a function of the Treasurer of State, rather than OBA.

--Agreements ancillary to the improvement, financing, or leasing of those capital facilities may be made with DAS, the Ohio Public Works Commission, or any other authorized governmental agency, rather than OBA.

--Revenue obligations to pay for the capital facilities are to be issued by the Treasurer of State under R.C. Chapter 154., rather than by OBA under R.C. Chapter 152.

The OBA law, R.C. Chapter 152., is retained by the act.



Creation of funds

(R.C. 154.24(E) and (F))

The act establishes the Transportation Facilities Bond Service Trust Fund as a custodial fund. The Fund is pledged for payment of bond service charges on obligations issued under the applicable bond proceedings.

The act also establishes the Transportation Building Fund in the state treasury. The Fund consists of proceeds of the sale of applicable obligations, except that any accrued interest on the obligations must be credited to the appropriate bond service trust fund. The Transportation Building Fund may also consist of gifts, grants, appropriated money, and other sums and securities received to the credit of the Fund. Amounts in the Fund must be applied to pay for the applicable capital facility costs. Investment earnings of the Fund are to be credited to the Fund.

HISTORY

ACTION	DATE
Introduced	03-18-14
Reported, H. Finance & Appropriations	03-26-14
Passed House (89-2)	03-26-14
Reported, S. Finance	04-01-14
Passed Senate (30-1)	04-01-14

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