

(130th General Assembly)
(Amended Senate Bill Number 82)

AN ACT

To amend section 120.521 and to enact section 307.933 of the Revised Code to provide that membership on the board of the Ohio Legal Assistance Foundation by a member of the General Assembly does not constitute holding another public office and to authorize a corrections commission of a multicounty, municipal-county, or multicounty-municipal correctional center to issue securities of the commission to pay the costs associated with certain improvements of the center.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That section 120.521 be amended and section 307.933 of the Revised Code be enacted to read as follows:

Sec. 120.521. (A) The state public defender shall establish a charitable, tax exempt foundation, named the Ohio legal assistance foundation, to actively solicit and accept gifts, bequests, donations, and contributions for use in providing financial assistance to legal aid societies, enhancing or improving the delivery of civil legal services to indigents, and operating the foundation. The Ohio legal assistance foundation shall deposit all gifts, bequests, donations, and contributions accepted by it into the legal assistance foundation fund established under this section. If the state public defender, pursuant to section 120.52 of the Revised Code as it existed prior to ~~the effective date of this section~~ June 30, 1995, established a charitable, tax exempt foundation named the Ohio legal assistance foundation and if that foundation is in existence on the day before ~~the effective date of this section~~ June 30, 1995, that foundation shall continue in existence and shall serve as the Ohio legal assistance foundation described in this section.

There is hereby established the legal assistance foundation fund, which shall be under the custody and control of the Ohio legal assistance foundation. The fund shall contain all moneys distributed to the Ohio legal assistance foundation pursuant to section 120.53 of the Revised Code and all gifts, bequests, donations, and contributions accepted by the Ohio legal

assistance foundation under this section.

The Ohio legal assistance foundation shall distribute or use all moneys in the legal assistance foundation fund for the charitable public purpose of providing financial assistance to legal aid societies that provide civil legal services to indigents, enhancing or improving the delivery of civil legal services to indigents, and operating the foundation. The Ohio legal assistance foundation shall establish rules governing the administration of the legal assistance foundation fund.

The Ohio legal assistance foundation shall include, in the annual report it is required to make to the governor, the general assembly, and the supreme court pursuant to division (G)(2) of section 120.53 of the Revised Code, an audited financial statement on the distribution and use of the legal assistance foundation fund. No information contained in the statement shall identify or enable the identification of any person served by a legal aid society or in any way breach confidentiality.

Membership on the board of the Ohio legal assistance foundation does not constitute holding another public office and does not constitute grounds for resignation from the senate or house of representatives under section 101.26 of the Revised Code.

(B) A foundation is tax exempt for purposes of this section if the foundation is exempt from federal income taxation under subsection 501(a) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 501(a), as amended, and if the foundation has received from the internal revenue service a determination letter that is in effect stating that the foundation is exempt from federal income taxation under that subsection.

Sec. 307.933. (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 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.

SECTION 2. That existing section 120.521 of the Revised Code is hereby repealed.

William L. Bitcheldor

Speaker _____ of the House of Representatives.

[Signature]

President _____ of the Senate.

Passed March 25, 2014

Approved APRIL 10, 2014

Jack Kil

Governor.



The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Mark C. Flanders

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the 10 day of April, A. D. 2014.

Jon Huston

Secretary of State.

File No. 80

Effective Date July 10, 2014

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Introduced by

Senators Balderson, Gentile

Cosponsors: Senators Sawyer, Burke, Cafaro, Hite, Kearney, Oelslager, Patton, Smith, Uecker
Representatives Amstutz, Anielski, Baker, Barborak, Brown, Burkley, Butler, Carney, Celebrezze, Cera, Green, Letson, Milkovich, O'Brien, Phillips, Pillich, Ruhl, Sears, Thompson, Winburn Speaker Batchelder

Passed by the Senate,

October 30, 2013

Passed by the House of Representatives,

March 19, 2014

Filed in the office of the Secretary of State at Columbus, Ohio, on the

10 day of April, A. D. 2014


Secretary of State.

Concurred in House
amendments
March 25, 2014

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