



Ohio Revised Code

Section 135.46 Investment pools for temporary investment of bond proceeds.

Effective: October 3, 2023

Legislation: House Bill 33

(A) The treasurer of state may create a taxable investment pool or a tax-exempt investment pool, or both, for the purpose of providing a procedure for the temporary investment of bond proceeds. The pool shall be in the custody of the treasurer of state.

(B) A treasurer, governing board, or investing authority of a subdivision, or any agency of the state that has debt-issuing authority may pay bond proceeds into either or both of the pools authorized under division (A) of this section.

(C) The treasurer of state shall invest the funds of the taxable investment pool authorized under division (A) of this section in the same manner, in the same types of instruments, and subject to the same limitations provided for the deposit and investment of interim moneys of the state and subdivisions under sections 135.14 and 135.143 of the Revised Code. The treasurer also may invest in any other taxable obligations issued by any political subdivision of the state.

(D) The treasurer of state shall invest the funds of the tax-exempt investment pool in debt obligations and participation interests in such obligations, if all of the following apply:

(1) The obligations are issued by or on behalf of any state of the United States, or any political subdivision, agency, or instrumentality of any such state;

(2) The interest on such obligations is exempt from federal income taxation;

(3) The obligations are rated in either of the two highest classifications established by at least one nationally recognized statistical rating organization.

(E)(1) The treasurer of state shall, pursuant to Chapter 119. of the Revised Code, adopt such rules as are necessary to carry out the purposes of this section and for the efficient administration and accounting of a pool established pursuant to division (A) of this section.



(2) The rules shall provide for the administrative expenses of such pool to be paid from its earnings and for the interest earnings in excess of such expenses to be credited to the several treasurers, governing boards, investing authorities, and agencies of the state participating in the pool in a manner that equitably reflects the differing amounts of their respective investments in the pool and the differing periods of time for which such amounts are in the pool.

(3) The rules shall establish standards governing pools authorized under division (A) of this section, taking into consideration all federal rebate and yield restrictions and the objective of maintaining a high degree of safety and liquidity.

(F) Upon creating a pool authorized under division (A) of this section, the treasurer of state shall give bond with sufficient sureties, payable to the treasurers, governing boards, and investing authorities of subdivisions and agencies of the state participating in the pool, for the benefit of the participating subdivisions and agencies, in the total penal sum of two hundred fifty thousand dollars, conditioned for the faithful discharge of the treasurer of state's duties in relation to the pool.

(G) The treasurer of state and the treasurer of state's bonders or surety are liable for the loss of any moneys of the state invested under this section through a pool established under division (A) of this section to the same extent the treasurer of state and the treasurer of state's bonders or surety are liable for the loss of public moneys under section 135.19 of the Revised Code.

(H) As used in this section:

(1) "Governing board" has the same meaning as in section 135.01 of the Revised Code.

(2) "Interim moneys" has the same meaning as in section 135.01 of the Revised Code.

(3) "Investing authority" has the same meaning as in section 135.31 of the Revised Code.

(4) "Public moneys of a subdivision" has the same meaning as in section 135.01 of the Revised Code, but also includes "public moneys" as defined in section 135.31 of the Revised Code, and funds held in the custody of the treasurer of state notwithstanding any limitations on the permissible



investments of such funds.

(5) "Subdivision" has the same meaning as in section 135.01 of the Revised Code, but also includes a county, or a municipal corporation that has adopted a charter under Article XVIII, Ohio Constitution.

(6) "Treasurer" has the same meaning as in sections 135.01 and 135.31 of the Revised Code.