



Ohio Revised Code

Section 5528.30 Sale of highway obligations.

Effective: June 30, 2000

Legislation: Senate Bill 245 - 123rd General Assembly

The commissioners of the sinking fund designated by Section 8 of Article VIII, Ohio Constitution, and section 129.01 of the Revised Code are hereby authorized in accordance with Section 2i of Article VIII, Ohio Constitution and sections 5528.30 to 5528.40 of the Revised Code, to issue and sell, in amounts authorized by the general assembly, tax supported obligations, herein called "highway obligations," including bonds and notes of the state for the purpose of the construction, reconstruction, or other improvement of highways, including those on the state highway system and urban extensions thereof, those within or leading to public parks or recreational areas, and those within or leading to municipal corporations, the acquisition, construction, reconstruction, or other improvement of, and the provision of equipment for, buildings, structures, or other improvements for research and development with respect to highways and highway transportation, the acquisition and improvement of real estate and interests therein and necessary planning and engineering, required for such improvements, including participation in such improvements with the federal government, municipal corporations, counties or other governmental entities or any one or more of them which participation may be by grants, loans or contributions to them for any of such improvements. As used in sections 5528.30 to 5528.41 of the Revised Code, any reference to obligations authorized or issued pursuant to or in accordance with Section 2i of Article VIII, Ohio Constitution, and sections 5528.30 and 5528.31 of the Revised Code, includes only those tax supported obligations so identified in such Section 2i for the purpose stated in this section.

Not more than one hundred million dollars principal amount of highway obligations may be issued in any calendar year and not more than five hundred million dollars principal amount thereof may be outstanding at any one time.

The principal of all highway obligations and the interest thereon shall be exempt from all taxes levied by the state or any taxing subdivision or district thereof.

Highway obligations shall pass as negotiable instruments and shall possess all of the attributes thereof, shall bear interest at such rates as may be fixed in the resolution of the commissioners of the



sinking fund awarding them to the successful bidder or bidders, may, at the option of the commissioners of the sinking fund, be issued subject to call, in whole or in part, at such price or prices and accrued interest, and at such times, all as may be determined by the commissioners, and shall mature at such times as may be fixed by the commissioners of the sinking fund in the resolution authorizing the issuance of such obligations, provided that highway obligations shall mature in not more than thirty years from the date of issuance thereof, or, if issued to retire highway obligations previously issued hereunder, within thirty years from the date the debt was originally contracted.

Highway obligations shall be signed by such members of the commissioners of the sinking fund as are designated in the resolution authorizing such obligations provided that all but one of such signatures may be by facsimile signatures. Any coupons attached to such obligations shall bear the facsimile signature of the treasurer of state. In case any officer or member of the commissioners of the sinking fund whose signature or a facsimile of whose signature appears on any such obligations or on any coupons attached thereto ceases to be such officer or such commissioner before the delivery thereof, such signature or such facsimile is nevertheless valid and sufficient for all purposes the same as if the officer or commissioner had remained in office until such delivery.

All bonds shall be sold at public sale to the highest bidder or bidders therefor based on the lowest interest cost to absolute maturity. All notes shall be sold at public sale either, as determined in the resolution of the commissioners of the sinking fund authorizing such notes, to the highest bidder or bidders therefor based on the lowest interest cost to absolute maturity or the bidder or combination of bidders bidding the lowest interest rate or combination of rates. Notice of the sale of obligations to be sold at public sale shall be published once, at least ten full days before the date of such sale in one or more newspapers published in and of general circulation in Franklin county and in one or more financial journals.

Each of such published notices shall state the day, hour, and place of the sale, the total principal amount, the price or prices, and date of highway obligations to be sold, the dates of payment of principal and interest, whether or not they are callable, information as to their denominations, amounts of principal maturities and rates of interest which they shall bear, and such other information as the commissioners of the sinking fund may determine or authorize including, without limitation thereto, the method of determining the lowest interest cost, limitations on interest rate, and any other conditions and terms of sale. The commissioners of the sinking fund may reject all bids



and readvertise and reoffer such obligations or other obligations for sale.

Each issue of highway obligations shall be authorized by a resolution adopted by a majority of the full membership of the commissioners of the sinking fund. Such resolution shall set forth the date of the obligations, the principal amount thereof, the permitted discount, if any, the estimated interest rate or rates, which may be a variable rate or rates; the date or dates of payment of principal and interest, the places of payment of principal and interest, the amounts and dates of maturity of principal, whether or not they shall have interest coupons attached, whether or not they shall be callable, any privileges of registration of the principal or of the principal and interest and for exchange between bonds or notes in registered and coupon form and notes of different denomination, the title of the obligations, information as to their denominations, the manner of sale for purposes of this section, and shall provide the method of executing the obligations and for affixing thereto the great seal of this state or a facsimile thereof. The resolution may provide for municipal bond insurance, letters of credit, and other related agreements, the cost of which may be included in the costs of issuance of the obligations, and the pledge, holding, and disposition of the proceeds thereof.