



Ohio Revised Code

Section 749.081 Authority for expenditures; no member to be interested in contracts; contract for secured line of credit.

Effective: April 27, 2005

Legislation: Senate Bill 222 - 125th General Assembly

(A) For purposes of this section:

- (1) "Bank" has the same meaning as in section 1101.01 of the Revised Code.
- (2) "Savings and loan association" has the same meaning as in section 1151.01 of the Revised Code.
- (3) "Savings bank" has the same meaning as in section 1161.01 of the Revised Code.

(B) The board of hospital commissioners may enter into a contract for a secured line of credit with a bank, savings and loan association, or savings bank if the contract meets all of the following requirements:

- (1) The term of the contract does not exceed one hundred eighty days;
- (2) The board's secured line of credit does not exceed five hundred thousand dollars;
- (3) The contract provides that any amount extended must be repaid in full before any additional credit can be extended;
- (4) The contract provides that the bank, savings and loan association, or savings bank shall not commence a civil action against the legislative authority of a municipal corporation or any member thereof, or the municipal corporation to recover the principal, interest, or any charges or other amounts that remain outstanding on the secured line of credit at the time of any default by the board of hospital commissioners;
- (5) The contract provides that no assets other than those of the hospital can be used to secure the line of credit;



(6) The terms and conditions of the contract comply with all state and federal statutes and rules governing the extension of a secured line of credit.

(C) Any obligation incurred by a board of hospital commissioners under division (B) of this section is an obligation of that board only and not a general obligation of the legislative authority of a municipal corporation or the municipal corporation within the meaning of division (Q) of section 133.01 of the Revised Code.

(D) No board of hospital commissioners shall at any time have more than one secured line of credit under division (B) of this section.
