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Office of Research and Drafting

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Substitute Bill Comparative Synopsis

Sub. H.B. 278

136th General Assembly

House Financial Institutions

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This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (As Introduced)	Latest Version (I_136_1053-5)
Treasury and custodial funds	
No provision.	Specifies that the Treasurer of State (TOS), employees of the TOS, and their bondspersons or sureties, when depositing or investing funds, are absolved of any liability for the loss of any public money deposited or invested by them when they have acted lawfully *(R.C. 113.052(A))*.
No provision.	Specifies that liability is not to be attached to the TOS or employees of the TOS where the proximate cause of any loss related to the investment in, sale, or liquidation of any investment prudently made. This absolution from liability applies to the deposit or investment or any public money *(R.C. 113.052)*.
Amends the requirement that the TOS have available and, when requested by the Governor or the Director of Budget and Management, to transmit information concerning the amount in the inactive and active account and the amount of cash on hand, requiring the TOS to have and	No provision.

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provide such information only with regard to the active account and cash on hand *(R.C. 113.13)*.	
Financial transaction devices	
Changes the definition of "financial transaction device" (FTD) to exclude references to certain automated clearinghouse network entries and specifies that the term applies to devices for making payments or transfers of funds denominated in U.S. dollars *(R.C 113.40(A)(1))*.	No provision.
Defines "processor" as being "an entity conducting the settlement of an electronic payment or transfer of funds, which shall be denominated in United States dollars" *(R.C. 113.40(A)(2))*.	No provision.
Expands the definition of "state entity" to include an officer under the authority of a state elected official that deposits funds into the state treasury and to include any state department, agency, board, commission, or such officer into an account in the custody of the TOS *(R.C. 113.40(A)(5)).*	No provision.
Requires, rather than permits, the State Board of Deposit to adopt a resolution authorizing the acceptance of payments by FTD to pay state expenses, eliminates specific limitations the resolution must include regarding FTDs, eliminates the requirement to notify state officials and entities of the resolution, eliminates state official authority to reject FTD payment, and makes various other FTD payments to the state law changes *(R.C. 113.40(B), (D), (F), (G), (I), and (J))*.	No provision.
Specifies that the resolution applies to FTD services related to all bank accounts comprising the state treasury, as well as those in the custody of the TOS that are not part of the state treasury *(R.C. 113.40(B))*.	No provision.

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Makes changes to TOS request for proposal (RFP) requirements for FTDs, including RFP publication timing, how an RFP is made available, and authority to contract with processors *(R.C. 113.40(C))*.	No provision.
Surcharges and convenience fees	
Makes changes to the law governing surcharges and convenience fees for FTDs by (1) permitting state elected officials and state entities to set them, (2) eliminating the requirement that authority to impose surcharges and fees via contract governing use and acceptance of FTDs, (3) posting notice in the entity's office as to when they will be imposed, and (4) eliminating the no refundability, and notice of no refundability, of surcharges and fees *(R.C. 113.40(E) and (F))*.	No provision.
Limitation of liability	
Eliminates the immunity provided to state entities for personal liability for the final collection of FTD payments and instead extends it to state elected officials and their employees *(R.C. 113.40(H))*.	No provision.
Uniform Depository Act	
Specifies that a financial institution must have a banking office in Ohio to serve as a public depository *(R.C. 135.03)*.	No provision.
Allows the TOS, by rule, to reduce the amount of collateral a financial institution must pledge when holding public funds as investments in certificates of deposit, savings accounts, and deposit accounts by up to 10% as compared to current law *(R.C. 135.143(A)(8))*.	No provision.
Prohibits investments in debt interests rated in the lowest of the four categories from exceeding 10% of the state's portfolio *(R.C. 135.143(A)(11)(a))*.	No provision.

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Auditor of State Training Program Fund	
No provision.	Removes the authority for the Auditor of State Training Program Fund to be used for initial and continuing education programs for local treasurers *(R.C. 117.44)*.
Children's Trust Fund	
Requires that the Department of Health deposit fees collected in relation to birth and death certificates directly into the Children's Trust Fund, rather than paying them to the TOS for deposit into the fund *(R.C. 3109.14(B)(1))*.	No provision.
Initial and continuing education for county treasurers	
No provision.	Removes specific topics that are to be covered in continuing education courses for county treasurers *(R.C. 321.46(A))*.
No provision.	Changes the continuing education course requirement for county treasures from a biennial requirement to an annual requirement *(R.C. 321.46(A) and 321.47)*.
Specifies that initial education programs for county treasurers must be completed within four months of taking the oath of office *(R.C. 321.46(A))*.	Specifies that the education must be completed within 120 days of taking the oath of office *(R.C. 321.46(B)(1)(a) and (E)(1))*.
No provision.	Decreases the total amount of initial education required of county treasurers, from 26 hours (13 hours in governmental accounting and portfolio reporting and compliance and 13 hours in investment and account management) to 13 hours (of content determined by TOS – see discussion below) *(R.C. 321.46(B)(1)(a))*.
No provision.	Specifies that initial education hours may be completed up to one year prior to taking the oath of office *(R.C. 321.46(B)(1)(a))*.

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No provision.	Allows a county treasurer that accumulates more than 13 hours of initial education to credit up to five education hours toward the next year's continuing education requirement *(R.C. 321.46(B)(1)(b)).*
No provision.	Allows any treasurer who participates in training provided by the Auditor of State (AOS) related to public records and open meetings to apply up to three hours toward the person's initial education requirement *(R.C. 321.46(B)(1)(c)).*
No provision.	Removes the requirement that the AOS determine the manner and content of the initial and continuing education programs in the subject areas of governmental accounting, portfolio reporting and compliance, investments, cybersecurity, and cash management – and instead requires the TOS to develop the manner and content of the initial education program, including the specific areas for content that are reasonably related to the duties of the office of county treasurer. Requires TOS and not AOS to adopt rules to implement the education requirements *(R.C. 321.46(A), (B)(2), and (H)).*
No provision.	Requires county treasurers to complete ten hours of continuing education each year, as opposed to 24 hours of continuing education during each biennial cycle *(R.C. 321.46(A) and (B)(3)(a)).*
No provision.	Exempts county treasurers that either make no investments or only certain specified investments from the continuing education requirement *(R.C. 321.46(B)(3)(a) and 321.47(A)).*
No provision.	Allows treasurers who accumulate more than the required ten hours of continuing education annually to apply up to five hours in excess of the ten-hour requirement towards the annual education requirement for the following year, as opposed to 12 hours in excess of the 24-hour requirement being eligible for inclusion in the

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	following biennium's 24-hour biennial continuing education requirement *(R.C. 321.46(B)(3)(b))*.
No provision.	Allows a treasurer who participates in training provided by the AOS related to public records and open meetings to apply 1.5 hours towards the bill's annual continuing education requirement, as opposed to three hours toward current law's 24-hour biennial continuing education requirement *(R.C. 321.46(B)(3)(c))*.
Specifies that verification of a county treasurer's compliance with the initial education requirement is to be made by the AOS, as opposed to the TOS, based on review of proof of attendance retained by the county treasurer *(R.C. 321.46(E)(1))*.	No provision.
No provision.	Removes the requirement that initial or continuing education registration fees collected by the AOS be paid into the Auditor of State Training Program Fund and replaces AOS with TOS regarding the charging of fees to counties for county treasurer training and allowing interested persons to attend training *(R.C. 321.46(C), (D), and (G)(2))*.
Miscellaneous provisions	
Repeals a provision requiring TOS, in consultation with the Director of Budget and Management, to disburse money from the State Land Royalty Fund, leaving it solely the responsibility of the Director of Budget and Management *(R.C. 131.50)*.	No provision.
Allows money in the Medical Quality Assurance Fund in excess of current needs to be invested by the TOS with the guidelines provided for state interim funds *(R.C. 113.78)*.	No provision.
Requires the report regarding the efficacy of the Homeownership Savings Linked Deposit Program to include the average premium savings rates paid on the accounts in the program, as opposed	No provision.

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to the average yield on such accounts *(R.C. 135.71(F)(4))*.	
No provision.	Specifies that records related to services performed by financial institutions for a board of county commissioners related to receiving and processing property taxes are subject to examination by the AOS to the same extent as if the services were performed by the county treasurer, instead of TOS (as in current law) *(R.C. 323.611)*.
No provision.	Eliminates the requirement that rules establishing policy guidelines for the implementation of the Ohio Outstanding Scholarship and the Ohio Priority Needs Fellowship that are adopted, amended, or rescinded by the Chancellor of Higher Education be approved by the TOS *(R.C. 3333.374)*.
Insurance premium tax underpayment	
Allows the Attorney General to direct which county a domestic insurance tax delinquency action can be brought in, replacing the Tax Commissioner's authority to do so under current law. The Superintendent of Insurance would continue to have such authority *(R.C. 5725.23)*.	Removes the Superintendent's, in addition to the Commissioner's, authority, and requires the Attorney General alone to direct which county such a delinquency action can be brought in *(R.C. 5725.23)*.
Torrens Law Assurance Fund transfer and abolition	
Provides for TOS, on or soon after July 1, 2026, to transfer the cash balance from the Torrens Law Assurance Fund custodial fund to the County Recorder Electronic Modernization Fund and to abolish the Torrens Law Assurance Fund *(Section 4)*.	No provision.

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