

Rule Summary and Fiscal Analysis (Part A)**State Board of Deposit**

Agency Name

Division

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135-3-01

Rule Number

NEW

TYPE of rule filing

Rule Title/Tag Line

Ohio Pooled Collateral Program.**RULE SUMMARY**1. Is the rule being filed for five year review (FYR)? **No**2. Are you proposing this rule as a result of recent legislation? **Yes**Bill Number: **HB64**General Assembly: **131**Sponsor: **Rep. Smith**3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **111.15**4. Statute(s) authorizing agency to adopt the rule: **135.48**5. Statute(s) the rule, as filed, amplifies or implements: **135.182**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This rule will permit the office the Ohio Treasurer of State to create and implement the Ohio Pooled Collateral Program, as required by Ohio Revised Code 135.182. This rule will govern the transition of public depositories and local governments into the program.

7. If the rule is an AMENDMENT, then summarize the changes and the content

of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

If a financial institution chooses to participate in the Ohio Pooled Collateral Program and submits a letter of intent to the Treasurer's office, the rule grants such financial institution a grace period during which the financial institution can transition into the program. The rule also explains how the letter of intent will be reviewed and what steps must be taken by the financial institution after it is either accepted or rejected for the program. The rule also does all of the following:

- (1) Allows the Treasurer's Office to maintain an operating policy for the program.
- (2) Governs the transition of public depositories and local governments into the program.
- (3) Outlines the application requirements for public depositories.
- (4) Outlines the methods in which local governments will participate in the program.
- (5) Outlines how collateral trustees will participate in the program.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

This text will be available for the public on the Treasurer's website and will likely be provided to participants when they enroll in the program.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

It was infeasible to attach the text at this time, because the text is still under development. The text will be publicly available when the program launches.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so. If applicable, indicate each specific paragraph of the rule that has been modified:

Corrected some drafting errors in (A)(2), (A)(3), (A)(5), (A)(6), and (C)(1).

Removed the last portion of (F)(3) to clarify that the reporting requirements are required under the Revised Code and under rules to be adopted by the Treasurer of State, not the Board of Deposit. In (A)(4), stated that the operating policies will be posted on the Treasurer's website at www.tos.ohio.gov.

12. Five Year Review (FYR) Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

\$0

N/A

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

N/A

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

The Ohio Pooled Collateral Program will require time for compliance by public

depositories. The Treasurer's Office does not have an estimate of the impact since it will differ for each financial institution depending on a variety of factors and a public depository is not required to use the program to collateralize their public deposits.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**

S.B. 2 (129th General Assembly) Questions

18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? **Yes**

19. Specific to this rule, answer the following:

A.) Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? **No**

B.) Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? **No**

C.) Does this rule require specific expenditures or the report of information as a condition of compliance? **Yes**

This rule requires financial institutions and trustees to report information about deposits and collateral to the Treasurer's office as specified.