

As Introduced

**131st General Assembly
Regular Session
2015-2016**

H. J. R. No. 13

Representatives Amstutz, Curtin

A JOINT RESOLUTION

Proposing to amend Section 2, to enact Sections 2t and 1
18, and to repeal Sections 2b, 2c, 2d, 2e, 2f, 2g, 2h, 2
2j, 2k, 7, 8, 9, 10, and 11 of Article VIII of the 3
Constitution of the State of Ohio to adopt the 4
recommendations of the Ohio Constitutional 5
Modernization Commission relative to the issuance of 6
general obligation bonds to pay the costs of 7
facilities for mental health and developmental 8
disabilities, parks and recreation, and housing of 9
agencies of state government and relative to the 10
elimination of obsolete provisions concerning bond 11
authorization, the sinking fund, and the Sinking Fund 12
Commission. 13

Be it resolved by the General Assembly of the State of 14
Ohio, three-fifths of the members elected to each house 15
concurring herein, that there shall be submitted to the electors 16
of the state, in the manner prescribed by law at the general 17
election to be held on November 7, 2017, a proposal to amend 18
Section 2, to enact Sections 2t and 18, and to repeal Sections 19
2b, 2c, 2d, 2e, 2f, 2g, 2h, 2j, 2k, 7, 8, 9, 10, and 11 of 20
Article VIII of the Constitution of the State of Ohio to read as 21
follows: 22

ARTICLE VIII

Section 2. In addition to the above limited power, the State may contract debts to repel invasion, suppress insurrection, defend the State in war, or to redeem the present outstanding indebtedness of the State: but the money, arising from the contracting of such debts, shall be applied to the purpose for which it was raised, or to repay such debts, and to no other purpose whatever; and all debts, incurred to redeem the present outstanding indebtedness of the State, shall be so contracted as to be payable by the ~~sinking fund, hereinafter provided for~~ State, as the same shall accumulate.

Section 2t. (A) The General Assembly may provide by law, subject to the limitations of and in accordance with this section, for the issuance of bonds and other obligations of the State for either of the following purposes:

(1) Paying the costs of facilities for mental health and developmental disabilities (formerly referred to as "mental hygiene and retardation"), parks and recreation, and housing of branches and agencies of state government;

(2) Refunding obligations previously issued under the authority of the fifth paragraph of Section 2i of Article VIII, Ohio Constitution, for the purposes described in division (A) (1) of this section.

(B) Each obligation issued under division (A) (1) of this section shall mature not later than the thirty-first day of December of the twenty-fifth calendar year after its issuance or, if issued under division (A) (2) of this section to refund obligations, not later than the thirty-first day of December of the twenty-fifth calendar year after the date the debt was originally contracted. If obligations are issued as notes in

anticipation of the issuance of bonds, provision shall be made 53
by law or in the bond or note proceedings for the establishment 54
and maintenance, during the period in which the notes are 55
outstanding, of a special fund or funds into which shall be 56
paid, from the sources authorized for the payment of such bonds, 57
the amount that would have been sufficient to pay the principal 58
that would have been payable on those bonds during that period 59
if bonds maturing serially in each year over the maximum period 60
of maturity set forth in this division had been issued without 61
the prior issuance of the notes. The fund or funds and 62
investment income on the fund or funds shall be used solely for 63
the payment of principal of those notes or the bonds in 64
anticipation of which the notes have been issued. 65

(C) The obligations issued under this section are general 66
obligations of the state. The full faith and credit, revenue, 67
and taxing power of the state shall be pledged to the payment of 68
debt service on those obligations as they become due, and bond 69
retirement provisions shall be made for payment of that debt 70
service. Provision shall be made by law for the sufficiency and 71
appropriation, for purposes of paying debt service, of excises, 72
taxes, and revenues so pledged to that debt service, and for 73
covenants to continue the levy, collection, and application of 74
sufficient excises, taxes, and revenues to the extent needed for 75
that purpose. Notwithstanding Section 22 of Article II, Ohio 76
Constitution, no further act of appropriation shall be necessary 77
for that purpose. The obligations and provisions for the payment 78
of debt service on the obligations are not subject to Sections 79
5, 6, and 11 of Article XII, Ohio Constitution. Moneys referred 80
to in Section 5a of Article XII, Ohio Constitution, may be 81
pledged to or used only for the payment of debt service on 82
obligations issued for purposes permitted by Section 5a of 83

Article XII, Ohio Constitution.

(D) The obligations issued under authority of this
section, their transfer, and the interest, interest equivalent,
and other income or accreted amounts on them, including any
profit made on their sale, exchange, or other disposition, shall
at all times be free from taxation within the state.

(E) This section shall be implemented in the manner and to
the extent provided by the General Assembly by law, including
provision for the procedure for incurring, refunding, retiring,
and evidencing obligations issued as referred to in this
section. The total principal amount of obligations issued under
this section shall be as determined by the General Assembly,
subject to the limitation provided for in Section 17 of this
article.

(F) The authorizations in this section are in addition to,
cumulative with, and not a limitation on, authorizations
contained in other sections of this article or on the authority
of the General Assembly under other provisions of this
Constitution, and do not impair any law previously enacted by
the General Assembly.

(G) As used in this section:

(1) "Costs of facilities" includes, without limitation,
the costs of acquisition, construction, improvement, expansion,
planning, and equipping.

(2) "Debt service" means the principal and interest and
other accreted amounts payable on the obligations referred to.

Section 18. If any section of this article that authorizes
the issuance of debt or other obligations is repealed, any
outstanding debt or other obligations issued under authority of

that section prior to its repeal shall remain in full force and 113
effect and continue to be secured in accordance with the 114
original terms of the debt or obligations. 115

EFFECTIVE DATE 116

If adopted by a majority of the electors voting on this 117
proposal: 118

(A) The amendment of Section 2 of Article VIII of the 119
Constitution of the State of Ohio shall take effect immediately, 120
and existing Section 2 of Article VIII of the Constitution of 121
the State of Ohio shall be repealed from such effective date. 122

(B) Sections 2t and 18 of Article VIII of the Constitution 123
of the State of Ohio shall take effect immediately. 124

(C) Sections 2b, 2c, 2d, 2e, 2f, 2g, 2h, 2j, 2k, 7, 8, 9, 125
10, and 11 of Article VIII of the Constitution of the State of 126
Ohio are repealed effective immediately. 127