As Introduced

131st General Assembly Regular Session 2015-2016

H. J. R. No. 5

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Representatives Lepore-Hagan, Smith, K.

Cosponsors: Representatives Antonio, Celebrezze, Clyde, Driehaus, Fedor, Howse, Ramos, Sheehy, Strahorn, Sykes

A JOINT RESOLUTION

Proposing to enact Section 2t of Article VIII of the	1
Constitution of the State of Ohio to permit the	2
issuance of general obligation bonds to fund sewer	3
and water capital improvements.	4
Be it resolved by the General Assembly of the State of	5
Ohio, three-fifths of the members elected to each house	6
concurring herein, that there shall be submitted to the	7
electors of the state, in the manner prescribed by law at the	8
special election to be held on March 15, 2016, a proposal to	9
enact Section 2t of Article VIII of the Constitution of the	10
State of Ohio to read as follows:	11
ARTICLE VIII	12
Section 2t. (A) In addition to the authorizations	13
otherwise contained in Article VIII of the Ohio	14
Constitution, the General Assembly may provide by law, in	15
accordance with and subject to the limitations of this	16
section, for the issuance of bonds and other obligations of	17

the state for the purpose of financing or assisting in the

financing of the cost of sewer and water capital_

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improvements of municipal corporations, counties, townships,	20
and other governmental entities as designated by law. As_	21
used in this section, sewer and water capital improvements	22
shall be limited to waste water treatment systems, water	23
supply systems, and storm water and sanitary collection,	24
storage, and treatment facilities, including real property,	25
interests in real property, facilities, and equipment	26
related to or incidental thereto, and shall include, without	27
limitation, the cost of acquisition, construction,	28
reconstruction, expansion, improvement, planning, and	29
equipping.	30
It is hereby determined that such sewer and water	31
	32
capital improvements are necessary to preserve and expand	
the public capital infrastructure of such municipal	33
corporations, counties, townships, and other governmental	34
entities; ensure the public health, safety, and welfare;	35
improve water quality and protect natural resources; create	36
and preserve jobs; enhance employment opportunities; and	37
improve the economic welfare of the people of this state.	38
(B) Not more than one billion dollars principal amount	39
of state general obligations may be issued under this	40
section for sewer and water capital improvements. Not more	41
than one hundred million dollars principal amount of those	42
obligations may be issued in any one fiscal year, plus the	43
principal amount of those obligations that in any prior	44
fiscal year of issuance could have been but were not issued	45
within that fiscal year limit.	46
(C) Each issue of obligations issued under this section_	47
shall mature in not more than twenty years from the date of	48
issuance, or, if issued to retire or refund other	49
obligations, within that number of years from the date the	50
operance in the contract of the first of the contract of the c	50

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debt being retired or refunded was originally issued. If	51
state general obligations are issued as notes in	52
anticipation of the issuance of bonds, provision shall be	53
made by law for the establishment and maintenance, during	54
the period in which the notes are outstanding, of a special	55
fund or funds into which shall be paid, from the sources	56
authorized for the payment of such bonds, the amount that	57
would have been sufficient, if bonds maturing during the	58
permitted period of years had been issued without such prior	59
issuance of notes, to pay the principal that would have been	60
payable on such bonds during such period. Such fund or funds	61
shall be used solely for the payment of principal of such	62
notes or bonds in anticipation of which such notes have been	63
<u>issued.</u>	64
(D) The obligations issued under this section are	65
general obligations of the state. The full faith and credit,	66
revenue, and taxing power of the state shall be pledged to	67
the payment of the principal of and premium and interest and	68
other accreted amounts on outstanding obligations as they	69
become due (hereinafter called debt service), and bond	70
retirement fund provisions shall be made for payment of that	71
debt service. Provision shall be made by law for the	72
sufficiency and appropriation, for purposes of paying debt	73
service, of excises, taxes, and revenues so pledged or	74
committed to debt service, and for covenants to continue the	75
levy, collection, and application of sufficient excises,	76
taxes, and revenues to the extent needed for that purpose.	77
Notwithstanding Section 22 of Article II, Ohio Constitution,	78
no further act of appropriation shall be necessary for that	79
purpose. The obligations and the provision for the payment	80
of debt service are not subject to Sections 5, 6, and 11 of	81

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Article XII, Ohio Constitution. Moneys referred to in	82
Section 5a of Article XII, Ohio Constitution may not be	83
pledged to the payment of that debt service.	84
(E) The state may participate in any sewer and water	85
capital improvement under this section with municipal	86
corporations, counties, townships, or other governmental	87
entities as designated by law, or any one or more of them.	88
Such participation shall be by grants to them for any such	89
capital improvements. The entire proceeds of the obligations	90
shall be used for sewer and water capital improvements of	91
municipal corporations, counties, townships, and other	92
governmental entities, except to the extent that the General	93
Assembly provides by law that the state may reasonably be	94
compensated from such moneys for planning, financial	95
management, or administrative services performed in relation	96
to the issuance of the obligations.	97
(F) Obligations issued under authority of this section,	98
the transfer thereof, and the interest, interest equivalent,	99
and other income and accreted amounts therefrom, including	100
any profit made on the sale, exchange, or other disposition	101
thereof, shall at all times be free from taxation within the	102
state.	103
(G) This section shall otherwise be implemented in the	104
manner and to the extent provided by law by the General	105
Assembly, including provision for the procedure for	106
incurring and issuing obligations, separately or in	107
combination with other obligations, and refunding, retiring,	108
and evidencing obligations, and provision for the use to the	109
extent practicable of Ohio products, materials, services,	110
and labor in the making of any project financed, in whole or	111
in part, under this section.	112

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(H) The powers and authority granted or confirmed by	113
and under, and the determinations in, this section are	114
independent of, in addition to, and not in derogation of or	115
a limitation on, powers, authority, determinations, or	116
confirmations under laws or under other provisions of the	117
Ohio Constitution and do not impair any previously adopted	118
provisions of the Ohio Constitution or any law previously	119
enacted by the General Assembly or by a local public agency.	120
EFFECTIVE DATE	121
If adopted by a majority of the electors voting on this	122
proposal, Section 2t of Article VIII of the Constitution of	123
the State of Ohio shall take effect immediately.	124