

## As Introduced

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

**H. J. R. No. 6**

**Representative Johnson, T.**

**Cosponsors: Speaker Rosenberger, Representatives Anielski, Antani, Baker, Becker, Blessing, Boose, Brenner, Buchy, Burkley, Butler, Conditt, Derickson, Dever, DeVitis, Dovilla, Ginter, Gonzales, Green, Grossman, Hackett, Hagan, Hall, Hambley, Hayes, Hill, Hood, Huffman, Koehler, Landis, LaTourette, Maag, McClain, McColley, Patmon, Perales, Retherford, Rezabek, Romanchuk, Ruhl, Scherer, Sears, Sprague, Terhar, Thompson, Young, Zeltwanger**

---

### **A JOINT RESOLUTION**

Proposing to enact Section 18 of Article VIII of the  
Constitution of the State of Ohio to prohibit state  
agencies and the state's public retirement systems  
from contracting with and investing in companies with  
certain business operations in countries designated as  
state sponsors of terrorism and to require state  
agencies and public retirement systems to divest  
investments from such companies.

Be it resolved by the General Assembly of the State of  
Ohio, three-fifths of the members elected to each house  
concurring herein, that there shall be submitted to the electors  
of the state, in the manner prescribed by law at the general  
election to be held on November 8, 2016, a proposal to enact  
Section 18 of Article VIII of the Constitution of the State of  
Ohio to read as follows:

ARTICLE VIII

Section 18. (A) To ensure that state funds and public 16  
retirement system funds do not support international acts of 17  
terrorism, neither a state agency nor a public retirement system 18  
shall knowingly do either of the following: 19

(1) Enter into, extend, or renew a contract with a 20  
designated company to acquire, provide, or dispose of services, 21  
supplies, or information technology to the agency or retirement 22  
system; 23

(2) Invest in stocks, bonds, or any other direct holdings 24  
in a designated company. 25

(B) (1) Not later than December 31, 2018, a state agency or 26  
public retirement system shall terminate any contract in effect 27  
on that date between the agency or retirement system and a 28  
designated company. No such contracts shall be extended or 29  
renewed after the earlier of December 31, 2018, or the date on 30  
which the contract expires or is terminated. No other provision 31  
of the Constitution shall impair or limit this power. 32

(2) Not later than December 31, 2018, a state agency or 33  
public retirement system shall sell, redeem, or divest any of 34  
the agency's or retirement system's stocks, bonds, and any other 35  
direct holdings in a designated company in a manner that is 36  
orderly and consistent with its fiduciary duties. 37

(C) This section shall no longer apply to a designated 38  
company if both of the following are the case: 39

(1) The United States Department of State rescinds a 40  
country's designation as a state sponsor of terrorism; 41

(2) The General Assembly enacts a provision to remove the 42

prohibition specified in division (A) of this section with 43  
regard to the country whose designation has been rescinded. 44

(D) As used in this section: 45

(1) "Active business operations" means engaging in 46  
commerce on or after the effective date of this section in any 47  
form in a designated country, including by maintaining, selling, 48  
acquiring, developing, owning, possessing, operating, or leasing 49  
equipment, facilities, personnel, products, services, personal 50  
or real property, or any other apparatus of business or 51  
commerce. 52

(2) "Company" means any sole proprietorship, organization, 53  
association, corporation, partnership, joint venture, limited 54  
partnership, limited liability partnership, limited liability 55  
company, or other entity or business association, including all 56  
wholly-owned subsidiaries, majority-owned subsidiaries, parent 57  
companies, or affiliates of those entities or business 58  
associations, that exist for the purpose of making a profit. 59

(3) "Designated company" means a company with active 60  
business operations in a strategic industry in a country 61  
designated on or after January 1, 2015, as a state sponsor of 62  
terrorism by the United States Department of State. 63

(4) "Direct holdings" means all publicly traded securities 64  
of a company that are held directly by a state agency or public 65  
retirement system in an actively managed account or fund in 66  
which the agency or retirement system owns all shares or 67  
interests. 68

(5) "Public retirement system" means a retirement system 69  
established by the laws of the state to provide age and service 70  
retirement and disability benefits to state and local government 71

employees. 72

(6) "State agency" means any organized body, office, 73  
agency, institution, or other entity established by the laws of 74  
the state for the exercise of any function of state government. 75  
"State agency" does not include the nonprofit corporation formed 76  
under section 187.01 of the Revised Code. 77

(7) "Strategic industry" includes all of the following: 78

(a) Military equipment, such as weapons, arms, military 79  
supplies, and equipment, including radar systems or military- 80  
grade transport vehicles, that readily may be used for military 81  
purposes; 82

(b) Mineral extraction activities, which include 83  
exploring, extracting, processing, transporting, or wholesale 84  
selling or trading of elemental minerals or associated metal 85  
alloys or oxides, also known as ore, including gold, copper, 86  
chromium, chromite, diamonds, iron, iron ore, silver, tungsten, 87  
uranium, and zinc; and includes facilitating such activities, 88  
including by providing supplies or services in support of such 89  
activities; 90

(c) Oil-related activities, which include owning rights to 91  
oil blocks; exporting, extracting, producing, refining, 92  
processing, exploring for, transporting, selling, or trading of 93  
oil; constructing, maintaining, or operating a pipeline, 94  
refinery, or other oil-field infrastructure; or facilitating 95  
such activities, including by providing supplies or services in 96  
support of such activities. "Oil-related activities" does not 97  
mean engaging in only the retail sale of gasoline and related 98  
consumer products. 99

(d) Petroleum resources, such as petroleum, petroleum 100

byproducts, and natural gas; 101

(e) Power production activities, which include any 102  
business operation that involves a project commissioned by the 103  
government of a designated country whose purpose is to 104  
facilitate power generation and delivery, including establishing 105  
power-generating plants or hydroelectric dams, selling or 106  
installing components for a project, providing service contracts 107  
related to the installation or maintenance of a project, or 108  
facilitating any of these activities, including by providing 109  
supplies or services in support of such activities. 110

EFFECTIVE DATE 111

If adopted by a majority of the electors voting on this 112  
proposal, Section 18 of Article VIII of the Constitution of the 113  
State of Ohio shall take effect ninety days after its adoption. 114