A JOINT RESOLUTION

Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to allow the General Assembly to provide by law for the issuance of bonds to pay unemployment compensation benefits when the fund created for that purpose is or will be depleted or to repay outstanding advances made by the federal government to the unemployment compensation program.

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 special election to be held on May 8, 2018, a proposal to enact Section 2t of Article VIII of the Constitution of the State of Ohio to read as follows:

ARTICLE VIII

Section 2t. (A) In addition to the authorizations otherwise contained in Article VIII of the Ohio Constitution, the General Assembly may provide by law, in accordance with and subject to the limitations of this section, for the issuance of bonds and other obligations of the state for either of the
following purposes:

(1) Paying unemployment compensation benefits authorized under state law when the fund created for that purpose is or will be depleted;

(2) Financing or assisting in the financing of the cost to repay outstanding advances made by the federal government to the unemployment compensation program of this state.

(B) An issuance under division (A)(2) of this section shall be made only if the director of budget and management determines that the rate of interest charged by the federal government for outstanding advances exceeds the rate of interest the treasurer of state likely would obtain for bonds issued under this section.

(C) The obligations issued under this section are general obligations of the state. The full faith and credit, revenue, and taxing power of the state shall be pledged to the payment of debt service on those outstanding obligations as it becomes due, and bond retirement fund provisions shall be made for payment of that debt service. Provision shall be made by law for the sufficiency and appropriation, for purposes of paying debt service, of excises, taxes, and revenues so pledged or committed to debt service, and for covenants to continue the levy, collection, and application of sufficient excises, taxes, and revenues to the extent needed for that purpose. Notwithstanding Section 22 of Article II, Ohio Constitution, no further act of appropriation shall be necessary for that purpose. The obligations and the provisions for the payment of debt service are not subject to Sections 5, 6, and 11 of Article XII, Ohio Constitution. Moneys referred to in Section 5a of Article XII, Ohio Constitution may not be pledged to the payment of that debt
service.

(D) Obligations issued under the 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 otherwise be implemented in the manner and to the extent provided by the General Assembly by law, including provision for the procedure for incurring and issuing obligations, separately or in combination with other obligations, and refunding, retiring, and evidencing obligations. The maturity date or dates of the obligations issued under the authority of this section and the total principal amount of those obligations shall be as determined by the General Assembly, subject to the limitation provided for in Section 17 of Article VIII, Ohio Constitution.

(F) An obligation issued under this section is not subject to Section 4 or 5 of Article VIII, Ohio Constitution.

(G) As used in this section, "debt service" means principal and interest and other accreted amounts payable on the obligations referred to.

**EFFECTIVE DATE**

If adopted by a majority of the electors voting on this proposal, Section 2t of Article VIII of the Constitution of the State of Ohio takes immediate effect.