

As Introduced

**134th General Assembly
Regular Session
2021-2022**

S. J. R. No. 2

Senators Gavarone, Yuko

Cosponsors: Senators Rulli, Cirino, Fedor, Manning

A JOINT RESOLUTION

Proposing to enact Section 2t of Article VIII of the 1
Constitution of the State of Ohio to permit the issuance of 2
general obligation bonds to fund clean water improvements. 3

Be it resolved by the General Assembly of the State of 4
Ohio, three-fifths of the members elected to each house 5
concurring herein, that there shall be submitted to the electors 6
of the state, in the manner prescribed by law at the general 7
election to be held on November 8, 2022, a proposal to enact 8
Section 2t of Article VIII of the Constitution of the State of 9
Ohio to read as follows: 10

ARTICLE VIII 11

Section 2t. (A) As used in this section, "clean water 12
improvements" includes water treatment systems; waste water 13
treatment systems; water quality research; reducing open lake 14
disposal of dredged material into Lake Erie and other bodies of 15
water; supporting agricultural best management practices 16
including water resource management, watershed restoration, and 17
soil and water conservation; and any other sewer and water 18
capital improvements. 19

(B) In addition to the authorizations otherwise contained 20
in Article VIII of the Ohio Constitution, the General Assembly 21
may provide by law, in accordance with and subject to the 22
limitations of this section, for the issuance of bonds and other 23
obligations of the state for the purpose of financing or 24
assisting in the financing of the cost of clean water 25
improvements of municipal corporations, counties, townships, and 26
other governmental entities as designated by law. 27

It is hereby determined that such clean water improvements 28
are necessary to preserve and expand the public capital 29
infrastructure of such municipal corporations, counties, 30
townships, and other governmental entities; ensure the public 31
health, safety, and welfare; improve water quality and protect 32
natural resources; create and preserve jobs; enhance employment 33
opportunities; and improve the economic welfare of the people of 34
this state. 35

(C) (1) Not more than one billion dollars principal amount 36
of state general obligations may be issued under this section 37
for clean water improvements. Not more than one hundred million 38
dollars principal amount of those obligations may be issued in 39
any one fiscal year, plus the principal amount of those 40
obligations that in any prior fiscal year of issuance could have 41
been but were not issued within that fiscal year limit. 42

(2) The proceeds of the principal amount of obligations 43
issued pursuant to division (C) (1) of this section shall be 44
allocated according to a watershed's proportion of phosphorous 45
loading compared to the total amount of phosphorous loading in 46
the watersheds of the state as determined by scientific 47
assessments, except that a minimum of fifty per cent of the 48
amount shall be allocated to the various counties of the western 49
Lake Erie basin. 50

(D) Each issue of obligations issued under this section 51
shall mature in not more than twenty years from the date of 52
issuance, or, if issued to retire or refund other obligations, 53
within that number of years from the date the debt being retired 54
or refunded was originally issued. If state general obligations 55
are issued as notes in anticipation of the issuance of bonds, 56
provision shall be made by law for the establishment and 57
maintenance, during the period in which the notes are 58
outstanding, of a special fund or funds into which shall be 59
paid, from the sources authorized for the payment of such bonds, 60
the amount that would have been sufficient, if bonds maturing 61
during the permitted period of years had been issued without 62
such prior issuance of notes, to pay the principal that would 63
have been payable on such bonds during such period. Such fund or 64
funds shall be used solely for the payment of principal of such 65
notes or bonds in anticipation of which such notes have been 66
issued. 67

(E) The obligations issued under this section are general 68
obligations of the state. The full faith and credit, revenue, 69
and taxing power of the state shall be pledged to the payment of 70
the principal of and premium and interest and other accreted 71
amounts on outstanding obligations as they become due 72
(hereinafter called debt service), and bond retirement fund 73
provisions shall be made for payment of that debt service. 74
Provision shall be made by law for the sufficiency and 75
appropriation, for purposes of paying debt service, of excises, 76
taxes, and revenues so pledged or committed to debt service, and 77
for covenants to continue the levy, collection, and application 78
of sufficient excises, taxes, and revenues to the extent needed 79
for that purpose. Notwithstanding Section 22 of Article II, Ohio 80
Constitution, no further act of appropriation shall be necessary 81

for that purpose. The obligations and the provision for the 82
payment of debt service are not subject to Sections 5, 6, and 11 83
of Article XII, Ohio Constitution. Moneys referred to in Section 84
5a of Article XII, Ohio Constitution may not be pledged to the 85
payment of that debt service. 86

(F) The state may participate in any clean water 87
improvements under this section with municipal corporations, 88
counties, townships, or other governmental entities as 89
designated by law, or any one or more of them. Such 90
participation shall be by grants to them for any such 91
improvements. The entire proceeds of the obligations shall be 92
used for clean water improvements of municipal corporations, 93
counties, townships, and other governmental entities, except to 94
the extent that the General Assembly provides by law that the 95
state may reasonably be compensated from such moneys for 96
planning, financial management, or administrative services 97
performed in relation to the issuance of the obligations. 98

(G) Obligations issued under authority of this section, 99
the transfer thereof, and the interest, interest equivalent, and 100
other income and accreted amounts therefrom, including any 101
profit made on the sale, exchange, or other disposition thereof, 102
shall at all times be free from taxation within the state. 103

(H) 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 incurring 106
and issuing obligations, separately or in combination with other 107
obligations, and refunding, retiring, and evidencing 108
obligations, and provision for the use to the extent practicable 109
of Ohio products, materials, services, and labor in the making 110
of any project financed, in whole or in part, under this 111
section. 112

(I) The powers and authority granted or confirmed by and 113
under, and the determinations in, this section are independent 114
of, in addition to, and not in derogation of or a limitation on, 115
powers, authority, determinations, or confirmations under laws 116
or under other provisions of the Ohio Constitution and do not 117
impair any previously adopted provisions of the Ohio 118
Constitution or any law previously enacted by the General 119
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 the 123
State of Ohio shall take effect immediately. 124