

# A JOINT RESOLUTION

Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to permit the issuance of additional general obligation bonds to fund public infrastructure capital improvements.

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 6, 2025, 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 the purpose of financing or assisting in the financing of the cost of public infrastructure capital improvements of municipal corporations, counties, townships, and other governmental entities as designated by law. As used in this section, public infrastructure capital improvements shall be limited to roads and bridges, waste water treatment systems, water supply systems, solid waste disposal facilities, and storm water and sanitary collection, storage, and treatment facilities, including real property, interests in real property, facilities, and equipment related to or incidental thereto, and shall include, without limitation, the cost of acquisition, construction, reconstruction, expansion, improvement, planning, and equipping.

It is hereby determined that such public infrastructure capital improvements are necessary to preserve and expand the public capital infrastructure of such municipal corporations, counties, townships, and other governmental entities, ensure the public health, safety, and welfare, create and preserve jobs, enhance employment opportunities, and improve the economic welfare of the people of this state.

(B) Not more than two billion five hundred million dollars principal amount of state general obligations may be issued under this section for public infrastructure capital improvements. Not more than two hundred fifty million dollars principal amount of those obligations may be issued in each of the ten fiscal years of issuance, plus in each case the principal amount of those obligations that in any prior fiscal year could have been but were not issued within those fiscal year limits. No obligations may be issued pursuant to this section until all of the state infrastructure obligations authorized under Section 2s of Article VIII, Ohio Constitution have been issued.

(C) Each issue of obligations issued under this section shall mature in not more than thirty years from the date of issuance, or, if issued to retire or refund other obligations, within that number of years from the date the debt being retired or refunded was originally issued. If state general obligations are issued as notes in anticipation of the issuance of bonds, provision shall be made by law for the establishment and maintenance, during the period in which the notes are outstanding, of a special fund or funds into which shall be paid, from the sources authorized for the payment of such bonds, the

amount that would have been sufficient, if bonds maturing during the permitted period of years had been issued without such prior issuance of notes, to pay the principal that would have been payable on such bonds during such period. Such fund or funds shall be used solely for the payment of principal of such notes or bonds in anticipation of which such notes have been issued. Obligations issued under this section to retire or refund obligations previously issued under this section or Section 2k, 2m, 2p, or 2s of Article VIII, Ohio Constitution shall not be counted against the fiscal year or total issuance limitations provided in this section or Section 2k, 2m, 2p, or 2s as applicable.

(D) 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 the principal of and premium and interest and other accreted amounts on outstanding obligations as they become due (hereinafter called debt service), 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 provision for the payment of debt service, and repayment by governmental entities of any loans made under this section, 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.

(E) The state may participate in any public infrastructure capital improvement under this section with municipal corporations, counties, townships, or other governmental entities as designated by law, or any one or more of them. Such participation may be by grants, loans, or contributions to them for any such capital improvements. The entire proceeds of the infrastructure obligations shall be used for public infrastructure capital improvements of municipal corporations, counties, townships, and other governmental entities, except to the extent that the General Assembly provides by law that the state may reasonably be compensated from such moneys for planning, financial management, or administrative services performed in relation to the issuance of infrastructure obligations.

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

(G) This section shall otherwise be implemented in the manner and to the extent provided by law by the General Assembly, including provision for the procedure for incurring and issuing obligations, separately or in combination with other obligations, and refunding, retiring, and evidencing obligations, and provision for the use to the extent practicable of Ohio products, materials, services, and labor in the making of any project financed, in whole or in part, under this section.

(H) The powers and authority granted or confirmed by and under, and the determinations in, this section are independent of, in addition to, and not in derogation of or a limitation on, powers, authority, determinations, or confirmations under laws or under other provisions of the Ohio

Constitution and do not impair any previously adopted provisions of the Ohio Constitution or any law previously enacted by the General Assembly or by a local public agency.

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 enacted by this proposal shall take effect immediately.

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*Speaker* \_\_\_\_\_ *of the House of Representatives.*

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*President* \_\_\_\_\_ *of the Senate.*

Adopted \_\_\_\_\_, 20\_\_\_\_