As Introduced

136th General Assembly
Regular Session
2025-2026

S. J. R. No. 4

Senator Brenner

A JOINT RESOLUTION

Proposing to enact Section 12 of Article VIII of the Constitution of the State of Ohio to conditionally authorize the issuance of state obligations to refund pending school district obligations, to conditionally waive, beginning in 2027, the requirement that schools levy property taxes to pay debt charges on their obligations, and to conditionally authorize a treasury fund that is restricted exclusively to educational purposes.

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 3, 2026, a proposal to enact Section 12 of Article VIII of the Constitution of the State of Ohio to read as follows:

ARTICLE VIII

Section 12. (A)(1) Notwithstanding Section 3 of this article, the General Assembly may provide by law, subject to the limitations of and in accordance with this section, for the issuance of bonds and other obligations of the state to refund obligations issued on or before November 3, 2026, of school districts, county school financing districts, career-technical cooperative education districts, regional student education districts, and partnerships consisting of multiple school districts, notwithstanding the applicability to those obligations of Section 11 of Article XII of the Constitution of the State of Ohio. This section shall be implemented in the manner and to the extent provided by the General Assembly by law, including provision for procedures for incurring, refunding, retiring, and evidencing state obligations issued pursuant to this section. Obligations issued under this section, including obligations issued to refund or retire other obligations issued under this section, shall mature not later than the thirty-first day of December of the twentieth calendar year after the year in which the original obligation to pay was issued or entered into. The total principal amount of obligations issued under this section shall be as determined by the General Assembly and shall not be subject to the limitation provided for in Section 17 of this article.

(2) 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). For the purpose of the full and timely payment of that debt service, appropriate provisions shall be made or authorized by law for bond retirement funds and for the sufficiency and appropriation of excises, taxes, and revenues so pledged to that debt service, for which purpose no further act of appropriation shall be necessary notwithstanding

Section 22 of Article II of the Constitution of the State of Ohio, and provision shall be made or authorized by law for covenants to continue the levy, collection, and application of sufficient excises, taxes, and revenues to the extent needed for that purpose. The obligations and the provisions for the payment of debt service on them are not subject to Section 11 of Article XII of the Constitution of the State of Ohio.

(3) Obligations issued under 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 this state.

(4) The powers herein granted shall be in addition to and not in derogation of existing powers of the state.

(B) Notwithstanding Section 11 of Article XII of the Constitution of the State of Ohio, a school district, county school financing district, career-technical cooperative education district, regional student education district, or partnership consisting of multiple school districts is not required to levy property tax on or after January 1, 2027, to pay the interest on obligations issued by the district or partnership.

(C) The proceeds of any tax on property levied by the state for the purpose of funding the primary and secondary education of students in this state shall be paid into a fund of the state treasury that shall be used solely to fund the primary and secondary education of students in this state and to which other revenue may be credited.

(D) The General Assembly shall not issue obligations under the authority of this section, nor shall division (B) or (C) of this section apply, unless electors approve the levy of a property tax by the state for the purpose of funding the primary and secondary education of students in this state at the general election to be held on November 3, 2026.

EFFECTIVE DATE

If adopted by a majority of the electors voting on this proposal, the enactment of Section 12 of Article VIII of the Constitution of the State of Ohio shall take immediate effect.