

**As Introduced**

**132nd General Assembly  
Regular Session  
2017-2018**

**H. J. R. No. 16**

**Representatives Arndt, Patterson**

**Cosponsors: Representatives Schuring, Reineke, Hill, Gavarone, Hambley,  
Manning, Hoops**

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**A JOINT RESOLUTION**

Proposing to enact Section 2t of Article VIII of the 1  
Constitution of the State of Ohio to permit the 2  
issuance of general obligation bonds to fund clean 3  
water improvements. 4

Be it resolved by the General Assembly of the State of 5  
Ohio, three-fifths of the members elected to each house 6  
concurring herein, that there shall be submitted to the electors 7  
of the state, in the manner prescribed by law at the general 8  
election to be held on November 6, 2018, a proposal to enact 9  
Section 2t of Article VIII of the Constitution of the State of 10  
Ohio to read as follows: 11

**ARTICLE VIII** 12

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

soil and water conservation; and any other sewer and water 19  
capital improvements. 20

(B) In addition to the authorizations otherwise contained 21  
in Article VIII of the Ohio Constitution, the General Assembly 22  
may provide by law, in accordance with and subject to the 23  
limitations of this section, for the issuance of bonds and other 24  
obligations of the state for the purpose of financing or 25  
assisting in the financing of the cost of clean water 26  
improvements of municipal corporations, counties, townships, and 27  
other governmental entities as designated by law. 28

It is hereby determined that such clean water improvements 29  
are necessary to preserve and expand the public capital 30  
infrastructure of such municipal corporations, counties, 31  
townships, and other governmental entities; ensure the public 32  
health, safety, and welfare; improve water quality and protect 33  
natural resources; create and preserve jobs; enhance employment 34  
opportunities; and improve the economic welfare of the people of 35  
this state. 36

(C) (1) Not more than one billion dollars principal amount 37  
of state general obligations may be issued under this section 38  
for clean water improvements. Not more than one hundred million 39  
dollars principal amount of those obligations may be issued in 40  
any one fiscal year, plus the principal amount of those 41  
obligations that in any prior fiscal year of issuance could have 42  
been but were not issued within that fiscal year limit. 43

(2) The proceeds of the principal amount in obligations 44  
issued pursuant to division (C) (1) of this section shall be 45  
allocated according to a watershed's proportion of phosphorous 46  
loading compared to the total amount of phosphorous loading in 47  
the watersheds of the state as determined by scientific 48

assessments, except that a minimum of fifty per cent of the 49  
amount shall be allocated to the various counties of the western 50  
Lake Erie basin. 51

(D) Each issue of obligations issued under this section 52  
shall mature in not more than twenty years from the date of 53  
issuance, or, if issued to retire or refund other obligations, 54  
within that number of years from the date the debt being retired 55  
or refunded was originally issued. If state general obligations 56  
are issued as notes in anticipation of the issuance of bonds, 57  
provision shall be made by law for the establishment and 58  
maintenance, during the period in which the notes are 59  
outstanding, of a special fund or funds into which shall be 60  
paid, from the sources authorized for the payment of such bonds, 61  
the amount that would have been sufficient, if bonds maturing 62  
during the permitted period of years had been issued without 63  
such prior issuance of notes, to pay the principal that would 64  
have been payable on such bonds during such period. Such fund or 65  
funds shall be used solely for the payment of principal of such 66  
notes or bonds in anticipation of which such notes have been 67  
issued. 68

(E) The obligations issued under this section are general 69  
obligations of the state. The full faith and credit, revenue, 70  
and taxing power of the state shall be pledged to the payment of 71  
the principal of and premium and interest and other accreted 72  
amounts on outstanding obligations as they become due 73  
(hereinafter called debt service), and bond retirement fund 74  
provisions shall be made for payment of that debt service. 75  
Provision shall be made by law for the sufficiency and 76  
appropriation, for purposes of paying debt service, of excises, 77  
taxes, and revenues so pledged or committed to debt service, and 78  
for covenants to continue the levy, collection, and application 79

of sufficient excises, taxes, and revenues to the extent needed 80  
for that purpose. Notwithstanding Section 22 of Article II, Ohio 81  
Constitution, no further act of appropriation shall be necessary 82  
for that purpose. The obligations and the provision for the 83  
payment of debt service are not subject to Sections 5, 6, and 11 84  
of Article XII, Ohio Constitution. Moneys referred to in Section 85  
5a of Article XII, Ohio Constitution may not be pledged to the 86  
payment of that debt service. 87

(F) The state may participate in any clean water 88  
improvements under this section with municipal corporations, 89  
counties, townships, or other governmental entities as 90  
designated by law, or any one or more of them. Such 91  
participation shall be by grants to them for any such 92  
improvements. The entire proceeds of the obligations shall be 93  
used for clean water improvements of municipal corporations, 94  
counties, townships, and other governmental entities, except to 95  
the extent that the General Assembly provides by law that the 96  
state may reasonably be compensated from such moneys for 97  
planning, financial management, or administrative services 98  
performed in relation to the issuance of the obligations. 99

(G) Obligations issued under authority of this section, 100  
the transfer thereof, and the interest, interest equivalent, and 101  
other income and accreted amounts therefrom, including any 102  
profit made on the sale, exchange, or other disposition thereof, 103  
shall at all times be free from taxation within the state. 104

(H) This section shall otherwise be implemented in the 105  
manner and to the extent provided by law by the General 106  
Assembly, including provision for the procedure for incurring 107  
and issuing obligations, separately or in combination with other 108  
obligations, and refunding, retiring, and evidencing 109  
obligations, and provision for the use to the extent practicable 110

of Ohio products, materials, services, and labor in the making 111  
of any project financed, in whole or in part, under this 112  
section. 113

(I) The powers and authority granted or confirmed by and 114  
under, and the determinations in, this section are independent 115  
of, in addition to, and not in derogation of or a limitation on, 116  
powers, authority, determinations, or confirmations under laws 117  
or under other provisions of the Ohio Constitution and do not 118  
impair any previously adopted provisions of the Ohio 119  
Constitution or any law previously enacted by the General 120  
Assembly or by a local public agency. 121

EFFECTIVE DATE 122

If adopted by a majority of the electors voting on this 123  
proposal, Section 2t of Article VIII of the Constitution of the 124  
State of Ohio shall take effect immediately. 125