

**As Introduced**

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

**S. J. R. No. 2**

**Senators Gavarone, Yuko**

**Cosponsors: Senators Rulli, Cirino, Fedor, Manning**

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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 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