

As Introduced

**131st General Assembly
Regular Session
2015-2016**

H. J. R. No. 14

Representative Brenner

A JOINT RESOLUTION

Proposing to enact Section 12 of Article VIII of the 1
Constitution of the State of Ohio to conditionally 2
authorize the issuance of state obligations to refund 3
pending school district obligations, to conditionally 4
waive, beginning in 2018, the requirement that schools 5
levy property taxes to pay debt charges on their 6
obligations, and to conditionally authorize a treasury 7
fund that is restricted exclusively to educational 8
purposes. 9

Be it resolved by the General Assembly of the State of 10
Ohio, three-fifths of the members elected to each house 11
concurring herein, that there shall be submitted to the electors 12
of the state, in the manner prescribed by law at the general 13
election to be held on November 7, 2017, a proposal to enact 14
Section 12 of Article VIII of the Constitution of the State of 15
Ohio to read as follows: 16

ARTICLE VIII 17

Section 12. (A) (1) Except as provided by division (C) of 18
this section, the General Assembly may provide by law, subject 19
to the limitations of and in accordance with this section, for 20
the issuance of bonds and other obligations of the state to 21

refund obligations issued on or before November 7, 2017, of 22
schools districts, county school financing districts, regional 23
student education districts, and partnerships consisting of 24
multiple school districts, notwithstanding the applicability to 25
those obligations of Section 11 of Article XII of the 26
Constitution of the State of Ohio. This section shall be 27
implemented in the manner and to the extent provided by the 28
General Assembly by law, including provision for procedures for 29
incurring, refunding, retiring, and evidencing state obligations 30
issued pursuant to this section. Obligations issued under this 31
section, including obligations issued to refund or retire other 32
obligations issued under this section, shall mature not later 33
than the thirty-first day of December of the twentieth calendar 34
year after the year in which the original obligation to pay was 35
issued or entered into. The total principal amount of 36
obligations issued under this section shall be as determined by 37
the General Assembly and shall not be subject to the limitation 38
provided for in Section 17 of this article. 39

(2) Obligations issued under this section are general 40
obligations of the state. The full faith and credit, revenue, 41
and taxing power of the state shall be pledged to the payment of 42
the principal of and premium and interest and other accreted 43
amounts on outstanding obligations as they become due 44
(hereinafter called debt service). For the purpose of the full 45
and timely payment of that debt service, appropriate provisions 46
shall be made or authorized by law for bond retirement funds and 47
for the sufficiency and appropriation of excises, taxes, and 48
revenues so pledged to that debt service, for which purpose no 49
further act of appropriation shall be necessary notwithstanding 50
Section 22 of Article II of the Constitution of the State of 51
Ohio, and provision shall be made or authorized by law for 52

covenants to continue the levy, collection, and application of 53
sufficient excises, taxes, and revenues to the extent needed for 54
that purpose. The obligations and the provisions for the payment 55
of debt service on them are not subject to Section 11 of Article 56
XII of the Constitution of the State of Ohio. 57

(3) Obligations issued under this section, their transfer, 58
and the interest, interest equivalent, and other income or 59
accrued amounts on them, including any profit made on their 60
sale, exchange, or other disposition, shall at all times be free 61
from taxation within this state. 62

(4) The powers herein granted shall be in addition to and 63
not in derogation of existing powers of the state. 64

(B) As applicable under division (C) of this section and 65
notwithstanding Section 11 of Article XII of the Constitution of 66
the State of Ohio, a school district, county school financing 67
district, regional student education district, or partnership 68
consisting of multiple school districts is not required to levy 69
property tax on or after January 1, 2018, to pay the interest on 70
obligations issued by the district or partnership. 71

(C) The proceeds of any tax on property levied by the 72
state for the purpose of funding the primary and secondary 73
education of students in this state shall be paid into a fund of 74
the state treasury that shall be used solely to fund the primary 75
and secondary education of students in this state and to which 76
other revenue may be credited. 77

(D) The General Assembly shall not issue obligations under 78
the authority of this section, nor shall division (B) or (C) of 79
this section apply, unless electors approve the levy of a 80
property tax by the state for the purpose of funding the primary 81
and secondary education of students in this state at the general 82

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| <u>election to be held on November 7, 2017.</u> | 83 |
| EFFECTIVE DATE | 84 |
| If adopted by a majority of the electors voting on this | 85 |
| proposal, the enactment of Section 12 of Article VIII of the | 86 |
| Constitution of the State of Ohio shall take immediate effect. | 87 |