

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**

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