

JOINT RESOLUTION

Proposing to enact Section 2q of Article VIII of the Constitution of the State of Ohio to authorize the issuance of general and other obligations of the state to pay the costs relating to environmental and related conservation, preservation, and revitalization 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 4, 2008, a proposal to enact Section 2q of Article VIII of the Constitution of the State of Ohio to read as follows:

ARTICLE VIII

Section 2q. (A) It is determined and confirmed that the environmental and related conservation, preservation, and revitalization purposes referred to in divisions (A)(1) and (2) of this section, and provisions for them, are proper public purposes of the state and local governmental entities and are necessary and appropriate means to improve the quality of life and the general and economic well-being of the people of this state; to better ensure the public health, safety, and welfare; to protect water and other natural resources; to provide for the conservation and preservation of natural and open areas and farmlands, including by making urban areas more desirable or suitable for development and revitalization; to control, prevent, minimize, clean up, or remediate certain contamination of or pollution from lands in the state and water contamination or pollution; to provide for safe and productive urban land use or reuse; to enhance the availability, public use, and enjoyment of natural areas and resources; and to create and preserve jobs and enhance employment opportunities. Those purposes are:

(1) Conservation purposes, meaning conservation and preservation of natural areas, open spaces, and farmlands and other lands devoted to agriculture, including by acquiring land or interests therein; provision of

state and local park and recreation facilities, and other actions that permit and enhance the availability, public use, and enjoyment of natural areas and open spaces in Ohio; and land, forest, water, and other natural resource management projects;

(2) Revitalization purposes, meaning providing for and enabling the environmentally safe and productive development and use or reuse of publicly and privately owned lands, including those within urban areas, by the remediation or clean up, or planning and assessment for remediation or clean up, of contamination, or addressing, by clearance, land acquisition or assembly, infrastructure, or otherwise, that or other property conditions or circumstances that may be deleterious to the public health and safety and the environment and water and other natural resources, or that preclude or inhibit environmentally sound or economic use or reuse of the property.

(B) 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 for the purpose of paying costs of projects implementing those purposes.

(1) Not more than two hundred million dollars principal amount of obligations issued under this section for conservation purposes may be outstanding in accordance with their terms at any one time. Not more than fifty million dollars principal amount of those obligations, plus the principal amount of those obligations that in any prior fiscal year could have been but were not issued within the fifty-million-dollar fiscal year limit, may be issued in any fiscal year. Those obligations shall be general obligations of the state and the full faith and credit, revenue, and taxing power of the state shall be pledged to the payment of debt service on them as it becomes due, all as provided in this section.

(2) Not more than two hundred million dollars principal amount of obligations issued under this section for revitalization purposes may be outstanding in accordance with their terms at any one time. Not more than fifty million dollars principal amount of those obligations, plus the principal amount of those obligations that in any prior fiscal year could have been but were not issued within the fifty-million-dollar fiscal year limit, may be issued in any fiscal year. Those obligations shall not be general obligations of the state and the full faith and credit, revenue, and taxing power of the state shall not be pledged to the payment of debt service on them. Those obligations shall be secured by a pledge of all or such portion of designated revenues and receipts of the state as the General Assembly authorizes, including receipts from designated taxes or excises, other state revenues from sources other than state taxes or excises, such as from state enterprise

activities, and payments for or related to those revitalization purposes made by or on behalf of local governmental entities, responsible parties, or others. The general assembly shall provide by law for prohibitions or restrictions on the granting or lending of proceeds of obligations issued under division (B)(2) of this section to parties to pay costs of cleanup or remediation of contamination for which they are determined to be responsible.

(C) For purposes of the full and timely payment of debt service on state obligations authorized by this section, appropriate provision shall be made or authorized by law for bond retirement funds, for the sufficiency and appropriation of state excises, taxes, and revenues pledged to the debt service on the respective obligations, for which purpose, notwithstanding Section 22 of Article II of the Ohio Constitution, no further act of appropriation shall be necessary, and for covenants to continue the levy, collection, and application of sufficient state excises, taxes, and revenues to the extent needed for those purposes. Moneys referred to in Section 5a of Article XII of the Ohio Constitution may not be pledged or used for the payment of debt service on those obligations.

As used in this section, "debt service" means principal and interest and other accreted amounts payable on the obligations referred to.

(D)(1) Divisions (B) and (C) of 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. Each state obligation issued pursuant to this section shall mature no later than the thirty-first day of December of the twenty-fifth calendar year after its issuance, except that obligations issued to refund or retire other obligations shall mature not later than the thirty-first day of December of the twenty-fifth calendar year after the year in which the original obligation to pay was issued or entered into.

(2) In the case of the issuance of state obligations under this section as bond anticipation notes, provision shall be made by law or in the bond or note proceedings for the establishment, and the maintenance during the period the notes are outstanding, of special funds into which there shall be paid, from the sources authorized for payment of the particular bonds anticipated, the amount that would have been sufficient to pay the principal that would have been payable on those bonds during that period if bonds maturing serially in each year over the maximum period of maturity referred to in division (D)(1) of this section had been issued without the prior issuance of the notes. Those special funds and investment income on them shall be used solely for the payment of principal of those notes or of the

bonds anticipated.

(E) In addition to projects undertaken by the state, the state may participate or assist, by grants, loans, loan guarantees, or contributions, in the financing of projects for purposes referred to in this section that are undertaken by local governmental entities or by others, including, but not limited to, not-for-profit organizations, at the direction or authorization of local governmental entities. Obligations of the state issued under this section and the provisions for payment of debt service on them, including any payments by local governmental entities, are not subject to Sections 6 and 11 of Article XII of the Ohio Constitution. Those obligations, and obligations of local governmental entities issued for the public purposes referred to in this section, and provisions for payment of debt service on them, and the purposes and uses to which the proceeds of those state or local obligations, or moneys from other sources, are to be or may be applied, are not subject to Sections 4 and 6 of Article VIII of the Ohio Constitution.

(F) The powers and authority granted or confirmed by and under this section, and the determinations and confirmations in this section, are independent of, in addition to, and not in derogation of or a limitation on, powers, authority, determinations, or confirmations under laws, charters, ordinances, or resolutions, or by or under other provisions of the Ohio Constitution including, without limitation, Section 36 of Article II, Sections 2i, 2l, 2m, 2o, and 13 of Article VIII, and Articles X and XVIII, and do not impair any previously adopted provision of the Ohio Constitution or any law previously enacted by the General Assembly.

(G) 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 the state.

EFFECTIVE DATE

If adopted by a majority of the electors voting on this proposal, the amendment shall take effect immediately.

H. J. R. No. 5

127th G.A.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Adopted _____, 20____