

As Reported by the House Veterans Affairs Committee

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Sub. S. J. R. No. 1

Senators Grendell, Wilson

Cosponsors: Senators Harris, Patton, Schuler, Schaffer, Hughes, Fedor, Miller, D., Smith, Widener, Miller, R., Wagoner, Carey, Cates, Stewart, Faber, Buehrer, Cafaro, Gibbs, Gillmor, Goodman, Kearney, Morano, Roberts, Sawyer, Schiavoni, Schuring, Turner

JOINT RESOLUTION

Proposing to enact Section 2r of Article VIII of the Constitution of the State of Ohio to provide compensation to veterans of the Persian Gulf, Afghanistan, and Iraq conflicts.

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 3, 2009, a proposal to enact Section 2r of Article VIII of the Constitution of Ohio to read as follows:

ARTICLE VIII

Section 2r. (A) Upon the request of the department of veterans services, the Ohio public facilities commission shall proceed to issue and sell, from time to time, bonds or other obligations of the state in such amounts as are necessary to provide all or part of the funds as may be required to pay the compensation established by, and the expenses of administering, this section. The original principal amount of obligations so issued shall not exceed two hundred million dollars, provided that obligations issued under this section to retire or refund

obligations previously issued under this section shall not be 21
counted against that issuance limitation. The full faith and 22
credit, revenue, and taxing power of the state is hereby pledged 23
for payment of debt service on such obligations issued under this 24
section, and the state covenants to continue the levy, collection, 25
and application of sufficient state excises, taxes, and revenues 26
to the extent needed for those purposes; provided that moneys 27
referred to in Section 5a of Article XII of the Constitution of 28
the State of Ohio may not be pledged or used for the payment of 29
debt service. As used in this section, "debt service" means 30
principal and interest and other accreted amounts payable on the 31
obligations authorized by this section. 32

Each obligation so issued shall mature not later than the 33
thirty-first day of December of the fifteenth calendar year after 34
its issuance, except that obligations issued to refund obligations 35
under this section shall mature not later than the thirty-first 36
day of December of the fifteenth calendar year after the year in 37
which the original obligation was issued. Except for obligations 38
issued under this section to retire or refund obligations 39
previously issued under this section, no obligations shall be 40
issued under this section later than December 31, 2013. 41

In the case of the issuance of any obligations under this 42
section as bond anticipation notes, provision shall be made in the 43
bond or note proceedings for the establishment, and the 44
maintenance during the period the notes are outstanding, of 45
special funds into which there shall be paid, from the sources 46
authorized for payment of the bonds anticipated, the amount that 47
would have been sufficient to pay the principal that would have 48
been payable on those bonds during that period if bonds maturing 49
serially in each year over the maximum period of maturity referred 50
to in this section had been issued without the prior issuance of 51
the notes. Those special funds and investment income on them shall 52

be used solely for the payment of debt service on those notes or 53
the bonds anticipated. 54

The obligations issued under this section, their transfer, 55
and the interest, interest equivalent, and other income thereon, 56
including any profit made on their sale, exchange, or other 57
disposition, shall at all times be free from taxation within the 58
state. 59

Such obligations may be sold at public or private sale as 60
determined by the Ohio public facilities commission. 61

(B) Out of the proceeds of the sale of all obligations, 62
except those issued to refund or retire obligations previously 63
issued under this section, the amount that represents accrued 64
interest, if any, shall be paid into the state treasury into the 65
Persian gulf, Afghanistan, and Iraq conflicts compensation bond 66
retirement fund, which is hereby created. As determined at the 67
time of sale, the amount that represents premium shall be paid 68
into either the Persian gulf, Afghanistan, and Iraq conflicts 69
compensation bond retirement fund or the Persian gulf, 70
Afghanistan, and Iraq conflicts compensation fund, which is hereby 71
created in the state treasury. The balance of the proceeds shall 72
be paid into the Persian gulf, Afghanistan, and Iraq conflicts 73
compensation fund. All proceeds of the sale of any obligations 74
issued under this section to refund or retire obligations 75
previously issued under this section shall be paid into the 76
Persian gulf, Afghanistan, and Iraq conflicts compensation bond 77
retirement fund and used to pay debt service on those outstanding 78
obligations so refunded. The general assembly may appropriate and 79
cause to be paid into the Persian gulf, Afghanistan, and Iraq 80
conflicts compensation bond retirement fund or the Persian gulf, 81
Afghanistan, and Iraq conflicts compensation fund, out of money in 82
the treasury not otherwise appropriated, such amount as is proper 83
for use for the purposes for which such funds are created. Except 84

for amounts advanced by the general assembly to the Persian gulf, 85
Afghanistan, and Iraq conflicts compensation fund with the express 86
expectation of reimbursement from the proceeds of obligations paid 87
into that fund, and except for amounts transferred under division 88
(E) of this section for the purpose of defraying the immediate 89
cost of administration and compensation, if the general assembly 90
appropriates any funds to the Persian gulf, Afghanistan, and Iraq 91
conflicts compensation fund prior to the time obligations have 92
been issued in the original principal amount authorized in this 93
section, that original principal amount authorized in this section 94
shall be reduced by the amount of funds appropriated. 95

(C) On or before the fifteenth day of July of each fiscal 97
year, the Ohio public facilities commission shall certify, or 98
cause to be certified, to the director of budget and management 99
the total amount of money required during the current fiscal year, 100
together with all other money that will be available in the 101
Persian gulf, Afghanistan, and Iraq conflicts compensation bond 102
retirement fund, to meet in full all debt service and related 103
financing costs on the obligations issued under this section. The 104
director shall transfer from the general revenue fund to the 105
Persian gulf, Afghanistan, and Iraq conflicts compensation bond 106
retirement fund, without necessity of appropriation by the general 107
assembly, an amount equal to the amount so certified, and those 108
funds shall be used for the payment of the debt service. 109

(D)(1) The Persian gulf, Afghanistan, and Iraq conflicts 111
compensation fund shall be paid out upon the order of the 112
department of veterans services, without necessity of 113
appropriation by the general assembly, in payment of the expenses 114
of administering this section and as compensation as follows to 115
each person who meets all of the following requirements: 116

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(a) The person has served in active duty in the United States armed forces, except active duty for training only, at any time between August 2, 1990, and March 3, 1991, at any time between October 7, 2001, and the date determined by the president of the United States as the end of involvement of the United States armed forces in Afghanistan, or at any time between March 19, 2003, and the date determined by the president of the United States as the end of the involvement of the United States armed forces in Iraq.

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(b) The person was an Ohio resident at the start of active duty service and is currently an Ohio resident.

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(c) The person was separated from the United States armed forces under honorable conditions, is still serving in active duty service, or remains in any reserve component of the United States armed forces or in the Ohio national guard after serving on active duty.

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A person who meets the requirements of divisions (D)(1)(a), (b), and (c) of this section is entitled to, and may apply to receive, compensation of fifty dollars for each month of active domestic or foreign service and one hundred dollars for each month of Persian gulf, Afghanistan, or Iraq service during the compensable periods. A person who is medically discharged or medically retired from service due to combat-related disabilities sustained during Persian gulf, Afghanistan, or Iraq service is entitled to, and may apply to receive, compensation of one thousand dollars. The maximum amount of cash payable to any person in active domestic or foreign service is five hundred dollars and the maximum amount of cash payable to any person in Persian gulf, Afghanistan, or Iraq service is one thousand dollars, unless the person qualifies for a survivor's payment or a payment based on missing in action or prisoner of war status under division (D)(2)

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or (D)(3) of this section. Compensation for a fraction of a month 149
of service shall be paid on the basis of one-thirtieth of the 150
appropriate monthly amount for each day of service. 151

(2) The surviving spouse, surviving child or children, or 153
surviving parent or parents, including a person or persons 154
standing in loco parentis for at least one year preceding 155
commencement of service in the United States armed forces, is 156
entitled to, and may apply to receive, the same amount of 157
compensation that the person who served in the armed forces would 158
have received under division (D)(1) of this section. If the United 159
States department of veterans' affairs determines that the 160
person's death was the result of injuries or illness sustained in 161
Persian gulf, Afghanistan, or Iraq service, the person's survivors 162
are entitled to, and may apply for, a survivor's payment of five 163
thousand dollars, regardless of the amount of compensation that 164
the deceased would have been entitled to receive under this 165
section, if living. The survivor's payment shall be made to the 166
surviving spouse. If there is no surviving spouse, the payment 167
shall go to the surviving child or children. If there are no 168
surviving children, the payment shall go to the surviving parent 169
or parents or person or persons standing in loco parentis for at 170
least one year preceding commencement of service in the United 171
States armed forces. 172

(3) A person designated by the United States department of 174
defense as missing in action as a result of honorable service or 175
held in enemy captivity, or the spouse, child, or parent, 176
including a person standing in loco parentis for at least one year 177
preceding commencement of service in the United States armed 178
forces, of a person designated as missing in action or held in 179
enemy captivity, is entitled to, and may apply for, a payment of 180

five thousand dollars. This payment replaces any other cash 181
benefit payable under this section. While the person is missing or 182
held captive, the payment shall be made to the person's spouse. If 183
there is no spouse to claim the payment, payment shall be made to 184
the person's child or children. If the person does not have 185
children, payment shall be made to the person's parent or parents 186
or person or persons standing in loco parentis for at least one 187
year preceding commencement of service in the United States armed 188
forces. 189

No payment to a spouse, child, parent, or person in loco 190
parentis of a person designated as missing in action as a result 191
of honorable service or held in enemy captivity, while the person 192
is missing in action or held captive, shall prevent the missing or 193
captive person from claiming and receiving a bonus of an equal 194
amount on the person's release or location. 195

(4) Compensation shall not be paid under this section as 196
follows: 197

(a) To any person who received from another state a bonus or 198
compensation of a similar nature; 199

(b) To any person who served less than ninety days in the 200
United States armed forces, unless active duty was terminated as a 201
result of injuries or illness sustained during Persian gulf, 202
Afghanistan, or Iraq service during the compensable period; 203

(c) To any person for any time period spent under penal 204
confinement during the compensable period. 205

(5) No sale or assignment of any right or claim to 206
compensation under this section shall be valid. No claims of 207
creditors shall be enforceable against rights or claims to or 208
payments of compensation under this section. No fees shall be 209
charged for services in connection with the prosecution of any 210
right or claim to compensation or the collection of any 211

<u>compensation under this section.</u>	212
<u>(6) All applications for payment of compensation under this</u>	213
<u>section shall be made to the department of veterans services</u>	214
<u>according to the following schedule:</u>	215
<u>(a) For Persian gulf service, not later than December 31,</u>	216
<u>2013;</u>	217
<u>(b) For Afghanistan service, not later than three years after</u>	218
<u>the date determined by the president of the United States as the</u>	219
<u>end of involvement of the United States armed forces in</u>	220
<u>Afghanistan;</u>	221
<u>(c) For Iraq service, not later than three years after the</u>	222
<u>date determined by the president of the United States as the end</u>	223
<u>of involvement of the United States armed forces in Iraq.</u>	224
<u>(7) As used in this section:</u>	225
<u>"Afghanistan service" means military service within</u>	226
<u>Afghanistan during the period between October 7, 2001, and the</u>	227
<u>date determined by the president of the United States as the end</u>	228
<u>of the involvement of the United States armed forces in</u>	229
<u>Afghanistan.</u>	230
<u>"Domestic service" means service within the territorial</u>	231
<u>limits of the fifty states.</u>	232
<u>"Foreign service" means service in locations other than the</u>	233
<u>territorial limits of the fifty states, excluding Persian gulf,</u>	234
<u>Afghanistan, or Iraq service.</u>	235
<u>"Iraq service" means military service within Iraq during the</u>	236
<u>period between March 19, 2003, and the date determined by the</u>	237
<u>president of the United States as the end of the involvement of</u>	238
<u>the United States armed forces in Iraq.</u>	239
<u>"Persian gulf service" means military service within the</u>	240
<u>Persian gulf theater of operations during the period between</u>	241

August 2, 1990, and March 3, 1991. 242

"United States armed forces" includes the army, air force, 243
navy, marine corps, and coast guard; any active reserve component 244
of such forces; and members of the Ohio national guard serving on 245
active duty. 246

(E) The department of veterans services (hereinafter referred 247
to as the "department") shall have complete charge of making 248
payment of compensation under division (D) of this section and 249
shall adopt rules, including rules regarding the amounts to which 250
beneficiaries are entitled, residency requirements for purposes of 251
division (D)(1)(b) of this section, and any other rules necessary 252
to implement this section. These rules shall be adopted in 253
accordance with Chapter 119. of the Revised Code. 254

The department shall select and appoint legal counsel and 255
employees as are necessary and fix their compensation and 256
prescribe their duties. All appointees shall serve at the pleasure 257
of the director of veterans services. When practical, the 258
department shall employ Persian gulf, Afghanistan, and Iraq 259
conflict veterans to fill such positions. The general assembly 260
shall transfer necessary funds to the Persian gulf, Afghanistan, 261
and Iraq conflicts compensation fund and to the department's 262
operating budget, for the purpose of defraying the immediate cost 263
of administration and compensation. Any funds so transferred shall 264
not reduce the original principal amount of obligations that may 265
be issued under this section. 266

On payment of all valid claims for cash compensation made 267
within the time limitations under this section, the department may 268
transfer any funds remaining in the Persian gulf, Afghanistan, and 269
Iraq conflicts compensation fund to the Persian gulf, Afghanistan, 270
and Iraq conflicts compensation bond retirement fund. 271

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On retirement of all of the obligations issued under this 273
section and payment of all valid claims for cash compensation made 274
within the time limitations under this section, the department 275
shall make a final report to the general assembly. Any balance 276
remaining in the Persian gulf, Afghanistan, and Iraq conflicts 277
compensation fund or the Persian gulf, Afghanistan, and Iraq 278
conflicts compensation bond retirement fund shall be transferred 279
or disposed of as provided by law. 280

Notwithstanding any other provision of this section to the 281
contrary, valid claims for cash compensation made within the time 282
limitations under this section shall be paid only if adequate 283
funds remain in the Persian gulf, Afghanistan, and Iraq conflicts 284
compensation fund. 285

(F) The people of this state declare it to be their intention 286
that this amendment in no manner affects or changes any of the 287
existing provisions of the Constitution except as set forth in 288
this section. The provisions of this section shall be 289
self-executing. 290

(G) Debt service on obligations issued pursuant to this 291
section shall not be included in the calculation of total debt 292
service for purposes of division (A) of Section 17 of Article VIII 293
of the Constitution of the State of Ohio. 294

(H) As provided in divisions (C) and (D)(1) of this section, 295
no further act of appropriation is necessary, notwithstanding 296
Section 22 of Article II of the Constitution of the State of Ohio. 297

(I) Any reference in this section to a public office, 298
officer, or body shall include any successor thereto. 299

EFFECTIVE DATE 300

If adopted by a majority of the electors voting on this 301
proposal at the general election held November 3, 2009, Section 2r 302
of Article VIII of the Constitution of the State of Ohio shall 303

take effect immediately.

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