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OFFICIAL EXPLANATION OF CONSTITUTIONAL AMENDMENT ISSUES

For the November 1977 Ballot

Issued by

TED W. BROWN Secretary of State

JAMES R. MARSH Assistant Secretary of State

The ballot language for Issues 1 and 2 proposed by initiative petition have been prescribed by the Secretary of State as required by law.

The ballot language and explanations for Issues 3 and 4 are those adopted by the Ohio Ballot Board, Ted W. Brown, Chairman, William Ahern, Peggy Cohn, John K. Mahoney, and Thomas A. Van Meter, members.

ISSUE No. 1

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This amendment will appear on all ballots in the following manner:

PROPOSED CONSTITUTIONAL AMENDMENT

To amend Section 1 of Article V of the Constitution of Ohio

TO PROVIDE THAT A PERSON IS ENTITLED TO VOTE AT ALL ELECTIONS IF HE HAS BEEN REGISTERED TO VOTE FOR THIRTY DAYS AND HAS THE OTHER QUALIFICA-TIONS OF AN ELECTOR, AND TO PROVIDE THAT A PERSON WHO IS REGISTERED AND FAILS TO VOTE IN AT LEAST ONE ELECTION DURING ANY PERIOD OF FOUR CONSECUTIVE YEARS MUST REGISTER AGAIN BEFORE BEING ENTITLED TO VOTE.

(Proposed by Initiative Petition) A majority affirmative vote is necessary for passage.

TEXT OF PROPOSED AMENDMENT (The proposed new language is capitalized and underlined)

ARTICLE V

SECTION 1. Every citizen of the United States, of the age of eighteen years, who has been a resident of the state, county, township, or ward, such time as may be provided by law, <u>AND HAS BEEN</u> REGISTERED TO VOTE FOR THIRTY DAYS.

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	YES	SHALL THE PROPOSED	
	NO	AMENDMENT BE ADOPTED?	

ISSUE No. 2

This amendment will appear on all ballots in the following manner:

2		CONSTITUTIONAL AMENDMENT article XIX of the Constitution of Ohio
1. 2. 3.	ING IN TH IN THE TR WILD FOUR RUPEDS) AN PERSON FR DEVICE IN CAUSE CON FERING TO TO PROVID NA CRIME; A TO PROVID BRING A (JUNCTION	IT ANY PERSON FROM US- IS STATE LEGHOLD TRAPS APPING OF WILD BIRDS OR LEGGED ANIMALS (QUAD- ND ALSO TO PROHIBIT ANY OM USING ANY TRAPPING A MANNER WHICH WILL NTINUED, PROLONGED SUF- SUCH BIRDS OR ANIMALS; DE THAT EACH SEPARATE OF THIS AMENDMENT IS AND E THAT ANY PERSON MAY LIVIL ACTION FOR AN IN- TO STOP A VIOLATION AND ER COSTS AND ATTORNEYS
		sed by Initiative Petition) native vote is necessary for passage.
	YES	SHALL THE PROPOSED
	NO	ADOPTED?

ISSUE No. 3

This amendment will appear on all ballots in the following manner:

3	PROPOSED CONSTITUTIONAL AMENDMENT To amend Article VIII of the Constitution of Ohio by adopting Section 14
(Pr	TO AUTHORIZE THE STATE TO LEND ITS AID AND CREDIT TO INDIVIDUALS, ASSOCIATIONS, COMPANIES, OR COR- PORATIONS, TO BORROW MONEY, AND ISSUE BONDS OR NOTES TO PROVIDE FOR HOUSING AND THE REHABILITA- TION OF HOUSING, AND TO MAKE DIRECT LOANS FOR LOW AND MOD- ERATE INCOME HOUSING. TO AUTHORIZE MUNICIPAL CORPO- RATIONS AND COUNTIES, IN THE AB- SENCE OF LAWS PASSED BY THE GEN- ERAL ASSEMBLY TO THE CONTRARY, TO DO THE SAME AS PARAGRAPH 1 ABOVE. TO VALIDATE AND RATIFY THE BOND AUTHORITY OF SUBSTITUTE HOUSE BILL NO. 870 OF THE 110TH GENERAL ASSEMBLY. Oposed by Resolution of the General Assembly of Ohio) A majority affirmative vote is necessary for passage.
	YES SHALL THE PROPOSED AMENDMENT BE ADOPTED?

EXPLANATION OF ISSUE No. 3

The Constitution presently provides that the credit of the state cannot be given or loaned except in a limited manner. This amendment would create additional authority for state, municipal, and county governments to loan or give credit as follows:

- 1. By authorizing the state to lend its aid and credit to individuals, associations, companies, or corporations, to borrow money, and issue bonds or notes to provide for housing and the rehabilitation of housing, and to make direct loans for low and moderate income housing.
- 2. By authorizing municipal corporations and counties, in the absence of laws passed by the General Assembly to the

contrary, to do the same as paragraph 1 above.

3. By validating and ratifying the bond authority of Substitute House Bill No. 870 of the 110th General Assembly.

Moneys raised by taxation cannot be obligated or pledged for the payment of bonds or other obligations issued by the state or to secure the giving or loaning of the state's credit. However, the General Assembly could appropriate moneys into a reserve fund to be used to retire the bonds or to secure the state's obligations in this respect. Bonds which the state issues would have to be revenue bonds or supported by a special reserve fund to which the state had appropriated money since moneys raised by taxation cannot be obligated or pledged for the payment of such bonds or other obligations.

Municipal corporations and counties, in the absence of laws to the contrary, can borrow money, issue bonds or notes, and give and lend their credit to provide for housing and housing rehabilitation. These governmental entities can also make direct loans for low and moderate income housing to the extent that such loans do not contravene laws enacted by the General Assembly.

Under existing law municipal corporations and metropolitan housing authorities are authorized to construct and operate public housing facilities. A municipal corporation, under its inherent home rule powers, has authority to maintain public housing. Under the authority of the proposed amendment (new Section 14) the municipal corporation or any county would be authorized to borrow money and issue general obligation bonds or notes and give or lend its credit to individuals, corporations, or associations to provide for public housing or for the rehabilitation of housing. The borrowing of money or lending of aid or credit by a municipal corporation or county would not be subject to the limitations present in Sections 6 or 11 of Article XVIII of the Constitution. However, they would be subject to the limitations upon indebtedness which are otherwise provided by law and specifically to the current debt limitations on municipal corporations and counties found in Chapter 133 of the Ohio Revised Code.

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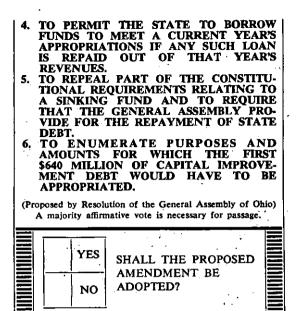
The proposed amendment provides that the lending of aid or credit is not subject to the limitations of other sections of Article VIII or of Sections 6 and 11 of Article XII of the Ohio Constitution.

Amended Substitute House Bill No. 870 enacted in 1974 by the 110th General Assembly is validated by the amendment. That bill authorized the Ohio Housing Development Authority to sell tax-free bonds and notes to provide financial aid to private persons and associations for the rehabilitation and construction of housing for low and moderate income persons. The Supreme Court held in 1976 that the issuance of revenue bonds by the Ohio Housing Develop-ment Authority was not proper under the Constitution and that the enactment of Amended Substitute House Bill No. 870 did not qualify as a valid exercise of legislative. power. Consequently, the adoption of new Section 14 would eliminate the Constitutional defects in Amended Substitute House Bill No. 870 and validate that 1974 enactment by the General Assembly.

ISSUE No. 4

This amendment will appear on all ballots in the following manner:

4	PROPOSED CONSTITUTIONAL AMENDMENT
· ·	To adopt Section 1 of Article VIII and repeal Sections 1, 2, 2b, 2c, 2d, 2e, 2f, 2g, 2h, 3, 7, 9, and 10 of Article VIII and Section 6 of Article XIII of the
	of Article VIII and Section 6 of Article XII of the Constitution of Ohio
1.	TO REPEAL THE GENERAL STATE CON-
	STITUTIONAL DEBT LIMIT OF \$750,000
	AND REPLACE IT WITH AUTHORITY
	TO INCUR DEBT FOR CAPITAL IM-
·	PROVEMENTS BY A TWO-THIRDS MA-
	JORITY VOTE OF EACH HOUSE OF THE
	GENERAL ASSEMBLY WITHIN SPECI-
·	FIED LIMITATIONS DIRECTLY RE-
2	TO PERMIT THE STATE TO CONTRACT
4.	DEBT WITHOUT LIMITATION ON
•	AMOUNT OR PURPOSE. IN ADDITION
	TO THE AUTHORITY SPECIFIED ABOVE.
	IF THAT DEBT IS SUBMITTED TO A
	VOTE OF THE ELECTORS BY A THREE-
	FIFTHS MAJORITY VOTE, OF EACH
	HOUSE OF THE GENERAL ASSEMBLY
	AND APPROVED BY A MAJORITY OF
	THE ELECTORS VOTING ON THE QUES-
	TION.
3.	TO REQUIRE THE GENERAL ASSEMBLY
	TO RETIRE AT LEAST 4% OF THE
	STATE'S INDEBTEDNESS EACH YEAR.



EXPLANATION OF ISSUE No. 4

Constitutional provisions currently in effect prohibit the state from borrowing more than \$750,000. A number of exceptions to this limitation are now in the Constitution.

This proposed Constitutional amendment provides for revised limitations upon state indebtedness. The proposed amendment authorizes the General Assembly by two-thirds concurrence of each house to contract debt for capital improvements by the state or to provide funds to local governmental entities for such purposes, within the limitations that payments on the state's total outstanding debt shall not exceed 6% of the state's annual revenues and debt contracted in any fiscal year shall not exceed 8% of the total revenue that is subject to the General Assembly's appropriations.

The General Assembly is required to provide for the retirement of at least 4% of the state's outstanding indebtedness each year and provide the method, procedures, and appropriations for incurring, evidencing, refunding, and retiring of state debts.

The amendment provides additional authority for general obligation indebtedness

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for capital improvement or other purposes which may be contracted by a three-fifths majority concurrence of each house of the General Assembly if it is further approved by the voters. Indebtedness incurred in this manner would not be subject to limitations as to size or purpose or be included in the requirement to retire at least 4% of the principal debt each fiscal year.

The amendment provides that the state may contract debt during any fiscal year to meet appropriations of the General Assembly for such fiscal year, if such debt is repaid prior to the end of the fiscal year from state revenues other than borrowed funds.

If the General Assembly should fail to provide the required appropriations the Treasurer of State shall set aside moneys from the General Revenue Fund to provide for the full and timely payment of principal and interest on all state debts.

The Treasurer of State would be required to determine and certify the annual principal and interest payments on outstanding debts, the annual revenues that serve as the basis for determining the debt limitations, and any other financial data necessary for determining the limitations on borrowing authority or the amounts of principal to be retired. The Treasurer's determination would be conclusive for the purposes of this amendment.

The amendment would establish the minimum amounts which shall be appropriated for various purposes from the proceeds of bonds or notes authorized under the capital improvement provisions of this amendment as follows:

- (1) \$80 million for state office buildings, including retirement of bonds and notes of the Ohio Building Authority;
- (2) \$8 million for energy research or demonstration projects;
- (3) \$200 million for transportation, at least one-half of which shall be for roads and bridges maintained by counties, townships, and municipalities;
- (4) \$64 million for mental health and retardation facilities;
- (5) \$80 million for correctional institutions;

- (6) \$80 million for parks and recreation;
- (7) \$35 million for water development;
- (8) \$43 million for higher education;
- (9) \$30 million for elementary and secondary education school building modernization or replacement;
- (10) \$20 million for the multi-purpose senior citizens' center.

An amount not exceeding 15% of the total amounts enumerated above may be expended for any one of the above enumerated purposes or for any other purpose without all of the required appropriations for capital improvements having been made.

The amendment provides for the repeal of the following present Constitutional provisions:

Article VIII, Section 1 — Imposing a \$750,000 limitation upon state indebt-

edness.

Article VIII, Section 2—The authority for the state to borrow for the suppression of insurrection or to defend the state in wartime is transferred from Section 2 to Section 1, and Section 2 is repealed. The indebtedness incurred for these purposes is not made subject to the revenue linked limitations or the 4% retirement limitation.

Other sections of Article VIII which provide for the World War II Compensation Fund, debt and bond-issuing authority for highway purposes, the Korean War bonus, state capital improvements, public works, and the issuance of development bonds are repealed. Sections of Article VIII which prohibit debt except as authorized by Sections 1 and 2 of Article VIII, require creation of a Sinking Fund for debt retirement, require a biennial report of the Commissioners of the Sinking Fund, and specify the duties of the Commissioners to repay debt are also repealed. Section 6 of Article XII, which prohibits the state from contracting for internal improvements except as otherwise provided in the Constitution, is repealed.