



OHIO CONSTITUTIONAL MODERNIZATION COMMISSION

Finance, Taxation & Economic Development Committee

Douglas Cole, Chair
Karla Bell, Vice-chair

April 13, 2017

Riffe Center for Government and the Arts
Room 1948

OCMC Finance, Taxation, and Economic Development Committee

Chair Mr. Douglas Cole
Vice-chair Ms. Karla Bell
 Mr. Herb Asher
 Rep. Kathleen Clyde
 Ms. Jo Ann Davidson
 Rep. Jonathan Dever
 Mr. Fred Mills
 Sen. Bob Peterson
 Sen. Charleta Tavares
 Ms. Kathleen Trafford



OHIO CONSTITUTIONAL MODERNIZATION COMMISSION
FINANCE, TAXATION, AND ECONOMIC DEVELOPMENT COMMITTEE

THURSDAY, APRIL 13, 2017
2:30 P.M.
RIFFE CENTER FOR GOVERNMENT AND THE ARTS ROOM 1948

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes
 - Meeting of November 10, 2016
[Draft Minutes – attached]
- IV. Presentations and Discussion
 - Representatives of the Office of Budget and Management and the Office of the Ohio Treasurer (TBD) will present on the concept of constitutionalizing the duties of the state treasurer.
 - The committee chair will lead discussion regarding the duties of the treasurer to report debt.
- V. Report and Recommendation

None
- VI. Next Steps
 - The committee chair will lead discussion regarding the next steps the committee wishes to take in preparation for upcoming meetings.
[Planning Worksheet – attached]

VII. Old Business

VIII. New Business

IX. Public Comment

X. Adjourn



OHIO CONSTITUTIONAL MODERNIZATION COMMISSION

**MINUTES OF THE
FINANCE, TAXATION, AND ECONOMIC DEVELOPMENT COMMITTEE**

**FOR THE MEETING HELD
THURSDAY, NOVEMBER 10, 2016**

Call to Order:

Chair Douglas Cole called the meeting of the Finance, Taxation, and Economic Development Committee to order at 11:38 a.m.

Members Present:

A quorum was present with Chair Cole, Vice-chair Bell, and committee members Amstutz, Davidson, Mills, Peterson, and Trafford in attendance.

Approval of Minutes:

The minutes of the June 9, 2016 meeting of the committee were approved.

Presentations:

*Steven C. Hollon, Executive Director
Update on Draft Joint Resolutions*

Chair Cole recognized Steven C. Hollon, executive director, for purposes of updating the committee on the preparation and introduction in the General Assembly of joint resolutions relating to reports and recommendations issued by the committee.

Mr. Hollon directed committee members to a copy of the joint resolution language prepared by the Legislative Service Commission.

He described House Joint Resolution number 11 as proposing to amend Article VIII Section 2, and repeal Sections 7, 8, 9, 10, and 11, and to adopt the recommendation of the Commission related to the Sinking Fund. Mr. Hollon said the joint resolution is being sponsored by Commission members Representative Ron Amstutz and Representative Michael Curtin.

Mr. Hollon said House Joint Resolution number 10 proposes to enact Article VIII, Section 18, repeal Sections 2b, 2c, 2d, 2e, 2f, 2g, 2h, 2j, and 2k, and adopt the Commission's recommendation regarding obsolete bonding authority.

Mr. Hollon continued that House Joint Resolution number 9 proposes to enact Article VIII, Section 2t, and to adopt the Commission's recommendation relative to the creation of general obligation debt.

Mr. Hollon said the effort to bring forward joint resolutions related to these reports and recommendations was raised and discussed at the full Commission meeting in October 2016. He said Rep. Curtin and Rep. Amstutz had advocated in favor of introducing joint resolutions, and so had the drafts prepared and will sponsor the joint resolutions in the House. Mr. Hollon noted he would be announcing this development to the full Commission as well.

Chair Cole then invited the committee to ask any questions. Senator Charleta Tavares asked whether companion joint resolutions should be introduced in the Senate.

Rep. Amstutz said the view from the House is that it was important to get the discussion started because there are not very many session days left in the current General Assembly. He said he would like the Senate to begin a review of the recommendations as well, but it will be up to the Senate to introduce joint resolutions. He said he is not sure how much attention the legislation will get because of other business, but that he and Rep. Curtin are resolved to do their best to bring attention to the joint resolutions.

Chair Cole said he thought the term "joint resolution" meant both houses were proposing the amendment. Rep. Amstutz said, ultimately, the proposal will be joint if both houses act on it, but that a joint resolution is not automatically introduced in both houses.

Chair Cole clarified that there is no current Senate sponsor, to which Sen. Tavares said she would like to move forward on this in the Senate but needs a co-sponsor. Sen. Bob Peterson volunteered to co-sponsor the joint resolution with Sen. Tavares.

There being no further comments or questions, Chair Cole thanked Mr. Hollon for his presentation.

*Steven H. Steinglass, Senior Policy Advisor
Review of State Policies on General Obligation Debt*

Chair Cole then recognized Senior Policy Advisor Steven H. Steinglass for the purpose of presenting a memorandum on the topic of state policies on general obligation debt. Mr. Steinglass said the memorandum provides a national overview as to how other states deal with general obligation debt, if at all. He said the topic arose indirectly when Professor Richard Briffault presented to the committee at a previous meeting. Mr. Steinglass acknowledged the work of intern Alex Benson, 2016 graduate of the Ohio State University Moritz College of Law, who prepared research materials in aid of the project.

Mr. Steinglass said the memorandum is organized to identify four different approaches that states have. He said some, like Ohio, only allow general obligation debt if there is an amendment to the constitution, either because the constitution has a prohibition on debt or because it has a low debt limit. He said some states have legislative approval before presenting the question to voters, some states only require legislative approval, and some states have no constitutional debt limit and leave it to the legislature.

He said the most interesting thing involves changes that have occurred since 1970. At that time, the Constitutional Revision Commission finance committee proposed to take the constitutional amendment out of the debt raising business and let the legislature do it, subject to the floating limitation on principal and interest. But, he said, this proposal was rejected by voters. He continued that, for the last 40 years, there has been an interesting movement around the country. He said, in the beginning, 16 states required amendments to their constitutions to incur general obligation debt, by a variety of ways. Now there are only 9 states that do so, including Ohio. He said the movement is that states have been saying they do not want to encumber their constitutions with 1,000 word amendments incurring general obligation debt. He noted that no states have moved in the other direction.

Mr. Steinglass said the largest split among the states that do not require the involvement of the constitution is how far they will go without voter participation. Eighteen states require legislative action and voter approval. Two additional states require legislative supermajority action. Nine require legislative action without any voter approval. Six states require a legislative supermajority without voter approval. And, he said, six have no constitutional debt limitations. Nearly 15 states do not require either supermajority or a vote of the people, according to Mr. Steinglass.

Mr. Steinglass commented that Ohio has a prohibition on general obligation debt. Beginning with World War I bonds, which ignored the limitation, that state of affairs has been the trend ever since. He said Article VIII is the most frequently amended article of the constitution.

He said the committee, having now confronted the problem of large numbers of obsolete provisions that need removal, may wish to decide whether to continue with that model and in another 20 years take out more obsolete provisions. He said another way is to say these provisions do not need to be in the constitution. He said there is a threshold decision of whether to maintain the status quo or find a way to raise general obligation debt without employing an amendment to the constitution. He noted the Office of Budget and Management Director Timothy Keen expressed disfavor with making that kind of change.

Mr. Steinglass having concluded his remarks, Chair Cole asked committee members if they had questions or comments.

Vice-chair Karla Bell asked whether the 1970s Commission had recommended eliminating the requirement for voter approval. Mr. Steinglass answered there was no specific approval of general obligation debt called for in the 1970s Commission proposal. Instead, he said, the proposal was for a debt repayment limitation of six percent of the average revenues of the state, so the goal was to keep the legislature in line.

Chair Cole noted a previous suggestion by Commission member Charles Kurfess that it might be useful to explore whether there could be some ongoing fix in the form of not requiring constitutional amendments. Chair Cole said he discussed that idea with Gregory Stype, bond counsel with Squire Patton Boggs (US) LLP, who said there are considerations that support leaving some amendments in place. Chair Cole asked Mr. Stype, who was present in the audience, to explain that concern.

Mr. Stype said many general obligation debt amendments do more than authorize the debt; they also provide program implementation and credit restrictions, and empower activities of local governments. He said it is important to see the amendments for more than simply an authorization of debt.

Mr. Stype added that it is possible to add a line to a constitutional amendment enacting a new section that would repeal an obsolete section. He said that is one way of cleaning up obsolete amendments. He described that there have been many amendments to Article VIII, and at the beginning the practice was to authorize a set amount of debt that may be issued, after which the provision is no longer effective. He said the more modern practice is to have the amendment authorize debt for a specific purpose, either in an amount authorized by the General Assembly or as a rolling limit. He said he would guess that the frequency of amendments through bond issues has tapered off over time because the state has taken an approach that does not have an absolute dollar limit.

Chair Cole said this may be a historical artifact, so that the state is not likely to see the problem continue. Thanking Mr. Steinglass for his presentation, Chair Cole asked to pass along the committee's thanks to Alex Benson for providing the research materials.

Report and Recommendation:

*Article VIII, Sections 2l, 2m, 2n, 2o, 2p, 2q, 2r, and 2s
(Additional Authorization of Debt Obligation)*

Chair Cole called on Mr. Hollon to provide a presentation on a report and recommendation for retaining Article VIII, Sections 2l through 2s in their present form.

Mr. Hollon said the report and recommendation indicates that Article VIII deals with public debt and public works. He said the report and recommendation provides the background of the sections, describing how the state adopted additional constitutional amendments in Section 2. He noted that Sections 2l through 2s involve bonds that have not been fully issued and paid off. Mr. Hollon then described the purpose and function of each of the sections.

Mr. Hollon said one paragraph would be added to the final draft, relating to Section 2p. He explained that Section 2p, adopted in 2005, authorizes the issuance of bonds for education and local government projects, specifically capital improvements to infrastructure, research and development, and, as amended in 2010, support for Third Frontier projects. He said because the committee will not be recommending a change to that section it needs to be a part of the report and recommendation and will be included.

After describing the report and recommendation's discussion of litigation related to the sections, as well as presentations and resources considered, Mr. Hollon indicated the report and recommendation concludes that the sections should remain in their present form. Finally, he noted that, because the committee is recommending no change, it has the option to issue the report and recommendation after only one presentation.

Mr. Hollon additionally commented that the proposed language for 2p has been vetted by some experts who have been assisting the committee, and they have approved the report and recommendation's treatment of that issue.

Chair Cole then asked for comment from the committee. Sen. Tavares asked, regarding Mr. Stype's suggestion for language that could be added to automatically retire obsolete debt provisions, if the committee is interested in adding that language.

Chair Cole said the committee would need to look at those provisions, and that it may be a situation where the section would not be obsolete because other provisions rely on keeping the section.

Mr. Stype clarified his previous statement, saying most sections are ongoing. He said his suggestion was not that there be standing language in the constitution, but rather that each time the General Assembly considers putting another authorization on the ballot it could consider if something is obsolete and add a sentence to repeal at the same time.

There being no further questions, Chair Cole said he would recommend to the committee that the report and recommendation be approved as amended to include Section 2p, without a second presentation.

Committee member Kathleen Trafford so moved, with committee member Jo Ann Davidson seconding the motion. A roll call vote was taken, and the motion passed by unanimous vote.

Chair Cole said he will leave it to Mr. Hollon to make the change to the report and recommendation to include Section 2p, and then forward it to the Coordinating Committee and then to the Commission.

Discussion:

Chair Cole then directed the committee's attention to a memorandum relating to the question of whether there should be a new constitutional provision that would describe the duties of the state treasurer.

Mr. Hollon said this was an idea raised by Director Keen, and would involve a constitutional provision that would give the treasurer specific duties regarding reporting debt. He said one question is whether the issue is one for this committee or whether it would be better placed with the Legislative Branch and Executive Branch Committee to consider in the course of addressing Article III (The Executive Branch).

Committee member Fred Mills, who is chair of the Legislative Branch and Executive Branch Committee, expressed that this committee ought to review it in depth, and, if there is a recommendation to adopt a provision of this nature, the question could be sent to the Legislative Branch and Executive Branch Committee.

Chair Cole said he would like to give the treasurer's office the opportunity to comment, asking whether the memorandum on the question has been provided to the treasurer.

Mr. Hollon explained this concept was discussed at previous committee meetings, and the memorandum was prepared in anticipation of a meeting two months ago that was canceled. Thus, he said, it has not yet been provided to the treasurer.

Chair Cole said the question is whether, if the committee is striking the Sinking Fund and eliminating the Sinking Fund Commission, it should replace that with a constitutional reporting obligation regarding state debt.

Chair Cole recognized Larry Scurlock, assistant debt manager for the Office of Budget and Management, who was in the audience. Mr. Scurlock indicated that the treasurer of state issues a report on behalf of the Sinking Fund as set out in Article VIII, Section 11.

Chair Cole continued that, to the extent that the committee believes that the reporting function has value, it should determine whether to leave it to the legislature to create that function by statute. He said the committee may think action by the General Assembly should not be discretionary.

Ms. Trafford said it would be worthwhile to share this memorandum with the treasurer's office and hear from them. She said if the voters will be asked to repeal the Sinking Fund, constitutionalizing the treasurer's duty might be a good addition to give the public the comfort that the debt reporting duty would continue.

Chair Cole said the memorandum should be sent to the treasurer's office, requesting the treasurer's view on whether reporting obligations should be assigned to the treasurer and whether that should occur through statute or through the constitution. He said it would be useful to invite someone from the treasurer's office to appear and comment at the next meeting.

Ms. Trafford suggested that, if the sinking fund is being eliminated, the committee should offer other members of the Sinking Fund Commission to consider the question and provide comment.

Chair Cole agreed, saying it would be nice to have a view as to the desirability of the idea from the Office of Budget and Management. He requested that Mr. Hollon extend invitations to that office, as well as to the governor, attorney general, and auditor.

Chair Cole then turned to the topic of Article VIII, Sections 4, 5, and 6. He disclosed that, in his role as a private attorney, he represents JobsOhio. He said these are provisions that deal with limitations on the government's ability to engage in joint enterprise with private entities.

He continued that the committee has heard from Mr. Stype about those sections, and about some exceptions that exist in other constitutional provisions. He said there is some recent jurisprudence regarding Sections 4 through 6. He emphasized that, unlike some of the other sections where the committee was mostly dealing with obsolete provisions, there is an ongoing debate with various viewpoints regarding the understanding of Sections 4, 5, and 6. He said the committee may want to consider the extent to which it wants to clarify this language. Chair Cole encouraged the committee to invite persons with viewpoints to share to come forward. He said the committee does not want to foreclose anyone from presenting their views on this topic.

Ms. Bell suggested to Chair Cole that, because he is actively involved in the JobsOhio representation, he might be in a position to identify potential speakers. Chair Cole agreed and said he would work with Mr. Hollon on that effort. He also encouraged the legislative members on the committee to suggest persons who have been witnesses in the General Assembly legislative process and may wish to present to the committee.

Chair Cole said the committee would be taking up that question at its next meeting in the new year.

Adjournment:

With no further business to come before the committee, the meeting was adjourned at 12:31 p.m.

Approval:

The minutes of the November 10, 2016 meeting of the Finance, Taxation, and Economic Development Committee were approved at the April 13, 2017 meeting of the committee.

Douglas R. Cole, Chair

Karla L. Bell, Vice-chair

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OHIO CONSTITUTIONAL MODERNIZATION COMMISSION

MEMORANDUM

TO: Chair Douglas Cole, Vice-chair Karla Bell,
and Members of the Finance, Taxation, and
Economic Development Committee

CC: Steven C. Hollon, Executive Director

FROM: Shari L. O'Neill, Counsel to the Commission

DATE: May 10, 2016

RE: The Duties of the Treasurer and the Sinking Fund Commission

One question that arises as a result of the committee's decision to recommend the repeal of Article VIII, Sections 7 through 11, relating to the Sinking Fund, is whether there should be a replacement provision that would clarify the role of the treasurer and/or the role of the Ohio Public Facilities Commission (PFC). This memorandum seeks to provide some background on that issue, and to propose some questions for the committee to consider.

Comments by Presenters

In his comments to the committee at the October 2015 meeting, Timothy S. Keen, director of the Office of Budget and Management (OBM) suggested that, if the committee recommends the repeal of the Sinking Fund provisions, it should consider replacing them with a provision that assigns necessary, ongoing debt-reporting functions to the treasurer of state.

In addition, Seth Metcalf, deputy treasurer, in March 2016, proposed to the committee a constitutional change that would create the following provision:

The issuance of all direct obligations of the state subject to the limitation set forth in division (A) of section 17 of this article shall be authorized by a majority of the governor, treasurer of state, auditor of state, secretary of state, and attorney general, and it shall be the duty of the treasurer of state to issue, maintain, and

ensure the timely payment of interest and redemption of principal on all such direct obligations.

On April 14, 2016, Jonathan Azoff, director of the Office of Debt Management and senior counsel to the Ohio Treasurer of State, described to the committee that his office performs the ongoing roles and responsibilities of the Sinking Fund Commission, including paying debt service on the state's general obligation debt from the Commissioners of the Sinking Fund's designated bond service funds, and fulfilling the treasurer's reporting role as a member of the Commission of the Sinking Fund. Mr. Azoff urged the committee to recommend the retention of constitutional authorization for the performance of the Sinking Fund Commissioners' duties.

Also at the April meeting, Kurt Kauffman, acting assistant director of OBM, described the duties and functions of OBM, the PFC, and the treasurer's office as follows:

It is important to note that the Constitutional debt authorizations, with the exception of debt for veterans' bonus programs, provide that the General Assembly provide by law for the issuance of debt, including designation of the bond issuer. This empowers the General Assembly to modernize debt issuance functions as deemed necessary. This approach has served the State well as illustrated by the organizational efficiencies achieved in recent years through consolidation of bonds that share the same security and source of payment within a particular State bond issuer. For example, in 2000, the General Assembly eliminated the Sinking Fund Commission as a bond issuer and consolidated the issuance of State general obligation bonds paid from the General Revenue Fund (GRF) under the Ohio Public Facilities Commission. The Ohio Public Facilities Commission – comprised of the Governor, Treasurer, Auditor, Secretary of State, Attorney General, and the Director of Budget and Management – has served as the State's most active debt issuer since its creation in 1969. In 2012, the General Assembly eliminated the Ohio Building Authority and, at the request of the Treasurer of State and with the support of the Administration, transferred the OBA's lease-appropriation bond issuance responsibility to the Treasurer who issues similar types of subject-to-appropriation debt.

Today, thanks to the General Assembly's ability to enact debt issuer changes, we have in place a thoughtful and efficient organization of State debt financings in which two entities perform debt issuance functions as provided for by law: i) the [PFC]; and ii) the Treasurer of State. The [PFC] issues the State's general obligation debt backed by the GRF for K-12 and higher education, local public works infrastructure, natural resources, clean Ohio conservation, third frontier, and coal research and development. The Treasurer of State issues highway general obligation debt and lease-appropriation debt for the departments of transportation and public safety, all payable from highway user receipts, as well as major new transportation infrastructure debt that is secured by and payable from federal highway grant receipts. The Treasurer also issues lease-appropriation debt payable from the GRF for State office buildings, correctional and juvenile

detention facilities, cultural and sports facilities; mental health and developmental disability facilities; and parks and recreational facilities. Additionally, the Treasurer serves as a conduit issuer for a number of bond programs that are not directly secured by State revenue.

With respect to debt management and administration, [OBM] serves as staff of [PFC] and the manager of state debt pursuant to Ohio Revised Code Section 126.11. This includes coordinating the scheduling of State bond issuances, reviewing or approving debt service payment schedules, and serving as the lead agency for communicating with the credit rating agencies. The payment of State debt and certain reporting requirements related to State debt are carried out by the Treasurer's office.

At the heart of these comments and recommendations is the recognition that the removal of Article VIII sections related to the Sinking Fund may necessitate the adoption of one or more constitutional provisions that would describe and clarify which state officers and/or agencies are to perform the duties that historically have been performed by the Sinking Fund Commission.

The Public Facilities Commission

The PFC is governed by R.C. Chapter 151. The commission is created in R.C. 151.02(A), which provides:

(A) Pursuant to the powers granted to the general assembly under Article VIII, Ohio Constitution, to authorize the issuance of obligations, and pursuant to other authority vested in the general assembly, there is hereby created a body, both corporate and politic, constituting an agency and instrumentality of the state of Ohio and performing essential functions of the state, to be known as the "Ohio public facilities commission," which in that name may contract and be contracted with, sue and be sued, and exercise all other authority vested in that commission by sections 151.01 to 151.05 and 151.07 to 151.11 and Chapter 154. of the Revised Code.

R.C. Chapter 151 then creates and describes various "bond service funds," specifically the "common schools capital facilities bond service fund"; the "higher education capital facilities bond service fund"; the "natural resources projects bond service fund"; the "highway capital improvement bond service fund"; the "coal research and development bond service fund"; the "state capital improvements bond service fund"; the "conservation projects bond service fund"; the "third frontier research and development projects bond service fund"; the "job ready site development bond service fund"; and the "revitalization projects bond service fund."

Referenced in R.C. 151.02(A) as another source of authority for the PFC to act, R.C. Chapter 154 governs "Financing for Certain Capital Facilities." The chapter defines "capital facilities" at R.C. 154.01(J) as: "buildings, structures, and other improvements, and equipment, real estate, and interests in real estate therefor, within the state, and any one, part of, or combination of the

foregoing, to serve the general purposes for which the issuing authority is authorized to issue obligations pursuant to Chapter 154 of the Revised Code, including, but not limited to, drives, roadways, parking facilities, walks, lighting, machinery, furnishings, utilities, landscaping, wharves, docks, piers, reservoirs, dams, tunnels, bridges, retaining walls, riprap, culverts, ditches, channels, watercourses, retention basins, standpipes and water storage facilities, waste treatment and disposal facilities, heating, air conditioning and communications facilities, inns, lodges, cabins, camping sites, golf courses, boat and bathing facilities, athletic and recreational facilities, and site improvements.”

Similarly to Chapter 151, Chapter 154 provides authority for issuing bonds to finance various state facilities, including facilities for mental hygiene or developmental disability purposes, state universities, parks and recreation purposes, and cultural or sports activities. The chapter also provides many of the details of the bond issuance process, including requiring the issuing authority to make an annual report to the governor and the legislature (R.C. 154.05); the terms of the bond obligations and the bond proceedings (R.C. 154.08); and a procedure for issuing obligations for the purpose of refunding, funding, or retiring previously issued obligations (R.C. 154.11).

The chapter also further describes the powers of the PFC, including the authority to acquire, hold, lease, and dispose of real estate and personal property, to renovate, maintain, and operate capital facilities, to enter into lease agreements and contracts with governmental agencies, and other duties related to the use of capital facilities.

It appears that R.C. Chapters 151 and 154 are intended to give the PFC the authority that the constitution originally vested in the Sinking Fund Commission. Further, it would seem that the statutory scheme provides for the creation of “bond service funds” that at least mirror and may be intended to take the place of the Sinking Fund.

The Treasurer of State

The role of the treasurer of state is prescribed in Revised Code Chapter 113, which sets out the duties of the treasurer, including a description of custodial funds, payment and procedures for payment to the treasurer, creation of the general revenue fund, creation of a contingent fund, and audit procedures.

As described on the treasurer’s website, the “Treasurer of State is the state’s cash manager and chief investment officer with the duty of managing and collecting public funds.”¹ The treasurer’s office includes departments performing activities such as reconciling state accounts, processing state warrants, providing education to public investment management personnel, providing debt management services, managing investment portfolios, providing state revenue services, and overseeing state trusts.²

¹ <http://www.tos.ohio.gov/departments> (last visited May 10, 2016).

² *Id.*

Article XV, Section 3

A constitutional provision that may be related to the discussion of whether to replace the Sinking Fund provisions is Article XV, Section 3, which provides:

An accurate and detailed statement of the receipts and expenditures of the public money, the several amounts paid, to whom, and on what account, shall, from time to time, be published, as shall be prescribed by law.

The section would appear to track the requirement in Article VIII, Section 11, that the Sinking Fund Commissioners “* * * make a full and detailed report of their proceedings to the Governor, who shall, immediately, cause the same to be published, and shall also communicate the same to the General Assembly * * *.” The provision also may be interpreted as relating to the duties of the state treasurer, under R.C. 113.13, to “* * * have available and, as requested, transmit to the director of budget and management and to the governor information concerning the amount in the inactive account, the amount in the active account, and the amount of cash on hand.”

Questions

Some questions the committee may wish to explore include:

1. Does the PFC, in fact, now exercise all of the duties and functions of the Sinking Fund Commission?
2. Do any of the duties and functions described in these statutes need to be constitutionalized if the Sinking Fund and Sinking Fund Commission provisions are repealed?
3. With regard to the duties of the PFC, would it resolve the matter simply to provide a constitutional section authorizing the General Assembly to create related law, thereby lending constitutional imprimatur to the pre-existing statutory scheme?
4. The PFC statutory provisions fail to define and address the broader role and duties of the state treasurer, OBM, or others involved in this area. Moreover, there is no constitutional provision specifically creating the treasurer of state or describing the role of the treasurer. Does the committee wish to propose a constitutional provision related to the role of the treasurer and, possibly, other state officers in relation to state finances? Should the committee work in conjunction with the Legislative Branch and Executive Branch Committee in creating and defining these roles?

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Finance, Taxation, and Economic Development Committee

Planning Worksheet (Through March 2017 Meetings)

Article VIII – Public Debt and Public Works

Sec. 1 – Public debt; limit of deficit spending by state (1851)

Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	4.14.16	5.12.16	5.12.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2 – State may incur debts for defense or to retire outstanding debts (1851)

Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	4.14.16	5.12.16	5.12.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2b – Adjusted compensation for service in World War II; World War II veterans' bonuses (1947)

Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2c – Construction of state highway system (1953)

Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2d – Korean War veterans’ bonus (1956)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2e – Providing means for securing funds for highway and public building construction (1955)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2f – Authorizing bond issue to provide school classrooms, support for universities, for recreation and conservation and for state buildings (1963)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2g – Authorizing bond issue or other obligations for highway construction (1964)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2h – Bond issue for state development (1965)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2i – Capital improvement bonds (1968)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2j – Vietnam conflict compensation fund (1973)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2k – Issuance of bonds for local government public infrastructure capital improvements (1987)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	3.10.16	4.14.16	4.14.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 2l – Parks, recreation, and natural resources project capital improvements (1993)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	11.10.16	N/A	11.10.16	12.15.16	12.15.16	3.9.17	3.9.17

Sec. 2m – Issuance of general obligations (1995)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	11.10.16	N/A	11.10.16	12.15.16	12.15.16	3.9.17	3.9.17

Sec. 2n – Facilities for system of common schools (1999)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	11.10.16	N/A	11.10.16	12.15.16	12.15.16	3.9.17	3.9.17

Sec. 2o – Issuance of bonds and other obligations for environmental conservation and revitalization purposes (2000)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	11.10.16	N/A	11.10.16	12.15.16	12.15.16	3.9.17	3.9.17

Sec. 2p – Issuance of bonds for economic and educational purposes and local government projects ((2005, 2010)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	11.10.16	N/A	11.10.16	12.15.16	12.15.16	3.9.17	3.9.17

Sec. 2q – Issuance of bonds for continuation of environmental revitalization and conservation (2008)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	11.10.16	N/A	11.10.16	12.15.16	12.15.16	3.9.17	3.9.17

Sec. 2r – Persian Gulf, Afghanistan, and Iraq conflicts compensation fund (2009)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	11.10.16	N/A	11.10.16	12.15.16	12.15.16	3.9.17	3.9.17

Sec. 6 – Counties, cities, towns, or townships, not authorized to become stockholders, etc.; insurance, etc. (1851, am. 1912)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved

Sec. 7 – Sinking fund (1851)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	4.14.16	5.12.16	5.12.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 8 – The commissioners of the sinking fund (1851, am. 1947)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	4.14.16	5.12.16	5.12.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 9 – Biennial report of the sinking fund commissioners (1851)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	4.14.16	5.12.16	5.12.16	6.9.16	6.9.16	9.8.16	9.8.16

Sec. 10 – Application of sinking fund (1851)							
Draft Status	Committee 1 st Pres.	Committee 2 nd Pres.	Committee Approval	CC Approval	OCMC 1 st Pres.	OCMC 2 nd Pres.	OCMC Approved
Completed	4.14.16	5.12.16	5.12.16	6.9.16	6.9.16	9.8.16	9.8.16

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OHIO CONSTITUTIONAL MODERNIZATION COMMISSION

2017 Meeting Dates

May 11

June 8

July 13

August 10

September 14

October 12

November 9

December 14