



## OHIO CONSTITUTIONAL MODERNIZATION COMMISSION

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### ADDENDUM TO REPORT AND RECOMMENDATION

### OHIO CONSTITUTION ARTICLE VIII SECTIONS 7, 8, 9, 10, AND 11

### THE SINKING FUND AND THE SINKING FUND COMMISSION

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The Ohio Constitutional Modernization Commission previously adopted a report and recommendation regarding Article VIII, Sections 7, 8, 9, 10, and 11 of the Ohio Constitution concerning the Sinking Fund and the Sinking Fund Commission. In sum, that report and recommendation called for repeal of those provisions in Ohio's constitution addressing the creation, composition, duties and responsibilities of the Sinking Fund Commission, for the reason that the duties of the Sinking Fund Commission are being performed by other state officers and agencies.

This memorandum is an addendum to that previous report and recommendation. The purpose of this addendum is to report to the General Assembly the sense of the Commission that, in the event the General Assembly elects to move forward with this proposed amendment, the General Assembly should consider addressing, as well, who will have responsibility for debt reporting functions. In particular, Section 9 of Article VIII provides that the Sinking Fund Commission must prepare a biennial report, which is to include certain information about the Sinking Fund. While the state no longer utilizes a Sinking Fund *per se*, the state does incur bonded indebtedness for which repayment occurs over time, and which is subject to certain constitutional limitations as set forth in various other provisions in Article VIII.

In order to provide Ohio's citizens and the General Assembly ongoing access to information regarding the state of Ohio's indebtedness, the Commission urges that, if the General Assembly moves forward with that report and recommendation, then the General Assembly also take steps to assign to the treasurer of the state an obligation to provide biennial reporting regarding the aggregate outstanding debt of the state. The Commission takes no position on whether the General Assembly should assign that responsibility to the treasurer by statute, or instead by proposing a constitutional amendment to Ohio's voters. Likewise, the Commission takes no position on the appropriate specific contents of such a report. The Commission believes, however, that debt reporting is an important function, and that the General Assembly should take steps to insure the ongoing availability of such information.

### **Presentation to the Commission**

On June 8, 2017, Douglas R. Cole, chair of the Finance, Taxation, and Economic Development Committee, presented this addendum to the report and recommendation for Article VIII, Sections 7, 8, 9, 10, and 11.

### **Action by the Commission**

At the Commission meeting held June 8, 2017, Commission member Doug Cole moved to recommend that the General Assembly accept the addendum to the report and recommendation for Article VIII, Sections 7, 8, 9, 10, and 11, a motion that was seconded. Upon a voice vote, the motion passed unanimously.

### **Conclusion**

The Ohio Constitutional Modernization Commission hereby recommends an addendum to its recommendation that Article VIII, Sections 7 through 11 be repealed as obsolete.

### **Date Adopted**

The Commission voted to recommend that the General Assembly accept the addendum to its report and recommendation on June 8, 2017.

  
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Senator Charleta B. Favares, Co-chair

  
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Representative Jonathan Dever, Co-chair