

(128th General Assembly)  
(Substitute Senate Joint Resolution Number 1)

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

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

In the case of the issuance of any obligations under this section as bond anticipation notes, provision shall be made 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 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 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 debt service on those notes or the bonds anticipated.

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

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

(B) Out of the proceeds of the sale of all obligations, except those issued to refund or retire obligations previously issued under this section, the amount that represents accrued interest, if any, shall be paid into the state treasury into the Persian gulf, Afghanistan, and Iraq conflicts compensation bond retirement fund, which is hereby created. As determined at the time of sale, the amount that represents premium shall be paid into either the Persian gulf, Afghanistan, and Iraq conflicts compensation bond retirement fund or the Persian gulf, Afghanistan, and Iraq conflicts compensation fund, which is hereby created in the state treasury. The balance of the proceeds shall be paid into the Persian gulf, Afghanistan, and Iraq conflicts compensation fund. All proceeds of the sale of any obligations issued under this section to refund or retire obligations previously issued under this section shall be paid into the Persian gulf, Afghanistan, and Iraq conflicts compensation bond retirement fund and used to pay debt service on those outstanding obligations so refunded. The general assembly may appropriate and cause to be paid into the Persian gulf, Afghanistan, and Iraq conflicts compensation bond retirement fund or the Persian gulf, Afghanistan, and Iraq conflicts compensation fund, out of money in the treasury not otherwise appropriated, such amount as is proper for use for the purposes for which such funds are created. Except for amounts advanced by the general assembly to the Persian gulf, Afghanistan, and Iraq conflicts compensation fund with the express expectation of reimbursement from the proceeds of obligations paid into that fund, and except for amounts transferred under division (E) of this section for the purpose of defraying the immediate cost of administration and compensation, if the general assembly appropriates any funds to the Persian gulf, Afghanistan, and Iraq conflicts compensation fund prior to the time obligations have been issued in the original principal amount authorized in this section, that original principal amount authorized in this section shall be reduced by the amount of funds appropriated.

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

(D)(1) The Persian gulf, Afghanistan, and Iraq conflicts compensation fund shall be paid out upon the order of the department of veterans services, without necessity of appropriation by the

general assembly, in payment of the expenses of administering this section and as compensation as follows to each person who meets all of the following requirements:

(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.

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

(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.

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

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

(3) A person designated by the United States department of defense as missing in action as a result of honorable service or held in enemy captivity, or the spouse, child, or parent, including a

person standing in loco parentis for at least one year preceding commencement of service in the United States armed forces, of a person designated as missing in action or held in enemy captivity, is entitled to, and may apply for, a payment of five thousand dollars. This payment replaces any other cash benefit payable under this section. While the person is missing or held captive, the payment shall be made to the person's spouse. If there is no spouse to claim the payment, payment shall be made to the person's child or children. If the person does not have children, payment shall be made to the person's parent or parents or person or persons standing in loco parentis for at least one year preceding commencement of service in the United States armed forces.

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

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

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

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

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

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

(6) All applications for payment of compensation under this section shall be made to the department of veterans services according to the following schedule:

(a) For Persian gulf service, not later than December 31, 2013;

(b) For Afghanistan service, not later than three years after the date determined by the president of the United States as the end of involvement of the United States armed forces in Afghanistan;

(c) For Iraq service, not later than three years after the date determined by the president of the United States as the end of involvement of the United States armed forces in Iraq.

(7) As used in this section:

"Afghanistan service" means military service within Afghanistan during the period between October 7, 2001, and the date determined by the president of the United States as the end of the involvement of the United States armed forces in Afghanistan.

"Domestic service" means service within the territorial limits of the fifty states.

"Foreign service" means service in locations other than the territorial limits of the fifty states, excluding Persian gulf, Afghanistan, or Iraq service.

"Iraq service" means military service within Iraq during the period 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.

"Persian gulf service" means military service within the Persian gulf theater of operations during the period between August 2, 1990, and March 3, 1991.

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

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

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

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

On retirement of all of the obligations issued under this section and payment of all valid claims for cash compensation made within the time limitations under this section, the department shall make a final report to the general assembly. Any balance remaining in the Persian gulf, Afghanistan, and Iraq conflicts compensation fund or the Persian gulf, Afghanistan, and Iraq

conflicts compensation bond retirement fund shall be transferred or disposed of as provided by law.

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

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

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

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

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

#### EFFECTIVE DATE

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