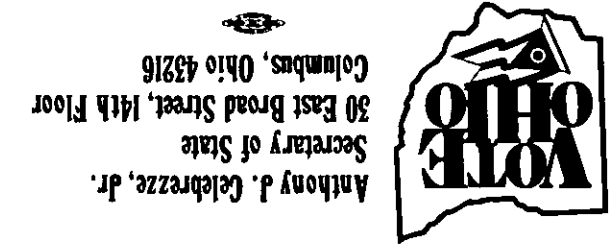


Date Printed: 06/16/2009

JTS Box Number: IFES_76
Tab Number: 25
Document Title: Secretary of State Anthony J. Celebrezze
Jr and the Ohio Ballot Board Announce...
Document Date: 1980
Document Country: United States -- Ohio
Document Language: English
IFES ID: CE02438



* A 1 0 E 4 4 C 4 - 2 A D 0 - 4 0 E 4 - 8 7 C 5 - A 9 7 0 2 5 9 6 9 0 0 5 *



**Secretary of State
Anthony J. Celebrezze, Jr.
and the Ohio Ballot Board
announce...**

...some issues for you to decide.

These four constitutional amendments will be decided by Ohio's voters on June 3, 1980.
This information will help you form your opinion about each of them.

Make sure you are registered to vote, and then go to the polls on June 3rd.

Issue One

Those for:

NEW ENERGY FOR OHIO THROUGH COOPERATIVE ACTION

State Issue One offers every Ohioan the opportunity to do something positive about the energy crisis.

In order to maintain the health of Ohio's business climate, attract new industry, protect our tax base and provide new jobs, Ohio must double its capacity to generate electricity by the year 2000.

That means all segments of the state's power industry must cooperate to meet our current and future energy needs.

- State Issue One... will permit Ohio's 83 municipal electric systems to do what investor-owned utilities, rural electric cooperatives and cities in more than 30 other states can do... to jointly build electric facilities.
- State Issue One... will increase the use of Ohio coal by at least 2.5-million tons per year... will aid Ohio in attracting and keeping industry through competitive electric costs.
- State Issue One... will contribute to stabilization of electric rates by financing new plant construction with tax-exempt revenue bonds and delaying the need for investor-owned plant expansion.
- State Issue One... will save an expected \$1-billion in electric rates for the citizens of Ohio during the next 25 years.
- State Issue One... will NOT increase taxes... will NOT add new taxes... will NOT increase the debt of the State or any Ohio municipality.
- State Issue One... will NOT add to the bureaucracy of the State.

The Ohio General Assembly voted overwhelmingly to place Issue One on the June Primary ballot. Issue One is being supported by a non-partisan, broad coalition of Ohioans representing business, labor, civic organizations, governmental leaders and private citizens.

HELP SOLVE THE ENERGY CRISIS.
VOTE YES ON ISSUE ONE
NEW ENERGY FOR OHIO

Those against:

The passage of Issue I would promote yet another unwelcome governmental intrusion into an already over-regulated sector of economic activity—the provision of electric utility service.

The idea of citizen-owned and operated electric utilities to the extent to which that practice currently operates in Ohio, is sound and is not under attack by the opponents of Issue I.

But Issue I proposes, over-ambitiously, by the creation of a quasi-public corporation, to permit Ohio municipalities—in cooperation with one another—to launch into multi-million dollar power generating projects. And that corporation would have the power to issue bonds and assume massive debt which would be required to build and operate an electric generating facility. Such an arrangement would be an unwise departure from a current constitutional prohibition to prohibit any municipality to "loan its credit to" any company or corporation.

On at least two counts Issue I provides no satisfying answers. The language of Issue I provides no mechanism for the people, by referendum, to reject a plan by their municipal government to embark upon a project the voters feel is unwise. Such decisions are too important to leave to the mayor and council alone.

Secondly, Issue I promotes an approach to the provision of municipal electric service which is blind of the ultimate cost. Electric generating facilities require huge investments and wise management; nothing in Issue I convinces Ohioans that such expenditures are prudent or that the public sector can effectively manage a modern electric generating project. Experience has taught us that when government operates a service monopoly, for example, the U.S. Postal Service, good service at a low cost is anything but the result.

For these reasons the defeat of Issue I is urged.

Issue Two

Those for:

Ohio's citizens deserve a positive, aggressive approach by its state government to ensure housing for its low and moderate income residents.

Witness today's housing market:

- Mortgage rates are over 16%
- New home loans in Ohio are down \$500 million over a year ago
- The Housing construction industry, which means jobs for our citizens, is depressed.

The net effect of all this is that most Ohioans cannot afford to buy a new home. Issue 2 would alter Ohio's Constitution to permit Ohio to use its credit resources to extend mortgage arrangements to its citizens at a cost lower than private-lending institutions.

The need for the passage of Issue 2 is evident. In 1979, the average house was selling at the inflated price of \$63,800, and this translates into a sobering monthly mortgage payment of \$637, based on a 13 percent interest rate that is no longer available. The terms of today's mortgage rates are clearly unaffordable and unacceptable to average-income Ohioans.

The overall effect of this situation is staggering. As inflation saps purchasing power, Americans must continue to draw down their savings. Saving for a home, which ideally is the first priority of many people, realistically has given way to meeting everyday living costs.

Interest rates charged by private lenders are a discouragement to prospective home-buyers. The impact of these interest rates is felt not only by the poor and near poor, but also by moderate income families. At the same time, there is a substantial stock of housing available, particularly in central cities, that can be re-introduced into the housing market. What is needed is a mechanism to provide financial assistance.

In 1977, forty-one states had bona fide state housing finance agencies. Ohio and Ohioans deserve no less.

Vote for Issue 2.

Those against:

It is not a function of the government of the State of Ohio to provide low cost financing for the purchase or remodeling of homes by low and middle income families. Making low interest money available to those regularly engaged in the residential mortgage loan business will simply create another level of government bureaucracy to hinder more than help the free market place.

Intervention into the free market place by the government in the manner prescribed by this proposal is another step closer to total government control of the economy and one step closer to Socialism.

Owning a home is a desirable goal for every American. This goal can best be achieved by creating incentives in the private sector through interest income exemption to those who finance homes for low and middle income persons. Interest income from home mortgages could be treated the same as income from municipal and state bonds in order to bring about lower interest rates.

Inflation can only be controlled when government limits its power and authority to spend—this constitutional amendment would not be consistent with this philosophy.

This plan is nothing more than a ruse to take advantage of existing internal revenue laws by using the state or local governmental unit to provide low interest tax free bond money for housing.

The voters have recently expressed their distaste for this type of proposal on the part of the state. The potential for abuse is staggering, not only due to political currents, but also due to sheer lack of experience in this type of venture.

The proposed changes to the Constitution spring from well intentioned motives held by a great many citizens of this state who recognize the need for the revitalization and construction of housing, but this method of doing so is ill-advised.

Issue Three

Those for:

THE NEW HIGHWAY BOND ISSUE WOULD NOT REQUIRE ANY NEW TAXES, AND THE BONDS WOULD BE PAID OUT OF THE PRESENT DEBT SERVICE FUND EARMARKED FOR THE REPAYMENT OF PREVIOUS BOND ISSUES VOTED FOR BY THE ELECTORS IN 1964 AND 1968.

The Highway Bond referendum will allow the state to use these existing earmarked funds which includes one-cent of gasoline tax plus the axle mile tax paid by trucks, to create a carefully controlled state funding method for the purpose of matching federal-aid road funds.

AS THINGS NOW STAND, OVER \$450 MILLION IN AVAILABLE FEDERAL ROAD FUNDS CANNOT BE USED IN OHIO BECAUSE THE STATE'S MATCHING SHARE DOES NOT EXIST. IT IS THE PURPOSE OF THIS REFERENDUM TO ASSURE THE USE OF THOSE FEDERAL FUNDS ON OHIO ROADS AND BRIDGES.

For over 25 years, highway bond issues have saved Ohioans millions of dollars by furnishing available instant funds for the timely construction of the Interstate and Primary road systems.

THIS CONSTITUTIONAL AMENDMENT WOULD NOT PERMIT THE ISSUANCE OF MORE THAN \$200 MILLION IN BONDS IN ANY ONE YEAR. IT WOULD NOT PERMIT THE ISSUANCE OF BONDS OR NOTES THAT THE DEBT SERVICE FUND COULD NOT REPAY. THE LEGISLATURE RETAINS THE AUTHORITY TO REVIEW THE DEPARTMENT OF TRANSPORTATION'S REQUEST FOR BOND FUNDS IN EACH BIENNIAL.

WHILE NO IMMEDIATE GASOLINE-TAX INCREASE WOULD BE NEEDED TO FINANCE THIS PROPOSAL, the highway and bridge improvements would save Ohio drivers a billion dollars or more over the next five years in unnecessary auto-maintenance and fuel-waste expense now incurred by driving on poor highways. IF YOU WANT AN OHIO ROAD IMPROVEMENT PROGRAM YOU SHOULD VOTE FOR ISSUE #3.

Those against:

Issue 3, a proposal allowing the state to sell bonds for highway construction must be defeated! This proposal jeopardizes the financial well-being of the state treasury by overextending current revenues.

Too many unanswered questions surround this issue for it to be passed by the voters and included in our state Constitution. For instance:

- Issue proponents assume that gas tax revenues will remain constant for the next ten years so that bonds can be repaid by a combination of axle-mile tax and 1¢ of the state gas tax. Gas consumption and gas tax revenues, however, have been declining due to high gas prices, supply shortages, and more efficient cars. It is irresponsible to base the state's ability to pay back the bonds on a declining revenue source.
- Ohio's bond rating has been lowered. This means higher interest rates on bond sales. It is foolish to expect bond rates to remain stable and thus affordable in this time of excessive inflation.
- If gas tax revenues decline and bond rates continue to increase, this proposal will cut even deeper into the dollars needed by the Ohio Department of Transportation for its daily operations.
- Ohio's roads need massive repair work. This proposal would not solve the problems of repair and resurfacing affecting our highways.
- Among the assumptions surrounding Issue 3, one fact stands out: this proposal costs too much for what it is worth. Ohioans would pay a total \$2.6 billion for only \$1.2 billion in actual road improvements!
- Issue 3 must be defeated because it is financially unsound. Long-term debt increases long-term costs. This is a price that Ohioans cannot afford to pay.
- Vote against Issue 3.

Issue Four

Those for:

1. provides major cost-saving opportunities for municipalities when considering a charter form of government;
2. provides major cost-saving opportunities for counties when considering a charter form of government;
3. gives cities and counties flexibility in determining the method by which they want to distribute copies of the proposed charter; and
4. reduces the amount of waste in printing costs, materials, and distribution expenditures for counties and cities.

Those against:

Issue 4, heralded as a cost-savings mechanism for delivery of proposed municipal or county charters to the homes of Ohio voters, is more aptly a misguided attempt that would permit local governments to disregard its citizens.

Currently, when there is to be placed before the voters a proposed local charter, or amendment to an existing charter, the Ohio Constitution guarantees that every elector will receive a copy of the proposed charter or amendment. Issue 4 would change that to permit local governments to cut short its responsibility by delivering only one charter or charter amendment to each household, regardless of the number of voters in that household.

The people's right to know of changes in the form of local government under which they live deserves better care. One could expect seed catalogs or soap advertisements to come into his home addressed to "Household", but not information related to his form of local government.

In Ohio 2.7 million households have two or more electors. Addressing an envelope to "Household" has these drawbacks:

1. The first householder to receive the information may not know, or understand, he should share the information with other resident electors;
2. Apartment dwellers, all of whom may live at one address, may suffer worst—a typical government snafu could send one charter notice to a single apartment building with 20 different households.

Nowadays government feels no compulsion to communicate with its citizens, unless it sends them a tax bill or is directing them to do something. Issue 4 is just one more step to impersonalize the relationship between government and its citizens.

Whether or not Issue 4 will save some small amount of money is irrelevant. More important is that voters adequately are informed of decisions before them. Issue 4 is a step away from that.

Defeat Issue 4.