

## **RESOLUTION 33-06**

### **A RESOLUTION TO OPPOSE THE TAX AND EXPENDITURE LIMITATION (TEL) CONSTITUTIONAL AMENDMENT.**

**WHEREAS**, the General Assembly of the State of Ohio recently passed legislation that removes from the November 7, 2006 State ballot a proposed amendment to the Ohio Constitution to institute a Tax and Expenditure Limitation (TEL) on both the state and local levels of government (the "TEL Amendment"); and

**WHEREAS**, there may be legal challenges to the removal of the TEL Amendment from voter consideration on November 7, 2006; and

**WHEREAS**, therefore, on November 7<sup>th</sup>, 2006, Ohio voters may still be asked to render a decision on the TEL Amendment as originally proposed; and

**WHEREAS**, the General Assembly of the State of Ohio has recently passed legislation that essentially creates a statutory TEL to control state spending and taxation in lieu of the originally proposed TEL constitutional amendment; and

**WHEREAS**, the TEL Amendment is ambiguously worded and, therefore, may result in devastating impacts on political subdivisions across the state; and

**WHEREAS**, the City of Orrville owns and operates a municipal electric system, which provides reliable and affordable electric service to residents and businesses; and

**WHEREAS**, the TEL Amendment's expenditure limits appears to cap almost all expenditures, with no exceptions for capital expenditures, financings or refinancings, and non-tax supported activities such as municipal utilities that are user funded, and contains no exception for local emergencies; and

**WHEREAS**, the TEL Amendment would appear to make it virtually impossible for the City of Orrville to fund much needed water, wastewater, electric utility, street, police, fire or other infrastructure improvements to comply with increased demands and environmental and other regulatory requirements; and

**WHEREAS**, the TEL Amendment requires the approval of a majority of voters at the state level and, as worded, a majority of all registered voters at the local level, to increase expenditures above the threshold identified in the TEL Amendment; and

**WHEREAS**, the TEL Amendment would have the effect of tying the hands of local leaders in times of crisis and other unpredictable circumstances, circumventing local governments' thoughtful consideration of policy decisions; and

**WHEREAS**, the TEL Amendment may have the effect of reducing funding for education, health care, police, fire protection, libraries, economic development, and other vital

services to citizens; and

**WHEREAS**, amending the constitution is a virtually irrevocable action and should only be undertaken when legislative remedies have proven enduringly inadequate; and

**WHEREAS**, the TEL Amendment may bring great harm to local communities and degrade government's ability to provide the basic services residents and businesses expect and deserve; and

**WHEREAS**, the TEL Amendment erodes decision-making at the local level by overriding Ohio's long-established constitutional Home Rule provisions.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Orrville, that this Council believes that state and local elected officials are elected to do a job — that job is to represent the interests of their constituents, to deal with difficult decisions, to thoughtfully debate and determine the best course of action for the state or the community they serve.

**BE IT FURTHER RESOLVED** by this Council, that the TEL Amendment, as currently drafted, should be defeated if it comes before Ohio voters as it may have significant negative consequences on Ohio's local governments;

**BE IT FURTHER RESOLVED** that this Council believes the TEL Amendment would impose unnecessary and unrealistic voter approval requirements for adoption of expenditure increases at the local level;

**BE IT FURTHER RESOLVED** that this Council opposes the proposed changes to the Ohio Constitution that would constrain local governments' ability to effectively realize and allocate the tax resources needed to meet the people's needs and supports efforts to defeat the proposed changes to the Ohio Constitution;

**BE IT FURTHER RESOLVED** that this Council thanks the General Assembly of the State of Ohio for its recently passed legislation removing the TEL Amendment from the November 7, 2006 state ballot; and

**BE IT FURTHER RESOLVED** that this Council thanks the General Assembly of the State of Ohio for its recently passed legislation attempting to curtail state spending and taxation; and

**BE IT FURTHER RESOLVED** that a copy of this resolution be presented to both major party gubernatorial candidates, both major party candidates for state representative, both major party candidates for state senator and local business leaders.

**PASSED** by the City Council of Orrville, Ohio, this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

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President of Council

Attest:

\_\_\_\_\_  
Clerk of Council

Approved:

\_\_\_\_\_  
Mayor

Date \_\_\_\_\_