

Chairman Ryan, Ranking-Member Cera, and Members of the Finance Committee, I thank you for giving me the opportunity today to offer sponsor testimony on behalf of House Bill 695.

House Bill 695 will reinstate the Rural Industrial Park Loan fund. This fund was accessible under the former Ohio Department of Development, but fell off the radar in recent years with the creation of the Ohio Development Services Agency. The Rural Industrial Park Loan fund still exists in the Ohio Revised Code, but it has simply not been funded in recent budgets.

This bill will allocate \$25,000,000 to the RIPL from the Facilities Establishment Fund, which currently holds more than \$200,000,000, and in the last 5 years has collected more than \$100 million in loan repayments, so moving the funds will not create any shortfall.

Re-appropriating this money is important for the purposes of enhancing economic development in rural Ohio, and will consequently help Ohioans seeking employment and a better standard of living. This fund has historically been very successful at assisting business projects with cash flow and equity so these entities may tackle additional development ventures.

Despite the uptick in energy production, particularly in my region, rural areas are often left behind and forgotten about, and that is what has happened here with the effective discontinuation of the RIPL. In 2017 JobsOhio conducted 62 site and building searches, none of which was in the rural Appalachia region. It is difficult for rural communities to attract these inquiries and speculative development in general because of the perceived risk for developers to build without mitigation or subsidy.

Through the RIPL 12 sites were funded and 600 jobs were created in Appalachia alone. However, this loan is not restricted to Appalachia, but it is to “promote economic development in rural areas and to improve the economic welfare of the people of the state, . . . for land acquisition; constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, or improving industrial park buildings; and infrastructure improvements,” according to the Ohio Revised Code.

Presently the Facilities Establishment Fund is not being utilized to its full capacity, so it is time we reinstate the RIPL and put capital to good use in a fund with a proven track record of success instead of having it sit dormant.

Chairman Ryan, Ranking-Member Cera, and members of the House Finance committee, I thank you for your time, and ask for your favorable consideration of House Bill 695. I’ll be pleased to answer any questions you may have.