



**WRITTEN TESTIMONY TO THE HOUSE STATE AND LOCAL GOVERNMENT
COMMITTEE**

HB 740

November 27, 2018

Chair Anielski, Vice Chair Hambley, Ranking Member Holmes, and members of the House State and Local Government Committee, thank you for the opportunity to write in support of HB 740.

Municipal leaders often create or participate in Community Investment Corporations (CICs), Community Development Corporations or port authorities in order to support and progress economic development within their jurisdictions. HB 740 establishes the Economic Development Bond Bank under the Ohio Treasurer of State. Under this bond bank, CICs, CDCs and port authorities can use their borrowing authority to issue revenue obligations that can then be purchased by the Treasurer of State, which functionally will act as a loan. These funds can only be obtained for qualifying economic development projects.

Local economic development projects are the drivers of economic growth for the state as a whole. Allowing CICs, CDCs and port authorities to finance these projects supports the creation of jobs and increased tax revenues without putting taxpayer dollars at risk. HB 740 will be especially impactful to port authorities, as under current law they are unable to issue bonds for their economic development projects due to a lack of the requisite assets and resources.

This legislation opens previously unavailable financing options that would have a substantial impact on local economies across the state, strengthening Ohio's economy as a whole. Thank you for your consideration, and we urge for your favorable passage of this bill.

Sincerely,

Kent Scarrett
Executive Director
Ohio Municipal League