



**Senate Ways and Means Committee  
Testimony on Senate Bill 8  
Gregg Cramer, Vice President of Economic Development  
Greater Akron Chamber**

**May 8<sup>th</sup>, 2019**

Thank you Chairman Zeltwanger, Vice Chair Powell, and Ranking Member Sobecki for the opportunity to address the Committee this morning regarding the importance of Senate Bill 8, which will provide an additional state tax incentive to encourage investments in Ohio Opportunity Zones. My name is Gregg Cramer, Vice President of Economic Development at the Greater Akron Chamber of Commerce, and we strongly urge this committee to act fast to support Senate Bill 8.

Opportunity Zones were created to drive investment to areas that need it most, and it is well known to this committee what benefits opportunity zones stand to make. Since their creation in the Tax Cuts and Jobs Act of 2017, the Greater Akron Region, and Ohio overall, have been preparing to compete for these investments. In Summit County alone, we have sixteen opportunity zones which encompass most of downtown Akron, and part of Barberton and Cuyahoga Falls, prompting the Greater Akron Region's adamant support of this legislation.

The opportunity zones in Summit County present investors the prospect of investing in a metropolitan area at a comparatively low-cost, which would become even more attractive with an additional state incentive. To aid interested investors, Summit County staff and representatives from the City of Akron, the Development Finance Authority of Summit County, Greater Akron Chamber, and other regional stakeholders came together to create a web-based prospectus that provides investors detailed information on each of the sixteen Opportunity Zones within Summit County. The prospectus outlines the advantages of investing in Summit County for various reasons, such as low taxes, low cost of doing business, and the strong talent pipeline within the region. It also displays recent and planned investments within each opportunity zone, as well as potential investments that could be made in each area.

However, this prospectus, and others like it within Ohio, would benefit greatly from an additional state-level incentive. Through providing a state supplement to the existing federal incentives, Ohio is more likely to be successful in attracting investments, both from inside and outside Ohio. Currently, two states have already passed legislation similar to Senate Bill 8, with another thirteen states considering proposals in their respective legislatures. Without an additional state incentive, Ohio undoubtedly puts itself at a disadvantage to other states with similar state incentives.

Time is of the essence. With respect to the current federal regulations and timeline, investors are "on the clock" and must invest in an Opportunity Zone Fund by the end of 2019 to utilize the full benefit of the federal opportunity zone program. Because other markets already have state-incentives in place and the federal timeline incentivizes investors to act in very near future, it is imperative that we accomplish the goals of Senate Bill 8 in the quickest way possible. Accomplishing this legislatively allows the legislature to provide the appropriate amount of input

into the development of the state incentives, and, due to the bill's current place in the legislative process, a great opportunity of being completed prior to the operating budget.

In conclusion, I would urge this Committee to support and act quickly on the passage of Senate Bill 8. It is critical for both the residents of Summit County and the rest of Ohio that we remain economically competitive and take steps to attract as much investment into Opportunity Zones in Ohio as possible, as quickly as possible.

Thank you for your time this morning, and I'm willing to take any questions.