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SPONSOR TESTIMONY ON HOUSE BILL 631
HOUSE ECONOMIC AND WORKFORCE DEVELOPMENT COMMITTEE

Chairman Zeltwanger, Vice Chair Powell, Ranking Member Sobecki and members of the House Economic and Workforce Development Committee, thank you for allowing Representative Hambley and me the opportunity to provide sponsor testimony today on House Bill 631, legislation to allow for the creation of Regional Economic Development Alliances. This proposal would grant municipalities an additional economic development tool, which is entirely voluntary in nature. Further, given its limited scope to Ohio's two charter counties (Cuyahoga and Summit) and the adjacent counties, this legislation is in essence serves a pilot program.

While the Legislative Service Commission's Analysis is available with a greater degree of detail, Representative Hambley and I will highlight the main function of the Regional Economic Development Alliances as well as offer some background into the origin of this legislation.

Regional Economic Development Alliances would be an additional tool through which municipalities could coordinate economic development activities, share services and collaborate to implement cost-efficiency measures. What is distinct about the REDAs is the permissibility of alliance members to create a revenue gain-sharing program, through which pooled financial resources could be used to advance alliance purposes. At its core, ten or more municipalities, located in a region, would be able to form an alliance. The region is essentially made up of a charter county in the State of Ohio with at least 400,000 residents. This county would be central to all of the adjacent counties who might want to participate as well.

Our legislation was borne out of the efforts of the Regional Economic Development Alliance Study Committee, created in the 132nd General Assembly via House Bill 122, and with significant prior input from members of the Northeast Ohio Mayors and Managers Association. It is fair to say that House Bill 631 is the result of a multi-year collaborative effort between local government leaders and other Study Committee members.

Each of us recognizes that economic development is vital for all of our respective communities, but even more so now as we come to terms with the impact of COVID-19 on the both the State's and our Nation's financial wellbeing. Our legislation aims to equip communities with another tool, and one that is strictly permissive. Regional, collaborative strategies used to promote economic development are already in place in Ohio – and have been successful. House Bill 631 would build upon those successes as local government and business leaders work to bring prosperity to our communities.

Quite frankly, we anticipate quite a few proponents presenting favorable testimony should this legislation be given the opportunity for a second hearing.

Chairman Zeltwanger, Vice Chair Powell, Ranking Member Sobecki and members of the House Economic and Workforce Development Committee, thank you for allowing us the opportunity to give testimony on House Bill 631. We now welcome the opportunity to answer any questions you may have at this time.