Chairman Wiggam, Vice-Chair Stephens, Ranking Member Kelly, and distinguished members of the House State & Local Government Committee, thank you for the opportunity to offer sponsor testimony on House Bill 343, legislation that would create the Water & Sewer Emergency Fund and provide grants to local entities for water and sewer system projects.

As of July 1, 2019, the entirety of the Ohio Public Works Commission (OPWC) emergency funds had already been allocated. As a result, no new emergency allocations could be made until the next budget cycle. However, the need for such funding has not dissipated, and recent environmental anomalies have only further threatened the safety and functionality of our infrastructure.

This need has become increasingly evident in my district. Lake Erie levels surpassed the previous record by 5 inches just this week, and to make matters worse, the U.S. Corps of engineers predicts that water levels will continue to break monthly records over the next several months. Paired with heavy rains and a lack of ice, we have seen immense strain on our water and sewer lines.

Last summer, the City of Conneaut’s drinking water was at risk when the water department’s low lift station, which pulls the water from Lake Erie and pumps it to the treatment facility, was in jeopardy due to the high water levels. To protect this infrastructure, Conneaut spent $300,000 to reinforce and expand the break wall in front of the pump station. Residents, businesses, and the 1,700 inmates at Lake Erie Correctional Facility would have been without water had the pump station slid into the lake. Further, this was $300,000 that Conneaut was forced to spend—money that could have been used for other projects.
In addition, the hydrological pressure of the excess water in the lake threatens our outflow pipes that empty treated waste water into the lake. Some of these outflow pipes are over 100 years old. The intense pressure needed to move waste water could potentially create such stress that a pipe could blow. Clearly, this vividly illustrates the need for increased emergency funding, however this issue is not exclusive to my district nor to Lake Erie—and HB 343 would address the diverse challenges districts and the state may share.

In its current version, HB 343 would appropriate $10 million in FY 2020 from the General Revenue Fund (GRF) to the Water and Sewer Emergency Fund, which the bill creates in the state treasury. Those funds would then be administered by the Public Works Commission as grants to local subdivisions for water and sewer system projects. Please note that a pending amendment would shift that date to FY 21.

The funds must be used to provide grants to local subdivisions for water and sewer systems--projects that the Director of the Public Works Commission determines are necessary for the immediate preservation of the health, safety, and welfare of the citizens. Grants would be administered in the same manner as emergency projects funded by the State Capital Improvements Fund, which require the Director to consider the following factors:

- The extent to which existing infrastructure can be used by residents in lieu of the infrastructure posing the threat;
- The capacity of the applicant to meet the emergency through the use of its own financial resources or through financial assistance programs operated by other federal, state, or local agencies;
- The degree to which the applicant is responsible for having created the emergency through neglect, poor maintenance, or failure to plan for the evolution of hazardous infrastructure conditions that could reasonably have been predicted.

Any funds not used during FY 2020 are re-appropriated for FY 2021. The Director of Budget and Management must transfer any funds remaining at the end of FY 2021 back to the GRF. In sum, we have not reinvented the proverbial wheel, as the mechanisms already exist for such funding. We would add $10 million to the fund--$10 million that does not currently exist for this purpose. Think of this as an insurance policy—if there is no need, the money is transferred back to the GRF. If, however, there is a pressing need, funds are waiting to provide assistance to communities around the state—from the Ohio River to Lake Erie and points in between.
Thank you for allowing us the opportunity to provide sponsor testimony on HB 343, we would be happy to answer any questions.
