

State Representative Michael J. O'Brien

SPONSOR TESTIMONY HB 264

SENATE ENERGY AND PUBLIC UTILITIES COMMITTEE

MAY 13, 2020

Chairman Wilson, Vice-Chair McColley, Ranking Member Williams, and esteemed members of the Senate Energy and Public Utilities Committee, thank you for allowing Representative Wilkin and I to present sponsor testimony on House Bill 264. As my cosponsor Representative Wilkin has stated, this is a very simple and straightforward bill with a simple and straightforward goal of allowing the Ohio Water Development Authority to refinance water development loans.

When I was mayor of Warren, we were locked into the interest rate we obtained for water development loans until the maturity date of those loans. If interest rates dropped, we did not have the option to refinance at a lower rate to save the city and taxpayers money. House Bill 264 would correct that situation, and has the potential to save local governments a significant amount of money.

For example, the current Mayor's office in Warren informs me that if the interest rate on their water development loans dropped to 7%, they would save more than \$764,000 over the lifetime of those loans. House Bill 264 is a common sense piece of legislation that benefits taxpayers and local governments, and which has the support of the Ohio Water Development Authority.

Thank you very much, Mr. Chairman, for your consideration.