



Before the House Economic Development, Commerce and Labor Committee
Proponent Testimony on House Bill 625
June 19, 2018

Chairman Young, Ranking Member Lepore-Hagan and members of the House Economic Development, Commerce and Labor Committee, my name is Zachary Frymier and I am the Director of Energy and Environmental Policy for the Ohio Chamber of Commerce. On behalf of the nearly 8,000 members of the Ohio Chamber of Commerce, I would like to express our support for House Bill 625, legislation that would prohibit local governments from banning or imposing a tax, fee, or other charge on auxiliary containers. Any local ordinance to impose such a tax or ban has the potential to negatively impact Ohio businesses and consumers.

An auxiliary container, as defined in the bill, can be a bag, can, cup, food service item, keg, bottle or other container or packaging made of many different materials. These containers are used to consume, transport or protect merchandise, food or beverages from retail food establishments, grocery stores or any other type of retail, manufacturing or distribution establishment.

Local ordinances that impose a tax or ban on these containers result in added costs that directly impact the bottom line for many businesses, both large and small. They also can create compliance problems for a business, as the ordinances often mandate strict measuring, counting, recordkeeping and reporting rules with which a business is forced to comply. These added costs not only impact a business's bottom line, but the extra tax also impacts consumers' purchasing power by making every trip to a store, restaurant or any establishment that utilizes auxiliary containers more expensive.

In addition, these ordinances represent a threat to the viability of auxiliary container manufacturers – many of whom operate right here in Ohio – and their employees.

As is the case with a variety of other local ordinances that attempt to impose mandates on private sector employers, the businesses in the community in which such an ordinance is enacted also become less competitive, as many customers simply shift their business to establishments just outside the community that imposes the tax.

By prohibiting local governments from interfering in matters concerning the private sector, HB 625 will protect retail establishments, manufacturers and consumers and, ultimately, our state's overall economic competitiveness. For these reasons, the Ohio Chamber respectfully asks members of the committee to favorably report HB 625. Thank you.