

BEFORE THE HOUSE SELECT COMMITTEE ON ENERGY POLICY AND OVERSIGHT

REPRESENTATIVE JIM HOOPS
CHAIR

INTERESTED PARTY TESTIMONY OF **CAJON KEETON** ON HB 798
TREASURER
BENTON-CARROLL-SALEM LSD

DECEMBER 3, 2020

Chairman Hoops, Vice Chair Abrams, Ranking Member Leland, and members of the House Select Committee on Energy Policy and Oversight, thank you for the opportunity to provide interested party testimony on House Bill 798. My name is Cajon Keeton and I am Treasurer for the Benton-Carroll-Salem LSD.

Benton-Carroll-Salem is located in Oak Harbor Ohio, which is the home of the Davis Besse Nuclear Power Plant. Many of our friends and family work at the plant and send their children to our schools. We are very proud of the plant and its role in our community, and we have fought hard over the years against the lowering of its tax value and threats of its closure. House Bill 6 was important to protect the nuclear plants that employ thousands in our region, produce the majority of the clean energy for the State of Ohio, lower electric bills by removing the renewable portfolio and energy efficiency riders, and protect a tax base that helps fund our students' education. Without the nuclear plants in our communities, we would have no other way to replace the tax base as our communities have already committed to pay **an additional 40 percent in property taxes in the last 2 years**. Our communities have stepped up, but we know that our community would face great uncertainty if the nuclear plants were to close.

Nuclear power plant school districts are unlike any other school districts around the state. We are unique because our largest taxpayer is also the reason why other potential tax contributors do not move to our communities like they would surrounding towns. A nuclear power plant, while beneficial in many ways, does not attract other businesses that are unlikely to locate in close proximity to such a facility. This uniqueness was never clearer than in 2017 when we faced a **\$136 million reduction in property tax value overnight**, with the last devaluation of Davis Besse power plant. We have never asked the State of Ohio for more money, but we simply cannot face further reductions or the scenario whereby the nuclear power plants close. This is why we have continued to advocate for the freezing of the tangible personal property tax for nuclear power plant districts.

We were appreciative of the legislature's efforts in HB 6 to limit the ability for the owner of the nuclear power plants to further devalue the plants for the years in which they would receive the nuclear resource credit payments. It is our understanding that HB 798 would not impact this provision, which is essential in our district's long-term planning. We ask that this provision remain untouched in any future versions of legislation.

While we would like to see HB 6 remain law to assure our communities do not face plant closures and their associated consequences, we understand the legislature's desire to review the legislation. Our school district asks that no matter the final decisions made by this body, that you keep in mind our schools. It is our belief that any action on this issue can be done in a way that holds our funding levels harmless, therefore allowing us to continue employing our teachers,

maintaining our facilities, and providing the best possible education for Ohio's future—our students.

Our first priority is to protect the nuclear plants that have been the life blood of our communities for so many years. **However, we believe that the extension of the existing freeze on our tangible personal property tax revenues, passed in the last state operating budget, would allow our unique school district to plan for the future and provide protection against further devaluations of the plant.**

We understand there are complicated dynamics involved in this discussion and we are appreciative of this committee choosing to use such a deliberative process that allows input from all parties. Thank you for the opportunity to share the perspective Benton-Carroll-Salem LSD. I would be happy to answer any questions at this time.

Sincerely,

Cajon Keeton

Treasurer

Benton-Carroll-Salem LSD