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## Committees:

Agriculture & Natural Resources, Vice Chair Ways & Means General Government & Agency Review Local Government, Public Safety and Veterans Affairs

## **Special Appointments:**

Coal Technical Advisory Committee Dental Loan Repayment Advisory Board Tax Expenditure Review Committee Pickaway County Transportation Improvement District

## Senate Agriculture and Natural Resources Committee Senate Bill 333 — Sponsor Testimony Tuesday July 21, 2020

Chairman Hoagland, Ranking Member O'Brien, and members of the Senate Agriculture and Natural Resources Committee, thank you for the opportunity to present sponsor testimony on Senate Bill 333.

This bill will expand the current ODNR Payment in Lieu of Taxes (PILT) program to the local governments, developmental disabilities boards, fire & EMS departments, townships--any local government that relies upon property taxes--to offset local tax losses--some devastating--as the State of Ohio acquires the AEP ReCreation Land property in several Southeast Ohio counties, thus pulling the land off the property tax rolls.

Let me be clear so that there is no misimpression -- this land acquisition is an incredible opportunity for the State of Ohio to expand its outdoor recreation assets. I am thrilled to support the acquisition fully. As I have said in media interviews, it is a game changer for Ohio's state parks. We're already on the map for outstanding state parks compared to other states and ODNR does a great job managing them, but the AEP lands pushes Ohio far ahead of the pack of what other states have to offer.

But with progress comes responsibility. Some of the cuts to our local governments, while not huge numbers to the state, jeopardize their operations, including the sheriff, fire and EMS departments that this new state park will rely upon as thousands of new visitors from outside the 20th district visit.

Please refer to the charts on the accompanying document for the impact of this land acquisition on the local governments' tax base in my district.

Senate Bill 333 expands the PILT program to include local governments, in addition to closing the school districts' financial loss gap in current PILT law, as all of them are losing property tax revenue.

Under current law, the PILT helps replace property taxes lost as a result of ODNR land acquisitions by issuing a payment for local school districts that is just one percent of the total value of the land owned in a county by the State of Ohio and administered by ODNR, which doesn't come close to closing the loss gap in our local schools' losses. That's right--one percent of the value of total land owned. And there is currently no PILT available for other local governments, fire and EMS, in current law as a result of the AEP lands purchases.

Senate Bill 333 closes these gaps and restores the funds to our local schools, fire, EMS and other local governments.

A major guardrail featured in this bill applies this legislation only to acquisitions and purchases over 5,000 acres in one transaction or a series of transactions from the same seller dating back to January 1, 2019. This narrowly applies the new law to this particular situation.

I want to be clear. This bill:

- celebrates ODNR's accomplishment in acquiring the AEP lands;
- is not punitive;
- is not about hunters, trappers, anglers or any other sportsmen;
  - the bill does not affect them or the money they generate for ODNR expenditures for our parks;

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- will make sure fire and EMS services are available to hunters, trappers, anglers and other sportsmen and their families;
- does not consume license fees of any sportsmen;
- will not affect future recreational land in any of your House or Senate districts.

This bill is simply a technical bookkeeping bill that focuses on what we do about a gap in critical local services to make these local governments whole.

This situation is similar to going on a family vacation but neglecting to fill the gas tank. In order to get anywhere, you accept the fact that filling up the gas tank is a necessary, small expense. It's not worth arguing about, because it has to happen.

Thank you once again, Chairman Hoagland and the members of the committee, for the opportunity to present this issue to you today. I will be glad to answer any questions at this time.