

**TO: Chairman Hoagland, Ranking Member O'Brien, and members of the Senate Agriculture and Natural Resources Committee**

**FROM: Carl Raines, Vice-President, Morgan Local School District (Morgan County) and Executive Director, Morgan County Improvement Corporation ("CIC")**

**RE: Written Statement Supporting Senate Bill 333  
ODNR payment in Lieu of Taxes (PILT) program to local government**

**DATE: August 31, 2020**

My name is Carl Raines and I am serving my 7<sup>th</sup> year on the Morgan Local School Board. Additionally, I am the Executive Director of the Morgan County Improvement Corporation ("CIC"), a 501 (c) 4 organization formed in 1967 to attract, promote, and retain economic development within Morgan County. As a lifelong resident of southeastern Ohio, I am offering testimony supporting Senate Bill 333 requiring ODNR to make payment in Lieu Of Taxes to counties affected by the sale of AEP land to ODNR.

As our Senator Schaffer has stated on July 21, 2020, ***"this land acquisition is an incredible opportunity for the State of Ohio to expand its outdoor recreation assets". Yes, it is.***

Additionally, as Matt Misicka at the Ohio Conversation Federation stated in an article from the Columbus Dispatch on August 25, 2017 ***"From a hunting and fishing perspective, it's a great piece of property"*** as he was referring to at that time of the potential sale of 60,000 acres of AEP land to ODNR. **Yes, it is.**

And as Nathan Johnson's statement of the Ohio Environment Council within the same article, ***"If the state does not get it, it's our loss". Yes, it could be.***

As our honorable and distinguished Governor DeWine indicated in an article from the Columbus Dispatch on October 2, 2019, ***"There really was a sense of urgency about this. And the urgency came from the fact AEP has indicated their intention to sell off this property". Yes, there was.***

There is also a sense of urgency to support Senate Bill 333 in order for our county to continue to operate, especially our county-wide school district. As Senator Schaffer has indicated, ***"Senate Bill 333 closes these gaps and restores funds to our local schools, fire, EMS and other local governments". It does.***

It reminds many of us here within Morgan County, that our state officials do understand the difficulties in small, rural, southeastern Ohio counties. Not only broadband connectivity issues but with financial situations as well.

As a landowner and as an outdoor enthusiast that enjoys hunting and fishing like many other people, having state parks available with vast amounts of land is impressive. However, as Senator Schaffer has indicated it also comes with a cost, not only the nearly \$75 million to acquire the AEP land by the ODNR, but in **the loss of the real estate property tax revenue for Morgan County.**

As estimated by our county auditor, The **Morgan Local School District will lose \$269,514 annually**, of AEP property tax payments to our school district with the sale of land to ODNR. **That is \$269,514 of our \$4,695,167 of real estate property tax revenue received in 2019, or a deduction of 5.74%.** This is a huge loss for our school district which buses nearly 5,000 miles per week within our county-wide school system spread among three (3) elementary schools, one Junior High School, and one High School not to mention funding for nearly 150 teachers and administrators along with nearly 150 employees of bus drivers, cooks, teacher aides, custodians, and others.

Additionally, the Morgan County Commissioners have been estimated to lose over \$49,000 annually, of real estate property tax revenue, while three (3) townships within our county affected by the land sale may not have enough revenue to cover their expenses. As **Senator Schaffer** has stated, *"...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". **It is "devastating" to Morgan County.***

As legislators, I am certain each one of you understand the financial situation of the revenue required to provide and sufficiently fund a quality education for all students throughout Ohio. It is enormously challenging and complicated. Morgan Local School District is no different. However, **losing nearly 6% of revenue from property taxes is also severely "devastating" to our budget.**

Coal mining began in our southeastern area in 1947 and throughout the years provided nearly 600 jobs at its peak. As many of us know and have witnessed, times have changed. The coal mining jobs have been gone nearly 20 years along with nearly 300 employees employed by the AEP Power Plant in the southern portion of our county, having ceased nearly 10 years now. Both, having a huge impact on our county's economic development and **valuation** for real estate tax purposes.

Former State Senator Sam Speck was instrumental in having the AEP land reclaimed to where there are more than 600 lakes and ponds along with several campgrounds and campsites, all for the public to enjoy. **And, as such, Conservationists, Environmentalists, our Governor, Senator Schaffer, and many other State Senators and State Representatives believe this is an incredible opportunity for the State of Ohio to expand its outdoor recreation assets. It is.**

**However, the loss of nearly \$320,000 of real estate property tax revenue from AEP within Morgan County is also very severe and "devastating."**

We urge your committee to support Senate Bill 333 and to support it with your colleagues. **It really is a sense of urgency.**

Thank you for the opportunity to present support for the passage and enactment into law Senate Bill 333.

