



Ohio's "6119" Regional Water & Sewer Districts

December 2, 2020

The Honorable Frank Hoagland
Chairman, Senate Agriculture and Natural Resources Committee
1 Capitol Square, 1st Floor
Columbus, OH 43215

Chairman Hoagland, Vice Chairman Schaffer, Ranking Member O'Brien and members of the Senate Agriculture and Natural Resources Committee, thank you for allowing me to provide written comments on behalf of the Coalition of Ohio Regional Districts (CORD) in opposition to HB 665 as it is currently written.

CORD is a non-profit association established to assist, protect, and advance the interests of Ohio's regional water and sewer districts, also known as "6119 Districts" since they are established under Chapter 6119 of the Ohio Revised Code (ORC). 6119 Districts provide potable water, sanitary sewer, and stormwater services to over 1 million customers in the State of Ohio.

HB 665 is designed to update the ORC regarding county fairs. However, the legislation also specifically carves out a single fairground by making it exempt from paying for stormwater charges that are used to mitigate flooding problems in eastern Ohio. This language was requested by the Canfield Fair, which is charged for stormwater services by the ABC Water and Stormwater District located in Mahoning County. In proponent testimony, Greta Gray of the Ohio Fair Managers Association testified that, "*the intent is NOT to exempt fairs from paying their water, stormwater, and sewer bills, but to exempt them from this added assessment.*"

Nevertheless, the language being proposed in the bill states that a regional water and sewer district shall not "**charge rentals, assessments, or any other fees.**"

The specific language reads as follows:

Sec. 6119.092. (A) Except as provided in division (B) or (C) of this section, the board of trustees of a regional water and sewer district shall not charge rentals, assessments, or any other fees to real property exempt from taxation under section 5709.10 of the Revised Code that is owned by a county agricultural society.

(B) This section does not exempt county agricultural societies from paying water usage bills and sewer usage bills.

(C) Division (A) and (B) of this section does not apply to real property over two hundred fifty acres that is owned by a county agricultural society until one year after the effective date of this section.

As you can see, the language in the bill has a much broader impact than just exempting fairgrounds from assessments. It is important to note, if enacted, the Canfield Fair would be the only entity receiving the exemption, as other fairgrounds throughout Ohio are served by

municipal and county systems. Unfortunately, this is a clear example of a single entity seeking to amend Ohio law to avoid paying for regional efforts to reduce flooding and improve water quality.

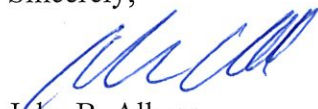
The Canfield Fair may argue that they are receiving no benefit from paying this charge; however, that simply isn't the case. The stormwater fees paid by owners of developed property with non-pervious surfaces are used for stormwater management. Left unmanaged, stormwater runoff can lead to flooding and water quality issues. These service fees are used for maintenance, improvements and the development of stormwater utility systems, which are designed to reduce the negative impacts of stormwater runoff that directly benefit all residents in a District's service territory. It is important to note that stormwater utility fees are no different than charges for other utility services such as water, sewer, electric and gas. Exempting a specific entity from paying for one of these utilities sets a bad precedent throughout the state.

Stormwater utility fees are based on the amount of non-pervious surfaces on a property. Non-pervious surfaces include parking lots, roadways, and other hard surfaces that do not absorb water, thus contributing to the stormwater runoff problem. Exempting certain properties from these stormwater fees is unfair to other ratepayers who will likely be forced to shoulder the burden by making up the lost revenue. In the case of HB 665, the exempted property contains large amounts of non-pervious surfaces and is one of the largest contributors to stormwater runoff in the county. Please note, that this is separate from undeveloped properties in agricultural districts, which are exempt from such charges. Instead, this exemption would apply to developed properties simply because they are owned by an agricultural society and served by a regional district.

Another reason why CORD opposes this language is because it singles out regional water and sewer districts regulated under ORC 6119. Regional districts are formed in coordination with surrounding local governments. The decision to form a regional district is often made to meet the needs of residents who are not able to be properly served by other utility systems like those run by counties and municipalities. Prohibiting specific types of systems from charging for similar services as systems run by other types of political entities is poor policy and should not be included in this legislation.

Flooding is an extremely serious issue in Mahoning County and throughout the state. Granting a single entity that contributes to the flooding problem an exemption from paying for these services by amending the Ohio Revised Code sets a bad precedent and will only further strain the ability of water and sewer districts from being able to mitigate the flooding problems in the region. For these reasons, we urge you to remove this language from HB 665.

Sincerely,



John B. Albers
Coalition of Ohio Regional Districts (CORD)
Executive Committee Member