

April 13, 2021



The Honorable Derek Merrin  
Chairman, House Ways and Means Committee  
Ohio House of Representatives  
Riffe Center  
77 S. High Street, 13<sup>th</sup> Floor  
Columbus, OH 43215

Dear Chairman Merrin:

On behalf of the members of the Ohio Chamber of Commerce, I am submitting this letter as an interested party for House Bill 123. HB 123 takes a fresh look at the Ohio Community Reinvestment Area (CRA) program and provides a number of improvements to encourage economic investment in a CRA created after July 1994 and to streamline the CRA process.

The CRA program is broken into two distinct categories. A CRA created prior to July 1994 (pre-1994) and those areas created after that date. The pre-1994 CRA has been interpreted to require 100% exemption of real property taxes. The post July 1994 CRA allows up to 100% exemption, but if the exemption is above 50% it requires agreement with the local school district. HB 123 raises that threshold to 75%. The Ohio Chamber welcomes the change and thinks this will make Ohio competitive with other states as Ohio works to attract economic development to the buckeye state.

HB 123 also streamlines reporting requirements, removes the requirement that Development Services Agency (DSA) approve a proposed CRA and reduces the time period to transpire before a project owner can seek either an enterprise zone exemption or a new CRA exemption. These changes will modernize the CRA program. The Ohio Chamber is not taking a position on the removal of the requirement that the municipalities share income tax generated by new employees at large projects with local schools encompassing that project.

The Ohio Chamber thanks the sponsors for introducing HB 123. The Ohio Chamber looks forward to working with this committee and the General Assembly as HB 123 moves through the legislative process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tony Long", is written over a light blue circular stamp.

Tony Long  
Director, Tax & Economic Policy  
Ohio Chamber of Commerce