

**Association of Ohio Drinking Water Agencies, Inc.**  
**Tyler S. Converse, President**  
**S.B. 193 Opponent Testimony**  
**Senate Energy and Public Utilities Committee**  
**May 17, 2022**

Chairman McColley, Vice Chair Schuring, Ranking Member Williams and, Members of the Committee, thank you for the opportunity to present testimony on behalf of the Association of Ohio Drinking Water Agencies, Inc. ("AODWA").

My name is Tyler Converse and I am the Superintendent of the City of Canton Water Department. I also serve as President of AODWA. AODWA represents the interests of Ohio's drinking water agencies. AODWA's members include the cities of Akron, Avon Lake, Canton, Cincinnati, Cleveland, Columbus, Dayton, Delaware, Lima, Toledo, Warren and the Del-Co Water Company. Together, our membership provides water service to over half the citizens of Ohio. A fundamental purpose of our organization and its members is to ensure safe and clean drinking water for Ohioans.

AODWA opposes Senate Bill 193, which, if enacted, will restrict municipalities in recovering unpaid utility balances. Unfortunately, these unpaid costs would necessitate an increase in the costs of service for the general service population.

In addition, the legislation may tempt utility customers to avoid paying bills from the outset. A similar situation arose in 2020, when Ohio EPA prohibited utility shutoffs for several months, and utilities saw a sharp increase in accounts receivable. By eliminating consequences for nonpayment, the legislation is expected to affect deterrence in a similar manner. This would also produce an increased number of unpaid bills, resulting in costs passed along to the general service population.

The legislation could also increase the financial burden on municipalities and local governments to recover unpaid utility bills by requiring them to file a lawsuit to collect such unpaid charges, where litigation is a costly effort that will also result in a negative financial impact on the general customer base. By forcing the municipal utilities to file lawsuits to recoup funds, the legislation would create greater hardship for customers by forcing them to participate in litigation. Lawsuits are not inexpensive, and may require a customer to miss work repeatedly for court-required obligations. The customers whom this measure seeks to protect would be forced to pay litigation costs, potentially including hiring legal counsel, in *addition* to the underlying unpaid balance.

As a result, S.B. 193 will lead to unintended consequences by increasing the financial strain on public water systems, thereby increasing prices for all ratepayers, for a marginal benefit. Although the bill's proponents discuss fairness considerations, such as avoiding low-dollar liens or liens that may have resulted from an inadvertent billing error, this legislation will merely shift responsibility for unpaid utilities to local governments, where they will then be required to pass costs along to all ratepayers.

Additionally, AODWA's members already expend significant effort to avoid the incurrence of large unpaid utility invoices, which also means that it is already extremely rare for utilities to

foreclose on properties because of unpaid bills. For example, many utilities have prompt termination of service policies that initiate disconnection for nonpayment. They also use utility bill relief policies to eliminate large bills for incidents such as toilet leaks, burst pipes, and similar events which protects the incurrence of significant utility bills. Some utilities send out courtesy leak notices when an AMR system detects a potential problem in an effort to prevent the residence from running up a large bill. Based on qualified income, the utilities also use state and federal resources to cover the costs of utility bills. Each of these measures is taken to avoid the incurrence of significant costs on the part of ratepayers, without prompting the variety of indirect expenses that this legislation would introduce. Because it is already rare for utilities to foreclose on properties due to unpaid bills, the legislature should not eliminate the ability for utilities to certify liens associated with unpaid services.

Again, AODWA understands that the purpose of this legislation is to address affordability concerns and perceived unfairness in connection with tax liens. However, the result of this legislation would force increases in the costs of service that would be passed on to ratepayers, including the vulnerable ratepayers that the legislation seeks to protect. The proposed legislation would therefore create a more inequitable result, in which those customers who manage to pay their water bill despite financial challenges are forced to subsidize those that are not paying their fair share.

As a result, AODWA and its member agencies oppose S.B. 193's proposals to restrict municipal and other local governments from imposing water liens on properties. Mr. Chairman and Members of the committee, your attention and consideration in this matter are very much appreciated.