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Thomas Hall
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**Representative Thomas Hall
House Bill 501 Sponsor Testimony
Senate Local Government and Elections Committee
November 29, 2022**

Chair Gavarone, Vice Chair O'Brien, Ranking Member Maharath, and members of the Senate Local Government and Elections Committee, thank you for the opportunity to provide sponsor testimony on House Bill 501, the township omnibus bill. This bill is put forth each General Assembly with changes and recommendations backed by the Ohio Township Association (OTA) and its 1,308 member townships.

This bill comes after many conversations and collaborations with the OTA, its board of directors, and townships. As a former two-term Madison Township Trustee, I believe that there is no better government than township government. Many of you know that townships only have powers outlined in the Ohio Revised Code, and any updates to their authority or manner of operation must be made legislatively.

The changes included HB 501 to the Revised Code may seem small or miniscule, but in reality, these changes can have great impacts on townships. I'll briefly outline each of the current changes contained in the bill:

Township Donation Process

Under current law, townships are able to donate property valued \$2,500 or less, but with several processes and procedures that can make the donation process cumbersome. For example, the board of trustees must adopt a resolution setting guidelines for a donation program and must post notice. Nonprofit organizations interested in receiving donated property must submit written notice to the board, and the board maintains a list of all eligible organizations that have expressed interest in receiving donated property as well as a list of all unneeded property that the board intends to donate, which must be posted continuously in the board of trustees' office and on its website.

Rather than this mandated process, HB 501 allows townships to set their own donation policies or simply to donate to eligible nonprofits as needed. The bill retains the requirement that property is donated to a 501(a) or 501(c)(3) located within the state.

Whistleblower Clarification

Ohio has two whistleblower statutes that apply to townships: R.C. §§124.341, which applies to civil services townships only, and 4113.52. Under R.C. §117.103, the Auditor of State is required to establish and maintain a system for fraud reporting. R.C. §124.341 specifically mentions R.C. §117.103 but R.C. §4113.52 does not. HB 501 clarifies that protections provided by the Auditor of State's office apply to all employees, not only civil service employees.

TIF Access

Under current law, there are different types of Tax Increment Financing (TIF) tools available. Generally, the goal of a TIF is to fund public infrastructure improvements. Under R.C. §5709.41, municipalities engaged in redevelopment may use TIF proceeds for public improvements and private property improvements. HB 501 allows townships to use this specific type of TIF as well. The change came as a request from the Coalition of Large Ohio Urban Townships, whose members tend to be located in more densely populated areas.

In future committee hearings, the OTA will testify on this bill and the impacts these changes will have on townships across Ohio. Additionally, I know that there are other township specific amendments that are being considered for the bill that have emerged during our recess as issues in need of clarification identified by townships around the state. I will let them present those topics in more detail, but I am supportive of the issues to which I have been provided. Included in the possible list of amendments are clarification on use of funds for broadband buildout, changes to fiscal officer vacancies and hiring assistants for fiscal officers, and clean-up of deferred compensation programs offered by townships, among others.

Thank you, again, for the opportunity to provide sponsor testimony on this important piece of legislation, and I will be happy to take any questions at this time.