

Written Testimony before the House Finance Committee Torey Hollingsworth, Executive Director, Ohio CDC Association June 12, 2024 Substitute Senate Bill 94 – Opponent Testimony

Chair Edwards, Vice Chair LaRe, Ranking Member Sweeney, and members of the House Finance Committee, thank you for the opportunity to provide written testimony in opposition to Senate Bill 94.

The Ohio CDC Association (OCDCA) is a statewide membership organization of nearly 300 locally-based rural and urban nonprofits that work to rebuild neighborhoods through initiatives such as economic development, affordable housing, financial education, and local food access. Our members are working day-in and day-out to address Ohio's affordable housing challenges by building new homes and apartment buildings, rehabbing existing structures, and providing homebuyer education and credit counseling services for potential homebuyers. They are also working to stimulate local economies through training and technical assistance for entrepreneurs and microbusinesses.

We oppose this bill because it threatens the funding model for the Ohio Housing Trust Fund, the state's primary source for affordable home repair, rehabilitation, and community development programs.

The Housing Trust Fund is the state's primary source of funding for homelessness and affordable housing services. It helps agencies like our members do the home repairs and modifications necessary to keep low-income seniors and people with disabilities out of nursing homes and institutions; it provides the gap funding needed to develop housing that parents working low-wage jobs can actually afford; it supports local agencies' efforts to prevent and end homelessness for families with children and individuals struggling to overcome mental illness and addiction.

The Housing Trust Fund impacts communities throughout the state and targets people who need help the most. Current statute requires at least half of OHTF funding be awarded to rural areas. In fiscal year 2023, the OHTF helped fund local efforts to:

- Repair and modify 1,697 homes to keep low-income seniors and people with disabilities out of nursing homes and institutions, and;
- Develop and rehabilitate 305 affordable rental units in 14 counties to create homes that low-income seniors and single parents working low-wage jobs can actually afford.
- Prevent and end homelessness for 37,870 households, including families with children and individuals;



After voters approved the constitutional amendment on Ohio Housing Assistance in 1990, the General Assembly passed implementing legislation to create the Housing Trust Fund with broad bipartisan support. During the early years, the legislature appropriated GRF while working to identify a permanent source of funding for the new Housing Trust Fund. Three separate study committees convened by Gov. Voinovich, Gov. Taft, and the legislature itself all came to the same conclusion: create a Housing Trust Fund Fee that mirrors the county recorder fee. In other words, fee revenue collected by recorders should be divided 50-50 between counties and the Housing Trust Fund. That proposal garnered consensus and was finally adopted through the 2003 budget bill.

While we appreciate the intention behind sub-bill SB 94, we are in opposition to the bill because it would threaten the historic 50-50 split in fee revenue between county recorders' offices and the Ohio Housing Trust Fund. Instead, we urge this committee to amend the bill to maintain the 50-50 split of fee revenue between the Recorder's offices and the Ohio Housing Trust Fund. This would allow for the necessary resources to be collected for document modernization if the county recorder deems it necessary, while also providing critical resources for affordable housing and community development across Ohio.

Housing is the foundation of healthy, stable, prosperous families and communities. The OHTF benefits Ohio's economy and helps to grow the number of jobs and revenue for the state. OHTF dollars are matched by private and federal funds to create a major positive impact.

With housing costs rapidly soaring out of reach for so many Ohioans, it's critical to ensure that any increase in document recording fees be shared equally with the OHTF. Thank you for the opportunity to submit testimony.