



May 21, 2024

The Honorable Scott Wiggam  
Chairman, House State & Local Government Committee  
Ohio House – Riffe Center  
77 S. High Street  
Columbus, OH 43215

Dear Chairman Wiggam:

The Ohio Chamber of Commerce would not typically weigh-in on the omnibus township bill during a General Assembly. And the Ohio Chamber does not take a position on most of the provisions contained in the current version, House Bill 315. The Ohio Chamber does have a concern with the language surrounding new community authorities contained in the April 23, 2024, version of HB 315. Whether a township is a limited home rule township or a regular run of the mill township it should be governed by the provisions of Ohio Revised Code Title 5 and not veer into duties and obligations reserved for counties in Title 3 of the Ohio Revised Code.

The authority and governance of the New Community Organization known as New Community Authorities (NCA) is contained in Chapter 349 of the Ohio Revised Code. An NCA is a separate government entity that has development powers. It can develop infrastructure and acquire land for development. The NCA is governed by a board of trustees and a special assessment is placed on those properties under the NCA. A community development charge is defined in ORC 349.01:

(L) "Community development charge" means:

(1) A dollar amount which shall be determined on the basis of the assessed valuation of real property or interests in real property in a new community district, the income of the residents of such property subject to such charge under section [349.07](#) of the Revised Code, if such property is devoted to residential uses or to the profits, gross receipts, or other revenues of any business including, but not limited to, rentals received from leases

of real property located in the district, a uniform or other fee on each parcel of such real property in a new community district, or any combination of the foregoing bases.

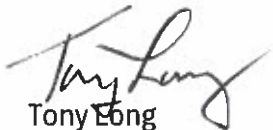
(2) If a new community authority imposes a community development charge determined on the basis of rentals received from leases of real property, improvements of any real property located in the new community district and subject to that charge may not be exempted from taxation under section [5709.40](#), [5709.41](#), [5709.45](#), [5709.48](#), [5709.73](#), or [5709.78](#) of the Revised Code.

And that becomes the issue. A new separate governmental entity solely inside of a township now has authority to collect income taxes from residents inside of the NCA territory. It appears that can occur without a vote of residents who currently enjoy no local income tax if they live and work in a township.

The use of the NCA development tool should remain at the county level and be coordinated by county commissioners with input from governmental entities impacted by the formation of the NCA. And if township land is involved there should be an ability to make it clear that the development charge can only be collected from the value of the real property.

Ohio Revised Code Title Five entities (townships) should remain governed by that title and not look to add new taxation tools via Title 3 or any other title of the Ohio Revised Code.

Sincerely,



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