



June 11, 2024

The Honorable Scott Wiggam
Chairman, House State and Local Government Committee
77 S. High St
Columbus, OH 43215

RE: Opponent Testimony to HB 491

Chairman Wiggam, Vice Chair Dean, Ranking Member Brennan, and members of the House State and Local Government Committee:

My name is Joseph Pheil, and I am the Executive Director of the Ohio Rural Water Association (ORWA). I appreciate the opportunity to submit written opponent testimony to HB 491 and express our strong concerns on this legislation. As the Executive Director of ORWA, I represent hundreds of rural water utilities across Ohio, and we believe that this bill poses significant challenges and potential risks to our members.

House Bill 491 mandates that political subdivisions, including rural water and sewer districts, provide detailed expenditure information to the Treasurer of State for inclusion in the Ohio State and Local Government Expenditure Database. While we understand and support the need for transparency in government spending, we are deeply concerned about the practical implications and potential negative consequences of this bill on rural water utilities.

The requirement to compile and submit expenditure data will impose an undue administrative burden on rural water utilities. These entities often operate with limited staff and resources. The additional workload to meet the data reporting requirements will divert critical resources away from their primary mission of providing safe and reliable water services to rural communities. This burden would be particularly challenging for smaller utilities that do not have dedicated administrative personnel.

Further, the bill does not provide any financial assistance or resources to support the compliance efforts of rural water utilities. Compliance with the new reporting requirements would in many cases necessitate investments in software, training, and possibly additional staffing. Many rural utilities operate on tight budgets and cannot afford these additional costs without impacting their operations and service delivery.

In conclusion, while ORWA supports transparency and accountability, House Bill 491 imposes significant and unreasonable burdens on rural water utilities without providing the necessary support to mitigate these challenges. We urge you to reconsider the provisions of this bill and explore alternative approaches that achieve transparency without compromising the operational efficiency and financial stability of rural water utilities.

Thank you for your attention to our concerns. We look forward to working with you to find a more balanced and feasible solution.

Sincerely,

Joseph Pheil
Executive Director
Ohio Rural Water Association