



Rick Carfagna, Senior Vice President
Ohio Chamber of Commerce
Opponent Testimony – Senate Bill 119
May 30, 2023

Good afternoon, Chairman Schaffer, Vice Chair Landis, Ranking Member Hicks-Hudson, and Members of the Senate Agriculture and Natural Resources Committee, and thank you for the opportunity to provide testimony in opposition to Senate Bill 119. My name is Rick Carfagna, and I am the Senior Vice President of Government Affairs for the Ohio Chamber of Commerce.

For 130 years the Ohio Chamber has served as the state's leading business advocate, and our mission is to aggressively champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

Senate Bill 119 proposes several changes to the waste industry, including a significant hike in fees for the disposal of solid waste and construction and demolition debris. These substantial fee increases are problematic to our Chamber members in the refuse and construction industries and will also have a downstream cost impact on our more than 8,000 members doing business in Ohio.

We are sensitive to the fact that the bill sponsor is being responsive to ongoing health and quality of life concerns in his district arising from the importation of out-of-state refuse and debris. The Ohio Chamber certainly does not condone any parties in this space performing in bad faith or failing to act or communicate as good community partners. In the attempt to address a local problem, however, Senate Bill 119 would impose a statewide solution with dramatic consequences. Since most of the solid waste and construction and demolition debris disposed of in Ohio landfills is generated in Ohio, these fee increases will disproportionately impact Ohio's businesses, municipalities and citizens and would be higher than any surrounding state. In fact, one of our members reports the fee increases imposed under SB 119, as introduced, will amount to between \$161,767,412 and \$202,987,925 annually on Ohio businesses, municipalities, and citizens.

Earlier this year the Ohio Chamber, along the rest of the “Big 6” and policymakers, proudly unveiled the 2022 Ohio Economic Competitiveness Update, a report led by economists at both Miami University and Northwood University. This study shows Ohio has jumped from 24th most competitive in 2018 to 13th in 2023, primarily generated by assorted improvements to the cost of doing business. Senate Bill 119 could have the unintended consequence of eroding the gains realized over the past five years. Additionally, with four megaprojects and many more businesses having announced their intent to construct or expand Ohio-based operations, we question to what extent large, unanticipated fee increases on construction and demolition debris will impact these construction processes or other investments.

As has been noted throughout this current budget process, Ohio’s production of new housing stock remains challenging despite the wide scale market demands. Even prior to the pandemic and its associated supply chain disruptions, developers’ hands have long been tied by land availability, zoning, density restrictions, regulations, construction costs and a lack of skilled workers. The imposition of significant fee increases to construction debris almost certainly would be another key driver that inflates production costs, throttles residential and commercial development alike, and discourages renovations of existing properties.

I would like to note that the bill sponsor has been very gracious in meeting and hearing from all affected parties on this issue, and has clearly demonstrated his willingness to entertain all avenues towards a solution to the problems in his district. The Ohio Chamber will continue to work in earnest with both the bill sponsor and our affected members to identify ways that existing mechanisms, including local land use and zoning abilities, can be utilized to achieve a fair and more targeted outcome.

Thank you again for the opportunity to voice our concerns with Senate Bill 119. We stand ready to work with all of you on this matter, and I welcome any questions from the committee.