



Brian Chavez
State Senator
30th District

Sponsor Testimony – Senate Joint Resolution 4
Ohio Senate Finance Committee
November 12, 2024

Chairman Dolan, Vice Chair Cirino, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for the opportunity to provide sponsor testimony along with my joint sponsor, Senator Craig, on Senate Joint Resolution 4.

Passage of this resolution is the first step in renewing the State Capital Improvement Program (SCIP) at the Ohio Public Works Commission. The purpose of SJR 4 is to propose to Ohio's voters the enactment of Section 2t of Article VIII of the Ohio Constitution. With voter approval, this would renew Ohio's authority to issue bonds to fund local-level public infrastructure capital improvement projects.

For background, the Public Works Commission administers the highly successful SCIP and provides financing in the form of grants and loans for local-level infrastructure projects. Counties, cities, villages, townships, and water and sanitary districts are all eligible to apply for the program. Eligible projects include improvements to roads, bridges, culverts, water supply systems, wastewater systems, storm water collection systems, and solid waste disposal facilities.

The SCIP was first placed in front of voters and approved in 1987. The program was then renewed through a constitutional amendment with voter approval three more times in 1995, 2005, and 2014. Voters' continued approval of the program illustrates its importance to our communities.

Since the program's first iteration, it has funded thousands of local improvement projects that have benefited all 88 counties in the state. These projects support the planning, construction, reconstruction, and expansion of vital public infrastructure. Through these projects, communities see improvements in public health, safety, and welfare. These projects also improve economic development as they create and preserve jobs and enhance employment opportunities.

SJR 4 proposes the fifth iteration of the program and will be included on the ballot in May 2025 for voter consideration. SJR 4 proposes increases to local governments by \$625 million for a total authorization of \$2.5 billion for the ten-year period including FY2027-2036. This is a responsible increase due to the rising costs of labor, construction, and materials for these invaluable projects. The Public Works Commission will issue no more than \$250 million in general obligation bonds in each fiscal year. Funds to retire the bonds for the SCIP will be built into state budget planning, so the program does not require an increase in taxes.

It is essential to ensure this proven, affordable program can continue to support infrastructure improvement projects for another ten years. Without a fifth iteration of the SCIP, local infrastructure will decline along with future community development. Through the passage of SJR 4, the state of Ohio commits to serving its local governments and building stronger communities.

Thank you for the opportunity to provide sponsor testimony on SJR 4. I will now defer to Senator Craig for his remarks.