



Ohio House Development Committee
Opponent Testimony, Substitute House Bill 147 (Lorenz)
Ohio Council of Port Authorities
February 24, 2026

Chair Hoops, Vice Chair Lorenz, Ranking Member Brownlee, and members of the House Development Committee:

I am writing on behalf of Development Finance Authority of Summit County (DFA) to express strong opposition to Substitute House Bill 147 “Exempt from sales and use tax certain port authority materials”.

Port authorities are extensions of local and state government, subject to open meetings and public records, and governed by publicly appointed volunteer boards. When port authorities authorize sales tax exemptions, there is direct accountability to the county collecting a portion of the sales tax because those counties typically control appointments to the port authority’s board of directors. The exemption process is public, transparent, and tethered to community input.

Local Port Authorities currently offer capital lease financing and sales tax exemption on building materials to projects that meet the goals, objectives, and values of the respective community.

This Bill establishes a process for any project with a construction contract price of \$25 million or more, which disproportionately benefits massive corporations and developers, while leaving small and mid-sized businesses, who are the backbone of Ohio’s economy, at a disadvantage.

While we understand the intent to encourage large-scale investments and coordination on infrastructure, the practical result of this change would give counties and local governments fewer tools for encouraging economic development and less control over what gets built locally. A developer would be able to pursue a statutory sales tax if they believe it was “unreasonably” denied by a Port Authority.

The Bill imposes an arbitrary deadline, permitting a developer to bypass the port authority and seek relief from the TCA before meaningful local review can occur. Evaluating incentive need, fiscal impact, and alignment with economic development goals requires careful analysis and negotiation. Complex development agreements cannot always be responsibly completed within such a compressed timeline.

The premise that Developers are having challenges working with Port Authorities is misguided. The Development Finance Authority of Summit County (DFA) has been active and supportive of impactful development with 39 projects utilizing the sales tax exemption provided by DFA. These projects generated \$1.62 billion in investment and over 9,500 created/retained jobs. Many other Ohio Ports have similar outcomes advancing economic development. The Port Authority legislation works and has worked for many years.

Additionally, local Port Authorities derive revenue from granting sales tax exemptions. This revenue is used to support continued economic development in our communities, which ultimately grows investment and jobs. This Bill compromises the benefit derived by Port Authorities which could dramatically affect the viability and effectiveness of the organizations, negatively impacting economic development in local communities.

Ohio needs policies that support all businesses fairly, strengthen local communities, and protect public revenue streams. HB147 does the opposite by prioritizing corporate interests over small businesses and communities.

We urge you to reject this Bill and instead leave in place the legislation that works, fosters economic growth, ensures accountability for developers, and protects local control.

Thank you for consideration of our concerns. We are happy to meet with you to further discuss the negative impacts of this legislation. Please feel free to contact me at the email/number below.

Sincerely,



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