



CITY OF LANCASTER, OHIO
OFFICE OF THE LAW DIRECTOR & CITY PROSECUTOR
STEPHANIE L. HALL

May 20, 2025

The Ohio Legislature
136th General Assembly
House Local Government Committee

Re: HOUSE BILL 92 OPPONENT TESTIMONY

Dear Chair King, Vice Chair Kishman, Ranking Member Sims, and Members of the House Local Government Committee,

Thank you for the opportunity to share written testimony with you. My name is Stephanie Hall, and I am the City of Lancaster Law Director & City Prosecutor. As Law Director for the City, I provide advice and counsel to Lancaster's utility departments and utilities collection office and therefore, I am writing to share why I am adamantly opposed to House Bill 92.

Lancaster's enterprise departments provide almost 42,000 residents with safe, effective, and economical public utilities, including water, sanitary sewer, stormwater, sanitation, and natural gas. House Bill 92 threatens the City's ability to continue to provide these services by limiting our ability to recover utility costs, forcing us to undertake a cumbersome and lengthy process to place a lien on a property, and shifting the financial risk from for-profit businesses – specifically, landlords – onto the City's ratepayers. According to the Legislative Service Commission's "Fiscal Note & Local Impact Statement" for House Bill 92:

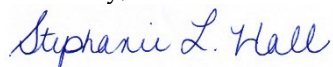
[T]he bill requires subdivision service providers to recoup unpaid fees by actions at law. It is unclear whether the expense of pursuing this remedy would exceed the amount to be collected in many cases. Because of that uncertainty, it is plausible to assume that unpaid rates for many accounts would simply never be collected. While some municipal service providers would lose revenue under these circumstances, given that recouping unpaid rates via property liens can take years or decades, it is difficult to determine how or if these changes would impact cash flow for municipal service providers overall. (Emphasis added).

This analysis is alarmingly noncommittal, but the detrimental impact of House Bill 92 on Lancaster's utility operations is certain. We will spend more ratepayer money on legal services to collect less utility revenue for the benefit of private businesses.

More importantly, House Bill 92, as written, is unconstitutional because it violates the home rule authority guaranteed to municipal corporations to regulate their utilities under Article XVIII, Sections 4 and 6 of the Ohio Constitution. Precedent setting case law makes it clear municipalities have self-executing authority to operate public utilities, and that authority can only be restricted by the state legislature in certain circumstances. Specifically, the state can exercise its police powers, but only when it does not constitute a substantial infringement on municipal authority. The factors that determine whether a substantial infringement exists include the scope of the interference, the public interest being served, the economic impact and the operational impact. House Bill 92 meaningfully limits municipal control over a traditionally local matter, serves private interests, and will financially burden and disrupt Lancaster's utility operations. Thus, while it is time-consuming and expensive for municipalities to seek relief from Ohio's judiciary, House Bill 92 would force us to challenge this overreach, because like you, the City has a fiduciary duty to its taxpayers and House Bill 92 is not in their best interest.

For the foregoing reasons, I respectfully request that this legislation be withdrawn or amended significantly. Thank you for your time and consideration of my concerns.

Sincerely,



Stephanie L. Hall,
Law Director & City Prosecutor, City of Lancaster