



OHIO CHAMBER OF COMMERCE

Liz Baumgartner, Director of Economic Development and Tax Policy

Ohio Chamber of Commerce

Opponent Testimony – House Bill 113

June 11, 2025

Chairwoman King, Vice Chair Kishman, Ranking Member Sims, and members of the Ohio House Local Government Committee, thank you for the opportunity to provide opponent testimony on House Bill 113 (HB 113). My name is Liz Baumgartner, and I am the Director of Economic Development and Tax Policy for the Ohio Chamber of Commerce.

For 132 years, the Ohio Chamber has served as the state's leading business advocate and represents over 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

Housing scarcity is a driver of Ohio's rising property values and high effective property tax rates which outpace those in many of our peer states, according to a [study](#) conducted by the Ohio Chamber Research Foundation and Ernst Young. Lack of housing and high property taxes not only negatively impact current residents of Ohio, but also act as a disincentive for businesses looking to locate in our state.

Community Reinvestment Areas (CRAs) are an effective tool to incentivize new residential development in targeted areas. Under current law, residential projects in CRAs receive a uniform exemption percentage, set in the resolution approving the CRA. Residential property owners can then obtain an exemption by applying to a local housing officer designated by the local authority. The ability of cities and counties to offer residential CRA abatements without school district approval has created a practical, predictable tool that developers, lenders, and municipalities can count on.

House Bill 113 would dismantle this balance by requiring school board approval for residential CRA abatements that propose to exempt more than 75% of the project's value. This would insert another layer of political and procedural uncertainty into an already complex development process and could result in slowed housing development, reduced investment, and increased housing costs.

The Chamber's opposition is limited to the provision regarding school district approval of residential CRA projects. We urge the committee to remove the provision and preserve Ohio's ability to respond to its housing crisis with urgency and flexibility.

Thank you for your time and consideration. I'm happy to answer any questions at this time.