

Perry Local Schools Interested Party Testimony
February 18, 2025

Chairman Chavez, Vice Chair Landis, Ranking Member Smith and members of the Senate Energy Committee, thank you for allowing me the opportunity to give testimony on Senate Bill 2.

My name is Lewis Galante, and I am a retired CFO for the Perry Local Schools serving in a capacity as a consultant to the Perry Local School District.

SB2 addresses Ohio's need for supporting demand for energy on the grid and provides for Ohio remaining competitive on the energy market by providing for new facilities within Ohio. We support this initiative for the state of Ohio.

It is crucial that the tax components from SB2 remain in the bill, as opposed to those from HB15, which exempts all energy generation from TPP tax.

Perry Local Schools, along with the Perry Joint Fire District, North Perry Village, Perry Township, Perry Library, and Lake County, have already experienced reductions in local revenues due to both deregulation and changes in taxes and reimbursements throughout the years. Nearly 25% of our revenue still comes from the Perry Nuclear Power Plant, and our reliance on these taxes – both real and personal property taxes – is essential for the school district and the entire community.

We commend the bill for focusing the tax exemption solely on new generation facilities. This distinction between the Senate and House Bills is important, as the Senate's plan would prevent significant negative impacts on the entities mentioned above.

Any reduction of funds for our school district would be devastating for our community.

You see, when a community brings in a manufacturing plant, a shopping mall, or other industry, it promotes economic stimulus throughout the area. Such development drives further growth of hotels, restaurants and retail. It brings banks, gas stations, and grocers. Such growth also comes with the increase in property evaluation that goes along with it as well as tax revenue and a broadening of the tax base so that is spread across the community.

When a nuclear power plant comes into a community the economic impact to the state is great but other economic development within the community freezes and or ceases to exist. Other potential businesses – grocers, hotels, banks, retail, manufacturing all look at the cooling towers and decide to go elsewhere. The community becomes primarily reliant on the proceeds of that nuclear plant. As such changes to the tax base that reduce the taxes collected on the nuclear power plant would have a long lasting negative impact on that school district, fire district, and county.

In conclusion, we support the legislature moving forward and create opportunities for the State of Ohio as outlined in SB2. We hope the legislature will proceed with SB 2 TPP language if they are looking to implement tax changes. Being competitive in the energy marketplace is important. Equally important is the negative losses to existing districts would incur if existing facilities are included in the energy bill.

Thank you for your time.