



Hearcel F. Craig

State Senator

15th District

Sponsor Testimony for Senate Bill 42 of the 136th General Assembly

Ohio Senate Local Government Committee

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Thank you, Chair O'Brien, Vice Chair Gavarone, Ranking Member Smith, and other members of the Senate Local Government Committee, for allowing me to testify about Senate Bill 42. I am honored to bring forth this important legislation with my joint sponsor, Senator Reynolds.

It is imperative that we recognize and address the housing crisis that is unfolding across the state. There is a shortage of over 300,000 housing units for low-income families and new developments are taking too long to meet demand. We have many constituents who are struggling to maintain their homes, and there are many families who are facing eviction.

This is a unique crisis that we need to address as quickly as possible. Homeownership stands as a cornerstone of the American dream, symbolizing security and community investment. However, escalating property taxes often present a significant burden, especially for families and individuals on fixed incomes or facing economic challenges.

Columbus alone has experienced substantial growth in the last couple of years. With what is predicted to come, we can guarantee that this trend of increasing property values is only going to continue across the state.

Senate Bill 42 addresses this issue head-on by providing a practical solution: the creation of Residential Stability Zones, where eligible homeowners can benefit from a partial property tax exemption. By granting local governments the authority to implement Residential Stability Zones, this bill not only assists homeowners in maintaining their residences but also fosters community resilience and cohesion.

This bill would allow local governments to establish Residential Stability Zones where property value increases will be exempt from taxation for low to

moderate income homeowners. Permissive authority would strengthen local control and craft programs that provide tangible relief to homeowners without cost sharing from the state. Therefore, there would be no revenue decrease under this program.

Stable neighborhoods contribute to increased property values, enhance quality of life, and attract new residents and businesses, thereby stimulating economic growth and development. This legislation recognizes the diverse needs and circumstances of homeowners across Ohio. By allowing local jurisdictions to tailor Residential Stability Zones to their unique demographics and housing markets, Senate Bill 42 promotes flexibility and innovation in addressing local challenges while respecting the autonomy of municipalities.

Mechanically, the creation and oversight of residential stability zones and the granting of exemptions to individual properties will function similarly to Community Reinvestment Areas. This is a positive since our local governments and county auditors are already familiar with this process. Local governments in central Ohio have been asking for improved tools to protect their residents. We know there are many proponents throughout the state who would welcome an opportunity to speak this bill in greater depth.

Chair O'Brien and members of the committee, thank you very much for the consideration of this bill and the chance for my colleague, Senator Reynolds and I to provide testimony. We would be happy to take any questions at this time.