

## **OHIO SENATE LOCAL GOVERNMENT COMMITTEE Opponent Testimony - Senate Bill 118**

**June 24, 2025**

Chairman O'Brien, Vice Chair Gavarone, Ranking Member Smith, and members of the Senate Local Government Committee:

My name is Mitch Rhodus, and I serve as the Mayor of the City of Fairfield, a proud community that relies on locally governed utility systems to provide reliable and affordable water, sewer, and waste disposal services to our residents. I appreciate the opportunity to submit written opponent testimony on Senate Bill 118.

While I understand the intention of this legislation is to protect property owners from being unfairly burdened by unpaid utility bills, I am deeply concerned that the bill would significantly impair the ability of municipalities like ours to operate and sustain public utility services. Senate Bill 118 would create new layers of administrative burden, undercut long-standing local billing procedures, and undermine the fiscal tools municipalities use to ensure accountability for unpaid service charges.

The foundation of municipal utility service is local control and fiscal responsibility. Revenues from water, sewer, and trash services are deposited into enterprise funds that are legally required to be used exclusively for the operation, maintenance, and capital needs of those services. When those charges go unpaid, they jeopardize the financial integrity of these systems and place the burden on other paying customers.

Senate Bill 118 imposes a complex new appeals process for "improper billing" and establishes significant restrictions on the placement of liens for unpaid charges. The bill also allows municipal courts or county courts to second-guess local determinations—even when those determinations are consistent with municipal ordinances and service agreements. These provisions, particularly those that require a lien to be predicated on occupancy and direct contract with the owner, represent a direct infringement on the home rule authority granted to municipalities under the Ohio Constitution.

In many communities like ours, it is not uncommon for tenants to skip out on their final utility bills. Local governments, unlike private landlords, cannot selectively deny service or pursue expensive collection litigation as a first resort. The ability to place a lien has been a vital, last-resort tool that ensures fairness, cost recovery, and continued provision of services for everyone. Senate Bill 118 would severely restrict the use of this tool.

Additionally, the bill's prescriptive notice, verification, and appeals requirements will lead to delays in the collection process, increased administrative costs, and potentially legal challenges. Municipalities may be forced to absorb more bad debt, defer infrastructure improvements, or increase rates for all users just to make ends meet. That's a lose-lose for our taxpayers and utility ratepayers.

Finally, I want to emphasize that Senate Bill 118 could unintentionally invalidate longstanding service agreements between municipalities and landlords or property owners.

In conclusion, I respectfully urge you to reject Senate Bill 118 in its current form. Rather than imposing rigid, top-down mandates, we encourage the General Assembly to work collaboratively with local governments to improve transparency, efficiency, and fairness in utility billing—without stripping away the tools municipalities need to function.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mitch Rhodus", with a stylized flourish at the end.

Mitch Rhodus  
Mayor  
City of Fairfield, Ohio