

Greater Cincinnati Water Works
Tony Searls, Commercial Services Superintendent
SB 118 Opponent Testimony
Ohio Senate Local Government Committee
June 24, 2025

Chairwoman O'Brien, Vice Chair Gavarone, Ranking Member Smith, and Members of the Senate Local Government Committee, thank you for the opportunity to present opponent testimony on behalf of Greater Cincinnati Water Works. My name is Tony Searls, and I serve as the commercial services superintendent for our utility.

Greater Cincinnati Water Works supplies water to 240,000 accounts in Southwestern Ohio and Northern Kentucky, representing more than 1.1 million customers. I am here today protecting the interests of those customers by opposing SB 118, which is an unfunded mandate that would increase costs for all customers to provide a benefit for a small segment, landlords of residential property.

GCWW is a large municipal utility with a diverse customer base. Unlike for-profit, investor-owned utilities, municipal utilities do not earn a profit. Our costs are borne by the rate-paying public, and the rates are established based on the actual cost of service. Because of this, we are highly motivated to collect all charges that are due to us as this is how we fund our operations.

If SB 118 is enacted, it would shift responsibility and costs related to the business of renting property away from for-profit landlords to Ohio's utilities and ultimately to our ratepayers. It would increase the costs and decrease the efficiency of our billing and collection procedures, thereby reducing revenue and creating the need for rate increases to cover the costs of providing clean water to our community.

We sympathize with the frustration of property owners who are left liable for payment when a tenant doesn't pay a utility bill. This is why GCWW has robust notification procedures to make landlords and tenants aware of the amounts due and payment status, as well as a detailed process for handling disputes that ensures fairness to landlords and other account holders.

It is important to emphasize that GCWW provides notifications about bills to both landlords and tenants. Although the bills automatically go to the property owner, we provide duplicate bills to tenants at the owner's request. The cost to provide duplicate bills is already borne by all ratepayers.

Additionally, if an account becomes delinquent, GCWW provides notice to the landlord and tenant at least five times using automated calls and emails; offers payment plan options and referrals to utility assistance programs for the customer; and then may shut

off water as a last resort if no payment has been made. As a result, GCWW rarely needs to resort to assessing delinquent costs as a lien on customer properties — in fact this has happened less than ten times in the last decade.

SB 118 would make any person who contracts to receive municipal services – including tenants -- financially responsible for paying all costs. However, property owners are currently better positioned under the law to be held responsible for the cost of unpaid utilities because their properties directly benefit from water service. During their normal course of business, property owners already perform vetting of potential tenants, often including the use of Social Security numbers to check credit ratings.

Our agreement to provide service is with the owner. We do not know whether a property is being rented and who the tenant is unless the owner lets us know. Remember – the owner is in control of the account. Although we will accept payments from others on the account, we will not issue refunds at a tenant's request. Also, we do not allow tenants to begin a payment plan without the owner's consent.

Like many other water utilities in Ohio, GCWW does not currently have the ability to track tenants once they have left a specific rental property. Requiring utilities to track tenants would entail significant additional expenses for computer software, staffing, and ensuring sensitive personal identifiers like Social Security numbers are adequately protected.

These additional expenses would occur during a time when utilities are already struggling with rising costs for energy and chemicals for water treatment, compliance with water quality regulations, and replacement costs for aging infrastructure. SB 118 adds to our financial burden.

SB 118 also attempts to create dispute resolution processes without understanding the many opportunities customers already have to question their bills. GCWW has an existing, three-part appeals procedure for billing disputes that ensures fairness to customers. Customers may request GCWW provide a written review of a contested bill and any decision may appeal to the City Office of Administrative Hearings where the customer may provide arguments and evidence to a hearing officer as to why they believe there is a billing error. If the customer disagrees with the hearing officer's decision, it is then appealable to the Court of Common Pleas.

The bill also would limit collection of any amounts billed over the "termination amount" and prohibits certified of these amounts as an assessment to the auditor. This would limit our ability to work with customers on outstanding charges and instead encourage immediate shutoff to avoid incurring additional charges that are potentially not able to be collected in a civil action. We are proud of our success in working with customers to help them pay their bills through payment plans (with landlord consent) and assistance programs through non-profits or federal government, which helps us to maintain our

revenue and keep rates low. SB 118 would potentially leave more people without water service, reduce our revenue collection, and require us to increase the cost of utility service for the remaining ratepayers.

Greater Cincinnati Water Works respectfully requests that this committee does NOT advance SB 118 for all the reasons mentioned above and others discussed by other water utilities today. SB 118 is harmful to Ohio's public water and wastewater utilities, and millions of ordinary Ohioans who would be forced to bear the financial burden.

Thank you. I would be happy to answer any questions you may have.