

**Ohio Senate**

Senate Building
1 Capitol Square
Columbus, Ohio 43215
(614) 466-7182
O'Brien@ohiosenate.gov

Committees:

Local Government (Chair)
Addiction and Community Revitalization
Finance
Government Oversight and Reform
Ways and Means

Sandra O'Brien

State Senator
32nd District

Sponsor Testimony – Senate Bill 43
Senate Ways and Means Committee
Senators Sandra O'Brien and George Lang
February 11th, 2025

Chair Blessing, Vice Chair Roegner, Ranking Member DeMora, and members of the Senate Ways and Means Committee, thank you for the opportunity to deliver sponsor testimony today on Senate Bill 43.

In 2002, the then Ashtabula County commissioners voted to construct a lodge at Geneva-on-the-Lake. To help pay for this lodge, the General Assembly approved a temporary increase of 2 percent to the county's bed tax. The Convention Facilities Authority (CFA) was created to administer this 2 percent bed tax for the lodge construction. The estimated cost of the lodge was \$14 million. Despite this tax increase, the Lodge required additional county funds. Between 2002 and 2020, Ashtabula County spent approximately \$30 million on the lodge mortgage.

Unfortunately, in 2020, the county still owed \$14 million. Upon my election to the Ohio Senate in 2020, the current Ashtabula County commissioners requested that I seek state funds to eliminate this \$14 million debt. I was successful in this endeavor. The taxpayers paid \$44 million for a \$14 million lodge. I want to thank members of the General Assembly who voted to allow state dollars (\$14 million) to pay off the lodge construction. Thanks also to Governor DeWine for allowing this expenditure.

The original agreement put in the budget was to pay off the \$14 million debt and to turn the lodge over to the state. Although the county accepted the \$14 million, the Commissioners reneged on turning the lodge over to the state, which I consider an insult to both the legislature and the Governor. The commissioners refused to turn the lodge over to the state because they wanted to keep the 2 percent bed tax. They did not want to give up the money, and therefore the tax remains.

The Lodge is now paid off, and yet the CFA is collecting \$700,000 a year. It is a tax without a purpose, and it has become a slush fund. The CFA and the county commissioners now want to build another lodge. They are currently paying lawyers and consultants thousands of tax dollars

to fund another project, which would only put the county back in the position they were when I was sworn into office.

The \$44 million financial disaster that was inflicted on Ashtabula County taxpayers over the last 20 years should not be repeated. This tax was permitted to build a Geneva-on-the-Lake Lodge. The lodge is built and paid for, and this tax should end.

As we all know our taxes have reached unacceptable levels. This bill will eliminate this 2-percent bed tax whose purpose no longer exists. Ronald Reagan said it best, "There is nothing so permanent as a temporary tax."

Lang:

This is a tax in Ashtabula County, but it affects all Ohioans who wish to visit and spend time in Ashtabula County. Whether it is at a lodge, a bed and breakfast, or motel, if you're an Ohioan visiting Ashtabula County, you are being charged an extra tax. I voted to pay this mortgage off with the idea that this tax burden would be lifted off all Ohioans who visit Ashtabula County. This is a tax without a purpose, and it has run its course. Its time for it to end.

Thank you again, Chair Blessing, for allowing us to give sponsor testimony on Senate Bill 43, and we welcome any questions from the Committee.