



Senator Jane Timken

Sponsor Testimony: Senate Bill 307

Chairman Blessing, Vice-Chair Roegner, Ranking-Member DeMora, and members of the Senate Ways and Means Committee, thank you for the opportunity to provide sponsor testimony on Senate Bill 307.

This bill makes a simple technical change to the revised code to clarify that local governments may utilize revenue from Tax Increment Financing agreements for the construction of police and fire stations.

TIFs were enacted in Ohio in 1976 as a tool for local governments to utilize Payments in Lieu of Taxes to fund various public infrastructure improvements. Over the years, the General Assembly has updated policies on TIFs to allow municipalities and townships more flexibility to leverage TIF revenues to spur development of blighted areas through Incentive Districts and attract businesses to their jurisdictions.

The City of Canton, which is in my district, reached out to me to share a concern they had with the law as it is currently written. Recently, Canton attracted Amazon to build a state-of-the-art distribution center in a previously underdeveloped area in the city. To support the development project the city wants to build a new fire station and leverage TIF revenue from the project to build it. However, while the revised code specifically prohibits TIF revenue to be used for police and firefighting equipment, the law is unclear about whether building police and fire facilities with TIF revenue is permissible.

To that end, clarifying the law will allow local municipalities and townships more flexibility when creating TIF agreements. Furthermore, developing previously undeveloped portions of the city often requires building necessary public safety infrastructure such as police and fire stations. Updating the law governing TIF's will help cities and townships leverage revenues they are already collecting and give wider flexibility to support development projects throughout the state.

Chairman Blessing, Vice-Chair Roegner, Ranking-Member DeMora, and members of the Ways and Means Committee, thank you for the opportunity to provide testimony on Senate Bill 307. I am happy to answer and questions the committee may have.