



SB 193
ORWA Opponent Testimony
May 17, 2022

Chairman McColley, Vice Chair Schuring, Ranking Member Williams, and members of the Senate Energy and Public Utilities Committee, my name is Joseph Pheil and I am the Executive Director of the Ohio Rural Water Association (ORWA). Thank you for allowing me to submit testimony today in opposition of SB 193.

Since 1976 ORWA has been an advocate and provider of on-site technical assistance for rural communities with water and wastewater systems throughout Ohio. Today, we continue to expand our membership and the base of benefits we provide to our members. Our system members provide water and/or wastewater services to approximately 2.01 million Ohioans.

While I cannot speak to the specific cases the bill's sponsor Senator Sandra Williams raised in her sponsor testimony, I can address to how prohibiting local governments from certifying delinquent charges for water and sewer services would have devastating consequences on our members, especially those members with limited resources, and would likely result in higher water and sewer charges for all users in Ohio.

Public water and wastewater systems essentially have three options available to collect unpaid bills:

- 1) Certifying delinquent charges with the county auditor for placement on the property tax list and duplicate
- 2) Shutting off services
- 3) Litigation

If the state were to prohibit systems from certifying delinquent charges, systems would be forced to either shut off services for unpaid bills or required to pursue legal action. Both options have drawbacks. First, water and wastewater services are vital to the health and wellbeing of Ohioans. If systems are forced to resort to shutting off these services, it could pose safety risks to our most vulnerable populations and punish tenants who many may not even have the water and sewer bill in their name. Second, taking legal action to receive payment can be a time-consuming and extremely costly process for all parties involved. Often, this action ends up costing a system more money than it receives in back payment. Furthermore, the

number of delinquent accounts can be in the thousands for some systems, filing a lawsuit for each of these delinquencies would flood the court system and simply be impractical.

It is also important to keep in mind, that water and wastewater systems are extremely expensive to run and operate. As payments are delayed or circumvented it will ultimately increase the cost of services for all others connected to the system. In many of the communities our members serve, this added cost could be devastating for low-income customers.

Instead of removing collection options available to water and wastewater systems, we would encourage the state to examine the possibility of improving its financial assistance programs for low-income residents. Additionally, it would be possible to work with local systems to ensure proper notice is being sent prior to delinquent charges being certified with the county auditor.

Thank you for considering my comments in opposition to SB 193. Please do not hesitate to contact me with questions.

Sincerely,

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