

Senate Ways and Means Committee Proponent Testimony on Senate Bill 65 Written Testimony Only Sarah Spence, Director of Government Affairs March 23, 2017

Chairman Eklund, Vice Chair Terhar, Ranking Member Williams, and members of the Senate Ways and Means Committee, thank you for the opportunity to provide written testimony supporting Senate Bill 65.

The Ohio Environmental Council Action Fund believes that the cleanest energy is the energy you never use. For this reason, energy efficiency is perhaps the most overlooked resource, but it is happening just about everywhere – where we live, work, shop, and play. Energy efficient products all us to get the same amount of services we expect when we use energy but use less of it to deliver those same services.

SB 65 would create a sales tax holiday in Ohio for qualifying Energy Star products on the first Friday through Sunday in April. Energy Star is a voluntary program to identify and promote energy-efficient products that help reduce energy consumption, improve energy security, and reduce pollution.

As seen from the clothing and school supplies tax holidays from 2015 and 2016, many retailers reported sales increases across all departments, not just on tax-exempt items. The University of Cincinnati released a study of the 2015 holiday that determined the day generated \$4.7 million in additional revenue. Creating a similar tax holiday for Energy Star products will encourage more commercial activity in new areas of home appliances, furnaces, air conditioners and other household products, which will be good for Ohio businesses and retailers.

Ohio's consumers will enjoy not only a lower final purchase price, but also enjoy long-term savings from decreased utility bills by using their new, more energy-efficient products. And our communities and our citizens will all enjoy the benefits of reduced pollution from reduced energy consumption.

Alabama, Florida, Georgia, Louisiana, Maryland, Missouri, North Carolina, Texas, and Virginia

have already created similar sales-tax holidays for Energy Star products. Ohio can position itself to be a leader in the Midwest for energy efficient products by sending a clear signal to businesses that we welcome the investments in innovation and research that go into making more energy efficient consumer products.

For these reasons, the Ohio Environmental Council Action Fund encourages you to support SB 65.