





Testimony before the House State & Local Government Committee

Nate Coffman, Executive Director Ohio CDC Association June 15, 2021

Substitute House Bill 237- Interested Party testimony

Thank you for the opportunity express opposition to a change in the substitute version of House Bill 237 that would remove the Ohio Housing Trust Fund from the proposed fee increase in the bill. This proposed change would upset historic precedent that equally divides recording fee revenue between county governments and the Housing Trust Fund.

After voters approved the constitutional amendment on Ohio Housing Assistance in 1990, the General Assembly passed implementing legislation to create the Ohio Housing Trust Fund with broad bipartisan support. During the early years, the legislature appropriated GRF while working to identify a permanent source of funding for the new Housing Trust Fund. Three separate study committees convened by Governor Voinovich, Governor Taft, and the legislature itself all came to the same conclusion: create a Housing Trust Fund Fee that mirrors the county recorder fee. In other words, fee revenue collected by recorders should be divided 50-50 between counties and the Housing Trust Fund. That proposal garnered consensus and was finally adopted through the 2003 budget bill.

The Housing Trust Fund is still the state's primary source of funding for homelessness and affordable housing services. State statute targets Trust Fund resources toward Ohio's neediest populations: at least 75% of grants and loans must go to households at or below 50% of area median income with a preference for those below 35% of the area median income. State law also requires at least half of OHTF funding be awarded to rural areas.

The Housing Trust Fund supports local agencies' efforts to prevent and end homelessness for families with children and individuals struggling to overcome mental illness and addiction; it helps agencies do the home repairs and modifications necessary to keep low-income seniors and people with disabilities out of nursing homes and institutions; it provides the gap funding needed to develop housing that single parents working low-wage jobs can actually afford. Additionally, this private/public partnership leverages an additional \$4 in funds for every \$1 spent from OHTF.

Ohio had a shortage of affordable housing and increasing children's homelessness long before anyone ever heard of covid. The past year has only made these problems worse. There are many pressing housing needs in our state that increased fee revenues could help address.

Passing this bill jeopardizes the historic balance between county recording fees and the Ohio Housing Trust Fund fee. We urge the committee to restore language in House Bill 237 that balances fee revenue equally between county recorders and the Housing Trust Fund.

Thank you for the opportunity to present testimony. I'm happy to answer any questions you may have.