



Ohio Housing Council

Interested Party Testimony on Amended Substitute HB 96

Ohio Senate Finance Committee

April 27, 2025

Chairman Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and Members of the Committee, thank you for the opportunity to testify on behalf of the Ohio Housing Council. I'm Ryan Gleason, Executive Director of OHC—a statewide nonprofit representing more than sixty organizations and several hundred individuals dedicated to expanding and preserving affordable housing across Ohio.

For over thirty years, the Ohio Housing Trust Fund has been a reliable tool for developing new affordable housing, rehabilitating aging homes, and funding emergency repairs that keep seniors, veterans, and working families safely housed. Two years ago, the General Assembly strengthened Ohio's toolbox when you created Ohio's affordable housing tax credit, joining more than half the states in the nation with a similar incentive. That credit is now driving construction of hundreds of units—but only because the Trust Fund remains in place to make rural projects financially viable.

The House-passed budget would end the statutory requirement that county recorder fees flow into the Trust Fund. Instead, counties would retain and spend those fees on housing priorities of their own choosing. While I am a proponent of local control as a general rule, in this case diverting revenue back to individual counties would have unintended and harmful consequences. Very few counties—and none that are rural in nature—generate sufficient fee revenue on their own to support affordable housing development. Pooling recorder fees at the state level creates the critical mass needed to fill funding gaps and maintain a steady pipeline of new homes. Eliminating that mechanism would make it significantly more difficult for many areas of Ohio to finance and build the housing they so desperately need.

The unfortunate reality is that rural Ohio would bear the brunt of this change. Unlike urban counties with broader tax bases, rural communities rely on this pooled state resource to make tax-credit projects pencil out. In SFY 2025, the Ohio Housing Finance Agency directed its entire Trust Fund allocation to rural developments that received affordable housing tax credits: of the five rural proposals awarded credits, four moved forward thanks to gap-financing from the Trust Fund, while the fifth—lacking these critical Trust Fund dollars—was forced to withdraw its application. That withdrawal illustrates the hard truth: without the Trust Fund, many rural developments simply cannot proceed.

We understand that some members of the General Assembly have well-founded questions about administration, performance, and accountability. I understand that Senators Reynolds, Chavez, and others have offered SC 1326 to strike the House language and establish a focused study committee. That committee would review how the Trust Fund is meeting legislative and executive priorities, assess return on investment, examine administrative practices, and recommend data-driven improvements. While study committees can sometimes delay action, this narrowly tailored review offers the best path to address concerns without upending a system that is already delivering results.

We stand ready to work with the Committee to identify any real or perceived problems, explore their root causes, and craft solutions that preserve the stability rural, suburban, and urban Ohioans alike rely upon. In doing so, we can protect both the Trust Fund's dedicated revenue stream and the affordable housing tax credit's impact—ensuring that no community is left behind.

Thank you for your leadership and for considering SC 1326 as a constructive way to strengthen Ohio's housing future. I welcome your questions.