



**Tara Marasco
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Ohio Department of Development
Ohio Sunset Review Committee
May 14, 2024**

Chairman Wilkin, Vice Chair Hillyer, and members of the Sunset Review Committee, on behalf of the Ohio Department of Development (Development), thank you for the opportunity to testify today. My name is Tara Marasco, and I am the legislative affairs manager for Development. There are five entities under the jurisdiction of Development which are currently due for the sunset review process:

- Ohio Tax Credit Authority
- Housing Trust Fund Advisory Committee
- Minority Development Financing Advisory Board
- TourismOhio Advisory Board
- Coal Technical Advisory Committee

Development respectfully requests the reauthorization of all five of these entities.

OHIO TAX CREDIT AUTHORITY

The Ohio Tax Credit Authority is a five-member independent board made up of taxation and economic development professionals from across the state. The Authority is charged with reviewing and approving applications for tax credit assistance. In addition, the Authority has oversight responsibilities that include annual monitoring and reporting the progress of approved tax credit projects. The Authority typically meets monthly and is staffed by employees of Development.

Since 2019, the Tax Credit Authority has approved 401 Job Creation Tax Credit awards, 40 Transformational Mixed-Use Development Tax Credit awards, and 8 Data Center Tax Exemption awards. All three of these programs are statutorily required to be presented and approved by the Tax Credit Authority. For these reasons, we respectfully request that the Tax Credit Authority be reauthorized to continue its work.

HOUSING TRUST FUND ADVISORY COMMITTEE



The Housing Trust Fund Advisory Committee's purpose is to assist Development and the Ohio Housing Finance Agency (OHFA) with identifying Ohio's current housing needs and priorities. The Advisory Committee makes recommendations every year to the Director of Development on the design of programs and the allocation of funds through the Housing Trust Fund to most effectively benefit low- and moderate- income Ohioans.

The Housing Trust Fund provides funding to nonprofit organizations, public housing authorities, private developers and lenders, local governments, and consortia of eligible applicants that are interested in increasing affordable housing opportunities, expanding housing services, and improving housing conditions for low- and moderate- income Ohioans.

The Housing Trust Fund Advisory Committee is comprised of seven members appointed by the Governor with the advice and consent of the Senate. These members possess knowledge and experience with respect to the housing needs of low- and moderate-income individuals. No compensation is provided to members for their work on the Advisory Committee.

As the topic of housing has been at the forefront of many policy conversations, the Housing Trust Fund Advisory Committee serves as a key partner to Development and OHFA. Therefore, we respectfully request that the Housing Trust Fund Advisory Committee be reauthorized in this review process.

MINORITY DEVELOPMENT FINANCING ADVISORY BOARD

The Minority Development Financing Advisory Board reviews and makes recommendations to the Director of Development on loans and surety bond requests from minority-owned businesses in Ohio. These loan and bond programs include the Minority Direct Loan, Women's Business Enterprise Loan, and Minority Bonding programs.

The Board consists of ten members, seven appointed by the Governor, one member appointed by the President of the Senate, and one member appointed by the Speaker of the House of Representatives. The Director of Development or their designee is a voting member. Members are selected because of their knowledge of business, commercial financing, and their understanding of the issues affecting minority business enterprises. Members are compensated at \$9.15 per hour plus mileage and parking fees.

Since January of 2022, the Board has approved over 50 loan and bonding transactions totaling over \$15 million. Thanks to the work of this Board, business owners across the state



have received assistance they may not have had access to otherwise. These loans and bonds have been lifechanging for numerous Ohioans and as such, we respectfully request the reauthorization of the Minority Development Financing Advisory Board.

TOURISMOHIO ADVISORY BOARD

Development's TourismOhio office is required by statute to promote Ohio: as a destination for living, learning, working, and traveling. This office promotes Ohio with the help of the TourismOhio Advisory Board, made up of nine seasoned professionals with a keen understanding of consumer behavior and market trends representing the marketing and tourism industries. The board plays a pivotal role in guiding the Director of Development and TourismOhio on strategies to showcase Ohio's diverse destinations and experiences and develop innovative approaches that amplify Ohio's marketing potential.

Research conducted by Longwoods International and Tourism Economics for TourismOhio indicates that the strategy is working, generating both trips and spending that would not have occurred without the intervention of the state's tourism advertising.

Overall, the economic impact of the travel industry in Ohio is significant. In 2022, there were more than 233 million visits to Ohio, 47 million of those being visits that included a stay overnight. These visits resulted in \$53 billion in visitor spending and supported 424,000 jobs across the state, making it the 4th largest sector behind health and social assistance, manufacturing, and retail trade.

Ohio's tourism industry also has a significant impact on tax revenue for the state and its residents. Out-of-state visitors who were influenced to visit Ohio because of the 2022 advertising campaign generated \$24.7 million in incremental state and local taxes that would not have occurred had those visitors not chosen to vacation in Ohio. In-state residents who were influenced to travel based on our advertising campaign generated \$2.5 million in incremental taxes.

The collaboration between the TourismOhio Advisory Board and TourismOhio is characterized by a commitment to continuous improvement and adaptability in a dynamic market landscape. By leveraging the collective wisdom and industry expertise of its members, the TourismOhio Advisory Board empowers TourismOhio to navigate challenges, capitalize on opportunities, and ultimately position Ohio as a premier destination for visitors seeking unforgettable experiences. As such, we respectfully request the reauthorization of the



TourismOhio Advisory Board.

COAL TECHNICAL ADVISORY COMMITTEE

The purpose of the Coal Technical Advisory Committee is to review the recommendations by the Office of Energy and Environment within Development concerning the Ohio Coal Development Agenda and funding proposals under the Ohio Coal Research and Development Program.

Article VIII of the Ohio Constitution authorizes the state to issue bonds for coal research and development. The Ohio Coal Research and Development Program provides funding for research at educational institutions and for pilot and demonstration projects at non-profit and for-profit businesses and scientific institutions. These programs seek proposals that maximize the use of Ohio coal in a cost-effective, innovative, and environmentally friendly manner. The source of funding for the Ohio Coal Research and Development Program is general obligation bonds through the capital budget, backed by the General Revenue Fund. Operating expenses are funded through the General Revenue Fund.

Members of the Coal Technical Advisory Committee are eligible to receive a paid per diem in addition to reimbursement for actual and necessary expenses incurred in the performance of their duties. Since the Technical Advisory Committee moved to Development in 2011, Committee members have never requested per diem or reimbursement.

The Committee typically meets every six months and most recently convened on April 17, 2024. There are currently 8 active members on the Committee. Members include representatives of the Public Utilities Commission, coal production companies, United Mine Workers of America, electric utilities, and individuals with a background in coal research and development technology. Additionally, the Ohio EPA Director may designate the Chief of Air Pollution Control to represent the agency.

Due to the requirements of the Ohio Constitution regarding coal research and development, we respectfully recommend the reauthorization of the Coal Technical Advisory Committee.

Thank you for your time and consideration, and I am available to answer any questions you may have.