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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 264  
133<sup>rd</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 264's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsors:** Reps. Wilkin and O'Brien

**Local Impact Statement Procedure Required:** No

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### Highlights

- The bill has no direct fiscal effect on the state, but could result in a savings for local government borrowers who refinance loans for public water and wastewater infrastructure projects.

### Detailed Analysis

Current law allows the Ohio Water Development Authority (OWDA)<sup>1</sup> to make loans and grants to persons and governmental agencies, but only for the acquisition or construction of water or wastewater facilities not for the refinancing of loans and grants. Consequently, OWDA's authority to issue revenue bonds is viewed as limited to the financing of loans and grants, not their refinancing. The bill provides greater flexibility for OWDA to issue revenue bonds for an additional purpose, which is paying any refinancing costs of improvements to environmental infrastructure. The bill also allows OWDA to use such bond proceeds to make loans for refinancing of such infrastructures. The refinancing of certain loans that were previously financed at a higher interest rate than what otherwise may be made available will be a cost savings for affected borrowers. The magnitude of any potential local savings will depend upon the terms of the loan participation agreements established.

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<sup>1</sup> OWDA is a bond-issuing authority created by the state of Ohio to provide financial assistance for environmental projects from the sale of municipal revenue bonds through loans to local governments in Ohio and from issuance of industrial revenue bonds for qualified projects.