



LOCAL GOVERNMENT FUNDS PROVIDING EVERYDAY SERVICES FOR ALL OHIOANS!

March 22, 2005

County Commissioners Association of Ohio

Bob Corbett, President
Champaign County Commissioner

Larry Long, Executive Director

Ohio Library Council

Pam Hickson-Stevenson, President
Director, Portage County Public
Library

Doug Evans, Executive Director
Lynda Murray, Director, Government
Relations

Ohio Municipal League

Lois M. Singleton, President
Clerk of Council, Trotwood

Susan J. Cave, Executive Director

Ohio Parks & Recreation Association

Molly McClure, President
Director, Anderson Park District

Michelle Park, Executive Director

Ohio Township Association

Joseph I. Sykes, President
Miami Township/Hamilton County

Michael H. Cochran, Executive
Director

MEMO

TO: HOUSE FINANCE & APPROPRIATIONS

**FROM: COUNTY COMMISSIONERS ASSOCIATION OF OHIO
OHIO LIBRARY COUNCIL
OHIO MUNICIPAL LEAGUE
OHIO PARKS & RECREATION ASSOCIATION
OHIO TOWNSHIP ASSOCIATION**

**RE: LOCAL GOVERNMENT & LIBRARY FINANCING AND
SUPPORT COMMITTEE – PROPOSED AMENDMENT**

Local governments in Ohio have had a long partnership with the state. Since the 1930's, a portion of tax revenue collected by the state has been returned back to local communities to provide local services. In recent state budgets, funding to local governments has been frozen and cut, while the state's general revenue expenditures have increased.

While some say that the hallmark of this state budget is to get Ohio back on track economically by focusing on how we as a state can create new jobs, retain existing jobs, and attract new businesses through constrained spending and tax reform, every job created and every new business established locates in a county and a municipality or township.

These businesses also look to local governments to provide needed services such as infrastructure, law enforcement & criminal justice administration, fire protection, emergency medical services, parks, libraries, and other services when they make decisions about locating and staying or leaving. We believe that the cuts to the LGF's are counter productive to some of the broad economic development goals that are the foundation of much of this budget.

Local government officials and supporters of libraries and parks urge the restoration of the local government funds and the formation of a study committee that would include representatives from the House, Senate, and the five organizations that represent the local government funds. The study

committee would be charged with making recommendations on providing a stable, permanent and predictable funding formula for local government funds that provides for reasonable growth over time.

We have attached a proposed amendment to H.B. 66 that would establish a legislative/local government committee to develop a proposal for a new source of revenue for the local government funds. The structure that we propose is modeled on a similar committee established in 1983 to develop a new source of public library funding after the Ohio General Assembly decided to eliminate the libraries' source of revenue, the intangible personal property tax. We ask for your support of this amendment.

We appreciate your consideration of the attached amendment as well as your assistance in restoring funding to the Local Government Funds.

enclosure

C: Members of the Ohio House

There is hereby created a Local Government and Library Financing and Support Committee consisting of twenty-one members including four members of the House of Representatives who are members of the House Finance and Appropriations Committee and four members of the Senate who are members of the Senate Finance and Financial Institutions Committee. Two members from the House of Representatives and two members from the Senate shall be members of the majority party appointed by the Speaker of the House of Representatives and President of the Senate, respectively, and two members from the House of Representatives and two members from the Senate shall be members of the minority party appointed by the Minority Leader of the House of Representatives and Minority Leader of the Senate, respectively. The other thirteen members shall be appointed by the Governor and shall consist of three representatives of public libraries, three representative of county governments, three representative of municipal governments, three representatives of township governments, and one representative of park districts. The library representatives shall be selected from a list of at least ten persons submitted to the Governor by the Ohio Library Council. The county representatives shall be selected from a list of at least ten persons submitted to the Governor by the County Commissioners Association of Ohio. The municipal representatives shall be selected from a list of at least ten persons submitted to the Governor by the Ohio Municipal League. The township representatives shall be selected from a list of at least ten persons submitted to the Governor by the Ohio Township Association. The park district representative shall be selected from a list of at least five persons submitted to the Governor by the Ohio Parks and Recreation Association. The Governor shall designate

one of the members of the committee to serve as Chairman. All appointments shall be made within 30 days of the effective date of this section. Vacancies on the committee shall be filled in the same manner as the original appointments. The Committee shall study potential sources of state funding for the Local Government Fund, Library and Local Government Support Fund and Local Government Revenue Assistance Fund which have the capacity to allow for growth in funding levels and to provide stability in funding levels. The Committee may request staff assistance from the Tax Commissioner and the Legislative Service Commission. Not later than June 1, 2006, the Committee shall submit a report to the Governor and to the General Assembly setting forth the Committee's recommendations pertaining to the sources of funding for the local government and library funds, together with suggested legislation to implement the Committee's recommendations. Additional recommendations may be submitted by the Committee subsequent to June 1, 2006. The Committee shall cease to exist on December 31, 2006.