



**SHELBY COUNTY
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Opponent Testimony – HB 337

Shelby County Commissioner Julie Ehemann

February 20, 2018

Good morning, Chairman Schaffer, Vice Chair Scherer, Ranking Member Rogers, and honorable members of the House Ways and Means Committee.

Thank you for the opportunity to speak to you today.

My name is Julie Ehemann. I am one of the Commissioners currently serving Shelby County. I have served in an elected position in local government for over 20 years, and am currently the first Vice-President to the Board for the County Commissioner's Association of Ohio.

Today, I would like to speak to you regarding HB 337 and provide details on why both CCAO and I am against this proposal. As you know HB 337 would "exempt from sales and use tax college textbooks purchased by a student enrolled at a post-secondary institution."

Over the years that I have been an elected official I have continued to see an erosion of funding for County and other local government. From the first piece of legislation that eliminated Tangible Personal Property tax to cutting of Local Government Funds, the Ohio State Legislature has made county government more and more reliant on sales tax. While we have been made more reliant on this form of revenue, we are limited in the amounts we can enact (either thru resolution or a vote of our constituents) and over half of the counties are currently collecting the maximum allowed by State statute.

In 2017, counties again experienced a major revenue decrease with the loss of MCO Sales tax. In comparing the sales tax revenue for Shelby County since losing this source of revenue, we have experienced a loss of 16% comparing 2017 to 2016 (\$269,073 over a 3 month time-frame). During the same year, the legislature gave a sales tax holiday for back-to-school and cut sales tax on eyeglasses. Just days ago, the Senate voted to make the back to school sales tax holiday permanent.

Now we are viewing the possibility of exemptions on sales tax to textbooks that is projected to reduce revenues to both Local Government Funds by \$0.8 million annually and Sales Tax Revenues to counties of \$5.4 million annually. While this does not appear to be a large amount of money, it continues the pattern of cutting necessary revenues to counties. This continued erosion of county funding without providing any additional general support must stop.

Your counties provide essential services as mandated by you, the State, including administering the courts system, Indigent Defense, Child Protective services, jails, and Coroners all of which have had additional financial strains due to the opiates crisis.

While I am sensitive to the needs of college students, I can tell you that as someone who waited on tables working my way through Pharmacy School, paying sales tax on my textbooks was not something that ever crossed my mind.

College students and Counties both deserve consideration to our financial well-being but, while well-intentioned, a sales tax exemption does little more than look like a gimmick. Your counties continue to ask the legislature to provide stable sources of revenue so that we can provide long-term programs to our communities that can address our individual needs. I would like for you to consider for just a moment what our state would look like if counties did not provide services from our sheriff's offices, 911 dispatch, child protective services, or clean drinking water. These are the very services that are threatened with the continued slashing of funds.

I and my fellow Commissioners appreciate all of the members of the Ohio General Assembly and your efforts to make and keep Ohio a great place to live. We do however, believe this legislation would cause further decreases in vital revenue to our counties potentially threatening vital services to our communities.

Thank you again for the opportunity to speak. I look forward to answering any questions you may have.