

Board of County Commissioners

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May 26, 2020

To: Members of the Ohio House Finance Committee

From: Board of Wood County Commissioners

Doris Herringshaw, Craig LaHote, Ted Bowlus

Re: Testimony in Support of Senate Bill 310

Co-Chairs Oelslager and Callender, Vice Chair Scherer, Ranking Member Cera, and members of the House Finance Committee, thank you for the opportunity to submit written testimony in support of Senate Bill 310.

As you well know, the COVID-19 pandemic has had a dramatic negative impact on critical revenue streams for state and local governments. Wood County is anticipating significant revenue losses across several key revenue streams. Based on a 30% estimated drop in sales tax over March, April, and May, and continued reductions throughout the summer months, a conservative estimate is a \$3 million loss for 2020 compared to the previous year. Casino tax revenue will simply stop throughout the period these facilities remain closed, and only slowly return as people begin to venture out. All levels of government had started to make some progress on interest income, but now the interest rate is nearly back to zero. The legislature graciously helped us by increasing the motor vehicle fuel tax, but with significantly reduced driving and fuel use, those collections will decline significantly as well. All of these losses place considerable strain and uncertainty on Wood County's ability to provide critical services for its residents. The State of Ohio is in the same boat with counties regarding several of these revenue sources.

While we are concerned about county revenue sources, we are significantly concerned for municipalities that are reliant on payroll taxes. As you know, employment was hit very hard, and will return slowly as the economy re-opens. We are concerned about the length of time it will take for employment to mostly return and the resulting dramatic loss of income tax for municipalities and the State of Ohio.

When the pandemic hit and everything began to close, we issued budget guidance to our Elected Officials and Departments Heads in order to significantly restrict expenditures for the remainder of 2020. County offices and departments shifted gears to acquire technology necessary to send staff home and be able to work productively. Staff at the Wood County Jail implemented protocols for sanitizing the facility and separation of inmates to prevent the virus. Fortunately, the courts took actions to reduce the jail population by nearly 50%. Building and

Grounds staff revised their cleaning routines, worked diligently to acquire sanitizing supplies, and have been making protective barriers for staff and public areas.

Ohio's counties and local governments need swift action from the General Assembly on SB 310 to get federal dollars into local communities. The funds contained in SB 310 are needed for unbudgeted public health expenses, payroll expenses for public safety and public health officials dedicated to mitigating COVID-19, and economic support for small businesses. These funds will not fill every need, but they are an important first step in accounting for COVID-19 expenses and revitalizing our local economy.

Every day that passes, the weight of the COVID-19 pandemic grows on local government. We ask the House to take quick action on SB 310 and provide communities the federal support they desperately need.

Thank you for consideration of our testimony.