



April 10, 2019

To: House State and Local Government Committee
Re: Testimony in Support of HB 115

Chairman Wiggam and Members of the House State and Local Government Committee,

My name is Doug Kellogg, I am State Projects Director for Americans for Tax Reform (ATR), and acting director for Ohioans for Tax Reform.

ATR was founded in 1985 by Grover Norquist - at the request of President Reagan - to advocate for tax reform. Today, we continue to advocate for taxpayers, and work for policy that protects taxpayers, consumers, entrepreneurs, and fosters a vibrant economic climate that enables taxes to be few, low, and simple.

I offer the following testimony in support of House Bill 115 (HB 115), sponsored by Representatives Riedel and Roemer. This legislation would reduce the regulatory burden in the state through added legislative oversight of regulatory bodies, and review and elimination of unnecessary, contradicting, and overaggressive regulations.

I'd like to thank the members of the committee for their attention to this important issue, and commend Senate President Obhof for making it a priority this session.

Similarly to taxes, regulation can impose burdens that add costs for businesses, consumers, and government – thus, taxpayers. By inflicting costs on the economy, regulation can limit growth and opportunity, and limit or degrade the tax base.

It is vital for Ohio taxpayers that the state economy grows and prospers, and that taxation and regulation do not chase away taxpayers. It is also unacceptable when the regulation in question is not vital to protecting Ohioans, but is in fact duplicative, or fails to follow legislative intent, or exceeds the authority of the regulator.

It is no surprise that there is room for improvement in Ohio's economy and business climate. The complexity and burden of multiple state and numerous local taxes make it more difficult to run a business and create jobs in Ohio, especially an enterprise with multiple locations.

The state lags behind the national average on wage growth, and population growth has stagnated of late.

Making the state more affordable by lowering taxes and reducing the regulatory burden will create more opportunity for Ohioans to succeed.

Ohio ranks 45th out of the 50 states in Tax Foundation's 2018 business tax climate rankings. A 2015 Pacific Research Institute analysis of the best state regulatory environments for small business shows Ohio at a mediocre 27th, meanwhile neighboring Indiana is a sterling first place.

On top of the more than one million regulations in the federal code, the state imposes nearly 247,000 additional restrictions, according to the [Mercatus Center at George Mason](#)

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T: (202) 785-0266

F: (202) 785-0261

www.atr.org

University. The two biggest regulators being the Lottery Commission with over 30,000 regulations, and the Environmental Protection Agency with over 28,000. Out of 29 states measured, Ohio has the third most regulations, behind New York and Illinois.

The problem is apparent, and much of the impact is clear. The sheer size of the state's regulatory code means it is next-to-impossible for Ohioans to hold their government accountable on their own. HB 115 sensibly presses the pause button on adding to the problem, empowers the legislature to bring needed oversight to regulatory bodies, and calls for review and elimination of unnecessary regulations.

If agencies cannot cut the required number of regulations, they have the opportunity to present their case to the legislature. This is not about slashing necessary rules that may impact the safety of Ohioans, it is about finding the duplicative and onerous burdens we know are in the regulatory code in an organized and deliberate fashion.

I urge you to lead on this issue and support HB 115. Americans for Tax Reform and Ohioans for Tax Reform are ready to help in any way we can as this legislation progresses toward final passage.

Thank you.