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## **Testimony**

Senate Transportation, Commerce and Workforce Committee **Testimony on County Motor Vehicle License (MVL) Fee within HB 26 Brad Cole, Managing Director of Research** 

Good morning Chairman LaRose, Vice Chairwoman Kunze, Ranking Member Tavares and members of the committee. Thank you for the opportunity to testify today. My purpose in providing testimony this morning is simply to speak to the question of the county MVL fee as it is addressed by the current version of HB 26 pending before the committee.

In testimony last week I expressed strong support for a provision of the transportation budget as passed by the House that granted to counties the authority to enact a permissive \$5 MVL fee. The House passed version would permit any county to adopt an additional MVL fee by simple resolution. subject to provisions requiring the publishing of 2 public notices and the holding of 2 public hearings and a 30 day delayed effective date during which a referendum suspending the adoption of the resolution may be filed. If such a referendum is filed, then the resolution does not go into effect until such time as a majority of the electors in the county vote in favor of this MVL fee at the next primary or general election.

I would like to stress to the committee that the provisions I just described are standard provisions that apply not only to the three existing county MVL fees, but also to both county permissive sales tax laws and to the permissive county real estate conveyance fee which may be adopted by any county in the state. Authority for counties to adopt resolutions enacting all three of the taxes outlined here has existed in much the same form since 1967, when the legislature first granted these powers to counties.

As I indicated in response to a question last week, counties currently have 3 options for enacting MVL fees. Those options are:

- 1. Regular method involving the adoption of a resolution subject to notice, hearings and possible referendum to repeal
- 2. Emergency method requiring a unanimous vote and subject each and every year to the potential filing of an initiative petition to repeal
- 3. Ballot method where the county adopts a resolution requiring the question of MVL fee to be submitted to the voters.







Substitute HB 26 as currently pending before the committee provides counties with only one option and that is to submit the question of the MVL fee at the next primary or general election.

CCAO opposes this restriction relative to the adoption of the MVL fee for two reasons. First, it is my experience that most counties that wish to adopt this MVL fee generally use the regular method - that is adoption of the resolution by majority vote, subject to all the requirements and a possible referendum as previously indicated. Second, it is my experience that at least with respect to MVL fees, submitting the question to the voters generally results in the defeat of the issue at the ballot.

Consequently, CCAO would recommend that commissioners be given the option of adopting the MVL fee by simple resolution. The language that was in the bill as passed by the Ohio House is fine and would work well.

As I stated in my testimony last week, CCAO also is fine with giving the counties the option, in addition to adopting the fee by the regular method, to submit the question to the voters, so long as this is just another option, and not the only manner by which the MVL fee may be enacted.

Thank you for your time and consideration of this testimony. I would be happy to try to answer any questions you have at this time.