



## OHIO TOWNSHIP ASSOCIATION

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### **Sub House Bill 166 – Operating Budget Senate Finance Committee June 13, 2019**

Chairman Dolan, Vice Chair Burke, Ranking Member Sykes, and members of the Senate Finance Committee, on behalf of Ohio's 1,308 townships, thank you for the opportunity to provide written testimony on Substitute House Bill 166.

The Ohio Township Association (OTA) would like to thank this committee for its work on Sub HB 166, specifically for the inclusion or retention of the following provisions:

#### *Local Government Fund Increase*

As townships in our state are still in great need of general funding, the OTA appreciates both the increase in LGF from 1.66 percent to 1.68 percent and the retention of the \$10 million pot of funding within the LGF specifically for township use.

Unlike counties and municipalities, townships do not levy sales or income tax; therefore, they are heavily reliant on property tax. The recent cuts in state funding over the last eight years have forced townships to go to local voters for additional revenue. Townships across the state lost over \$26 million in Local Government Fund revenue alone when the Fund was slashed in half. The LGF is vitally important to townships across the state, and the OTA appreciates the additional support to continue to help townships recover from drastic cuts in state support.

#### *Indigent Burial Support*

Like the counties' issue with indigent defense funding, townships also bear a heavy burden with indigent burials. With the opiate epidemic, indigent burials are a significant cost for some Ohio townships. Townships formerly received reimbursement through ODJFS, but that funding was removed in 2001. We appreciate this body's inclusion of a \$1 million appropriation to support a local government indigent burial reimbursement program that will defray some of these costs. This amendment will help not only townships, but cities and counties as well. This provision is supported by the Ohio Municipal League, the County Commissioners Association of Ohio, and the Ohio Funeral Directors Association.

#### *Auditor of State Funding*

Included in HB 166 was \$13.3 million in funding that will be used by State Auditor Faber to supplement the cost of local government audits. Without this additional funding, townships (which are required to be audited every two years) will bear the higher audit costs when resources are already strained. The OTA supports Auditor Faber's request, his office's efforts to keep audit costs affordable for townships, and the House and Senate's retention of this provision.

#### *Use of Comp Time*

Current law allows counties and municipalities to authorize the use of compensatory time for employees in lieu of overtime. Sub HB 166 also grants townships this explicit authority.

Additionally, the OTA supports provisions authorizing a township to issue industrial development bonds and allowing a joint township district hospital board to form or acquire control of a domestic nonprofit or limited liability corporation. We also appreciate the retention of a provision allowing joint fire districts to include a portion of a municipal corporation rather than requiring the entire municipal corporation, as well as an appropriation for \$25 million to reinstate the Rural Industrial Park Loan program (HB 98).

Alternatively, the House added several amendments to HB 166 that the OTA opposed and requested the Senate to reconsider. The House included language in or similar to several pending bills – HB 75 (property tax complaints), HB 149 (property tax valuation for residential development), and HB 187 (August special elections). The OTA sincerely appreciates the removal of these provisions.

### **Request for Additional Consideration**

#### *Transfer of Cemeteries*

Townships are required to take control of cemeteries from religious or benevolent organizations without stipulation. For example, there is no requirement that a church transfer cemetery records or cemetery funds to the township should they wish to transfer a cemetery. Furthermore, there is nothing to prevent a cemetery from being transferred simply because a church or benevolent society wishes to stop caring for it. The OTA would like to put some minimum standards in place regarding the transfer of cemeteries and clarify the process by which an entity may transfer a cemetery.

#### *Noise Regulations*

Townships can regulate noise in any area zoned for residential use or to which a D liquor permit has been issued. The OTA requests an amendment that would permit a township to regulate noise township-wide.

#### *Nuisance Statute Consistency*

Townships have three nuisance statutes in the Revised Code that help them deal with structures, property and junk vehicles. Unfortunately, all three of those statutes use different language in relation to the enforcement of collection on the costs a township incurs to abate said nuisance. The OTA is seeking an amendment that updates the code and makes all three sections uniform.

Again, the OTA truly appreciates the Senate's work on House Bill 166 and the inclusion of several of our requests. We are encouraged by your attention to our concerns and look forward to continuing to work collaboratively with you to address local needs. Should you have any questions about the other items in our testimony, please feel free to contact us.