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**Ohio House Finance Committee
House Bill 110 – Proponent Testimony**

**Tim Bubb
Licking County Commissioner**

March 10, 2021

Chairman Oelslager, Vice Chair Plummer, Ranking Member Crawley, and members of the House Finance Committee, my name is Tim Bubb. I am a Licking County Commissioner and President of the County Commissioners Association of Ohio (CCAO). I thank you for the opportunity to provide testimony on several county priorities contained in House Bill 110.

Ohio's counties serve as the arm of state government, charged with providing vital services on the state's behalf such as justice and public safety, conducting elections, building and maintaining infrastructure and administering health and human service programs. The counties and the state are fundamentally connected, and it is our shared responsibility to make Ohio stronger so that our citizens and communities can thrive.

CCAO's primary legislative priority for this budget is to have the state fully reimburse counties for their costs incurred in fulfilling the state's constitutional obligation to provide counsel to indigent defendants. The General Assembly and DeWine Administration made considerable and much-appreciated progress toward this goal in House Bill 166 of the 133rd General Assembly, although FY 2021 reimbursement rates have been impacted by COVID-19-related budget reductions. Counties are thankful Governor DeWine's executive budget proposes to restore these funding cuts and is projected to achieve reimbursement rates of 96 and 94 percent in FY 2022 and FY 2023, respectively.

CCAO's request to the House of Representatives is to take the final step to fully fund indigent defense reimbursement. Toward this effort, CCAO respectfully requests an additional \$8.3 million in FY 2022 and \$12.3 million in FY 2023. These additional funds are estimated to close the remaining funding gap and also account for a new Ohio Supreme Court mandate requiring legal counsel be provided to indigent parents facing loss of parental rights in adoption proceedings. Additional details on CCAO's indigent defense request can be found attached to this testimony.

Ohio's children service system is undergoing significant reforms at both the state and federal levels. As part of the most recent budget bill, the General Assembly and DeWine Administration significantly increased state support for the state child protective system, for which counties remain grateful. However, new challenges on the horizon threaten to impact counties' ability to fund further support in this area.



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The newly-created state Kinship Support Program will provide time-limited payments to kin as the caregiver pursues foster parent licensure. Once licensed, the program shifts responsibility to county agencies to provide higher foster care payments and related administrative oversight. The state estimates counties will incur new costs of \$25 million per year under this program. HB 110 does not include additional dollars for counties to account for this increased cost, leaving counties strained to fund this new mandate.

Additionally, the federal Family First Prevention Services Act will take effect in October 2021 and will end federal reimbursement of placement costs for children in residential care settings that do not meet a new standard called Qualified Residential Treatment Program. Because it is estimated that less than half of Ohio's residential centers will meet this requirement by this fall deadline, CCAO anticipates an increase in county share of placement costs.

CCAO is partnering with the Public Children Services Association of Ohio to request \$50 million per year for county children service agencies to fund these programs to support kin caregivers, maximize Family First opportunities, and offset increased placement costs.

In totality, this budget proposal makes many investments in counties and local communities that will benefit all Ohioans. From investments in indigent defense to broadband to H2Ohio, counties look forward to partnering with the General Assembly in this budget to support these priorities and address future challenges.

Counties across Ohio appreciate a strong state-county partnership to build stronger counties for a stronger Ohio. Counties look forward to taking the next step in strengthening that partnership through this budget bill.

Thank you for your time and consideration. I would be happy to answer any questions you may have for me.

FULL FUNDING FOR INDIGENT DEFENSE REIMBURSEMENT

County Commissioners Association of Ohio FY 22/23 State Budget Priority

BUDGET REQUEST:

Full funding for indigent defense reimbursement is the number one priority for the County Commissioners Association of Ohio (CCAO) for the FY 22/23 state budget. We are asking House Members to sign on to and support **House Finance Committee Amendment HC0449** that builds upon the Governor’s budget as-introduced and provides additional General Revenue funding for the following indigent defense purposes and provide full reimbursement:

	FY 2022	FY 2023
Additional General Reimbursement	\$5.3 million	\$9.3 million
Probate Court Adoption Expense	\$3.0 million	\$3.0 million
Total Additional Funds Requested	\$8.3 million	\$12.3 million

Additional General Reimbursement; This amount is needed to reach an appropriation level that is projected by the State Public Defender to fully fund reimbursement to the counties for their costs associated with meeting this constitutional mandate of the state.

Probate Court Adoption Expense: Subsequent to the budget submission timeline, the Ohio Supreme Court held that indigent parents facing loss of their parental rights in adoption proceedings in probate court are entitled to counsel. Since this new mandate arose after budget submission and there currently is no data available to estimate cost impact, it has not been factored into system costs for the biennium. The State Public Defender is proposing, and we support, providing an additional \$3 million to County Reimbursement (ALI 19501) in each year to be earmarked for the State Public Defender to reimburse counties for these cases.

CCAO views the state’s assumption of full financial responsibility for indigent defense as a critical element of a stronger state-county partnership. We ask that you build on the strong progress made in the prior state budget bill - House Bill 166 - and in this budget fully reimburse the counties for providing this service. Now is the time to eliminate the state-mandated financial burden from counties.

HB 110 LINE-ITEMS IMPACTED BY THE FULL REIMBURSEMENT FUNDING AMENDMENT:

General Revenue funding for reimbursement is provided across three line-items of the Public Defender Commission. This table reflects the as introduced and the amendment’s numbers:

Line-Item	Purpose	FY 2022		FY 2023	
		Introduced	/ Amendment	Introduced	/ Amendment
GRF 19501	County reimbursement	\$125,000,000	\$133,104,000	\$125,000,000	\$137,112,000
GRF 19403	Multi-county office/state share	\$4,431,065	\$4,580,944	\$ 4,564,087	\$4,741,277
GRF 19404	Trumbull Co office/state share	\$1,410,172	\$1,457,872	\$ 1,452,508	\$1,508,898

SIGNIFICANT PROGRESS MADE BY THE 133RD GENERAL ASSEMBLY:

We truly appreciate the significant commitment to reimbursement taken through the FY 20/21 state biennial budget bill, House Bill 166 of the 133rd General Assembly:

- The Governor’s “as introduced” budget included an additional \$60 million in each year for “county reimbursement” (GRF line item 19501).

- The Legislature added and additional \$35,000,000 for FY 21 to “county reimbursement.”
- The SFY 21 appropriation provided for “county reimbursement” was \$125,000,000 – the same amount contained in HB 110, the Governor’s FY 2022-2023 budget as introduced.
- The statutory maximum reimbursement rate of 50% was removed.

The anticipated reimbursement rate has been impacted by budget reductions from the COVID-19 pandemic.

- The original GRF funding levels allowed for an actual reimbursement rate of 75% during FY 20 and a projected reimbursement rate of approximately 90% for FY 21.
- The unfortunate need to reduce state GRF expenditures due to the COVID-19 pandemic has since decreased the projected FY 21 reimbursement rate to 74%.

STATE PUBLIC DEFENDER BUDGET FOR INDIGENT DEFENSE REIMBURSEMENT:

The Governor’s budget appropriates funding which is estimated to provide 96% reimbursement of the estimated \$162.0 system costs in FY 22 and 94% of the estimated \$168.2 system costs in FY 23. Based upon this level of funding the State Public Defender estimates an additional \$5.3 million in FY 22 and \$9.3 million in FY 23 would need to be appropriated to reach projected full reimbursement to the counties for their costs associated with providing legal counsel to indigent defendants. The chart below has been prepared by the State Public Defender’s office and has been provided to CCAO for our use:

PROJECTED REIMBURSEMENT RATE

Reimbursement Budget	FY2022	FY2023
GRF (total from multiple lines)	\$130,841,237	\$131,016,595
SDYO	\$25,896,000	\$27,888,000
Total Available	\$156,737,237	\$158,904,595
Projected Reimbursement Rate	96%	94%
Projected Shortfall for 100%*	\$(5,301,579)	\$(9,345,580)

*The Supreme Court of Ohio issued an opinion on December 22, 2020 in which the Court found R.C. 2151.352 was unconstitutionally underinclusive, and that indigent parents facing the loss of their parental rights in adoption proceedings in probate court are entitled to counsel. Probate courts have only been able to provide anecdotal information to OPD, preventing an accurate assessment of the number of cases that would qualify for reimbursement. Based on this limited information, the OPD estimates that reimbursement in these cases would be a minimum of an additional \$3,000,000 to the projections listed here.

NOTE: GRF reimbursements include the appropriations associated with the Multicounty (GRF line item 19403) and Trumbull County (GRF line item 19404) programs as well as county reimbursement (GRF line item 19501). SDYO is the Indigent Defense Support Fund (IDSF) which is comprised of non-GRF revenue receipts of which 83% are allocated to reimbursement and the remaining 17% fund the operation of the State Public Defender’s office.

NOTE: The Ohio Supreme Court case construing R.C. 2151.352 regarding adoption proceedings is: *In re Adoption of Y.E.F.*, Slip Opinion No. 2020-Ohio-6785