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House Government Oversight Committee
Sponsor Testimony – H.B. 331
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Chair Peterson, Vice Chair Thomas, Ranking Member Humphrey, and honorable members of the House Government Oversight Committee, thank you for the opportunity to present sponsor testimony on House Bill 331, which will create an automatic process for a village dissolution vote based on a decennial audit of village services and elected positions.

Ohio maintains a long and rich tradition of strong local governance which has enhanced the ability of our constituents to have ownership and influence over how their localities are governed. Unfortunately, many small villages within our state fail to independently provide critical services such as police, fire protection, or garbage disposal to their residents, opting instead to outsource these services to their townships or other local governments. This has placed an undue burden on the residents of those villages who must pay local taxes for services that are provided by others.

House Bill 331 creates an automatic process for the question of dissolving a village to appear on the ballot based on the results of a decennial audit. Under the bill, after each decennial audit, the county budget commissions of each county (which are comprised of the county auditor, county treasurer, and county prosecutor), would evaluate each village in their respective county to determine if the village meets both of the following criteria:

- 1- The village provides at least a majority (five out of nine) of the following services either independently or through contract with a non-governmental third party:
 - a. Police Protection
 - b. Fire-fighting Services
 - c. Garbage Collection
 - d. Water or Sewer Service
 - e. Emergency Medical Services
 - f. Road Maintenance
 - g. Park Services or Other Recreation Services

- h. Human Services
 - i. A Public Library
- 2- At each election at which an elected village position was voted upon, at least one candidate appeared on the ballot for each elected village position.

Upon the completion of this audit, if the county budget commission determines that a village fails to meet one or both of these criteria, a question of dissolution would automatically be placed on the ballot for the upcoming general election, thereby giving voters the opportunity to determine whether the services provided by the village warrant any local taxes they may be paying.

Existing state law already provides multiple avenues for a village to be dissolved, including an avenue whereby the Auditor of State can request the Attorney General file legal action to dissolve a village if it fails to provide just two of the aforementioned services and meets other criteria such as being in a fiscal emergency for an extended period of time. This bill simply adds a streamlined method by which voters can assume greater agency over their local governments.

This bill would not automatically dissolve any village in Ohio; instead, recognizing that the voters deserve to determine themselves which services warrant taxation and whether their local governments are responsive to their needs, this bill only creates a process by which a question of dissolution would be placed on the ballot. Even if a village fails the audit, if the voters decide not to dissolve, the village structure would remain as before.

Ohio has the most taxing jurisdictions of any state in the country, leading to complexity in our tax code unseen in other states and an intensified tax burden for taxpayers. Based on the most recent census, there are 673 villages in Ohio, each with a responsibility to provide adequate services and responsible governance to their constituents in exchange for the local taxes they pay. For those villages already fulfilling their responsibilities to their constituents, this bill will have no effect. For those that may not be, passage of this bill will offer over half a decade to adjust, and following the next census, give voters a new tool to take charge of their local governance and decide what is best for their communities.

We have worked throughout this General Assembly to simplify our tax code and right-size government. This process necessarily requires effort to ensure that all levels of government work as efficiently as possible for taxpayers. We thank you for the opportunity to testify today and request favorable consideration of this bill, and we are happy to answer any questions you may have.