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**Senate Finance Committee
Substitute House Bill 33 – Interested Party Testimony
Glenn Miller, Henry County Commissioner**

May 31, 2023

Chairman Dolan, Vice Chair Cirino, Ranking Member Sykes, and members of the Senate Finance Committee, my name is Glenn Miller. I serve as a Henry County Commissioner and as President of the County Commissioners Association of Ohio (CCAO). Thank you for the opportunity to testify on Substitute House Bill 33.

Counties are responsible for delivering state services and programs at the local level. Recently, counties have experienced an increase in the costs required to effectively deliver these services due to workforce shortages and inflation. It is vital that Sub. House Bill 33 continues to support a strong state-county partnership, which will allow counties to serve Ohioans effectively.

CCAO has three main priorities for this operating budget: ensuring full state reimbursement for indigent defense costs, continued funding for vital county jail projects, and continued funding to build and operate a Next Generation 9-1-1 system. We appreciate the DeWine-Husted Administration and Ohio House's proposed investments in these key areas and look forward to working with the Senate to strengthen the state-county partnership.

Full State Reimbursement for Indigent Defense

Indigent defense reimbursement remains a critical priority of CCAO and is an investment this body has supported for multiple budget cycles, alongside the DeWine-Husted Administration. Indigent defense is a constitutionally mandated service that counties deliver without much flexibility. The current funding levels within the Substitute House budget bill are estimated by the Office of the Public Defender to fund indigent defense at 90% reimbursement.

Due to the rise in caseloads for traffic violations, misdemeanors, and felonies throughout the state, along with rising public defender cost per case, CCAO is asking this committee to increase funding by \$20 million in each fiscal year to achieve full reimbursement. There are many counties where the average public defender cost per felony case is nearing \$1,000 or more. This includes Auglaize, Coshocton, Delaware, Geauga, Hancock, and Wood counties.



The high cost per case in the aforementioned counties is due largely to the scarcity of attorneys. Counties are forced to increase their rates to attract attorneys to their county to perform these mandated services. In response to this problem, 10 counties currently contract with the state public defender (OPD) to deliver services through a regional office centered in Athens County.

The Ohio House sought to extend this option to other counties through an amendment in the House omnibus amendment. However, the current language in the budget guarantees full funding to counties that contract with the state without any appropriation increase. Without additional funding, other counties would bear the full impact of any unforeseen adjustments to reimbursement.

CCAO believes the language needs to be modified to provide parity between counties who contract with the state and counties who choose to run their own system. Therefore, CCAO is proposing to create a separate line item to fund the counties that contract with the state and allow OPD to contract with a handful of additional counties during the biennium. Counties who do not contract with OPD will maintain their current system and will receive reimbursement in the same manner as they do today.

The House also added language to temporarily cap the maximum indigent defense reimbursement rate for counties at \$75 an hour or the rate established by the county on April 1, 2023, whichever is greater. CCAO supports this cap on reimbursement to control county reimbursement rates and ensure consistent funding levels throughout the biennium. However, we would suggest that the cap remain at \$75 an hour statewide. If a county chooses to pay a higher rate, they would be responsible for the cost associated with that increase.

Jail Funding

Public safety expenses often account for 60% or more of a county's budget, with the largest expense being the operation of the county jail. County jails are facing many challenges including workforce shortages and inmates with complex substance abuse and mental health issues. Unfortunately, many jails in Ohio are in desperate need of repair and renovation, or are so far beyond repair that a new jail will need to be constructed to ensure safety for both inmates and staff.

CCAO appreciates the inclusion of \$200 million over the biennium for county jail construction and renovation. While administering the funding from the previous capital budget bill, the Department of Rehabilitation and Corrections received applications totaling nearly \$500 million dollars worth of projects from counties. The funding included in Sub. House Bill 33 is historic and will allow more counties to construct new jail facilities or improve existing facilities. These funds will result in increased public safety. CCAO respectfully asks this committee to support these dollars.

Next Generation 9-1-1

Counties also provide public safety services through wireline and wireless 9-1-1 systems. Unfortunately, many of our local 9-1-1 systems are outdated and operate primarily through a landline-based system. The Next Generation 9-1-1 (NG 9-1-1) system provides necessary upgrades to the existing 9-1-1 system to adapt to how people communicate today – largely through mobile and digital devices. NG 9-1-1 will move 9-1-1 technology and infrastructure to digital, internet-protocol technology, improving speed and effectiveness, along with first responders' ability to protect and save lives and ensure their own safety.

Sub. House Bill 33 contains approximately \$46 million dollars that will fund necessary one-time expenses for a state-run NG 9-1-1 system. A portion of the funding will be available to local governments to make one-time upgrades to their 9-1-1 systems to connect to the state NG 9-1-1 system.

Additionally, the House inserted language from Senate Bill 50 into the budget, which would provide statutory language to set up a statewide NG 9-1-1 system. The language would also provide continuous funding to both the state and local governments to operate a NG 9-1-1 system moving forward through a 64-cent monthly user fee.

CCAO supports the language included in the House and is actively working with interested parties to further refine the language to limit the fee to services used to connect to 9-1-1 and to prevent double billing of customers.

In addition to the budget priorities listed above, CCAO would like to express its support for several additional budget items.

Local Government Fund

The Local Government Fund is the primary revenue sharing device between the state and counties, municipalities, and townships. The LGF historically received 3.68% of state GRF tax revenue but that figure was cut to 1.66% in 2011. The Executive Budget increases the percentage to 1.70% of state GRF tax revenue.

CCAO and the other local government associations have agreed on a proposal to strengthen this vital state-local partnership by increasing the LGF to 2.50% of GRF tax revenue. CCAO respectfully asks that this increase be included in the bill.

Sub. House Bill 33 includes language agreed to by CCAO and the Ohio Township Association to raise the lowest amount a county jurisdiction can receive from \$750,000 to \$850,000. It also would require that the County Budget Commission hold a meeting with the local jurisdictions within each county to review the distribution formula at least once every five years. CCAO and OTA support these provisions.

Competitive Bidding

CCAO supports language in Sub. House Bill 33 updating the statutory competitive bidding thresholds for counties and other local governments from \$50,000 to \$75,000 in fiscal year 2024 with a three percent increase annually thereafter. It also increasing the allowable difference between a public improvement project's estimated cost and the bid price from 10% to 20%. These thresholds have not been increased in over a decade and counties, like the state, are facing record inflation levels. The updated thresholds will result in more efficient government operations.

Children Services

Counties are also partners with the state in administering many key human services programs and CCAO appreciates the increased investments proposed to support children, families, and seniors. Some of the greatest challenges facing counties is the administration of child welfare with elevated placement costs, a growing placement crisis, and continued workforce challenges. CCAO supports the additional \$60 million in the state child protection allocation over the biennium to help counties meet these challenges.

CCAO also supports the funding specified for the multi-system youth, best practice incentives, and Kinship Care Navigator Program that remain in the bill. CCAO is concerned that the decrease in the Family and Children Services line item will force cuts in key programs and investments, including Ohio START, Kinship Support Program, Kinship Guardianship Assistance Program, Ohio Bridges, prevention services, and efforts to grow the number of foster homes across the state.

We respectfully request these dollars be restored so children and families can continue to access these services and programs.

Child Care

The availability of affordable child care is a known barrier-to-entry of the workforce for many Ohioans and affects all of our counties. CCAO appreciates the proposed increase in the eligibility threshold for publicly funded child care to 160% of the federal poverty level and supports a further increase to 200% of that level.

Healthy Aging Grants

Sub. House Bill 33 includes \$40 million in one-time Healthy Aging Grants designed to help Ohioans age in place and delay the transition to institutional care. These grants would flow through the boards of county commissioners in all 88 counties. Commissioners would have the flexibility to choose local partners to address gaps and provide a variety of services, including: minor home improvements, transportation, and personal care.

CCAO supports this investment to foster increased independence and a high quality of life for our seniors and supports the House-added language clarifying that these dollars flow through the boards of county commissioners in all counties.

Mental Health and Addiction Services

Mental health and addiction services for our communities, especially at the intersection of these services and county jails, are critically important to CCAO members. Sub. House Bill 33 decreases funding for criminal justice services, including psychotropic drug and medication assisted treatment reimbursement programs for county jails. Forensic center services to courts and jails also received a funding cut. Forensic centers decrease the wait time for mandatory competency evaluations that are required before people can enter treatment from the jail.

Insufficient capacity in our state psychiatric hospitals often results in individuals remaining in a county jail when treatment in a hospital would be more appropriate. Sub. House Bill 33 decreases funding for these hospitals, which would prevent the hospitals from operating at current capacity and eliminate the potential for a planned 80 bed expansion. This cut will place further strain on county jails as they struggle to meet the needs of inmates who would be better served with specialized care. CCAO respectfully requests these proposed investments be restored to the As Introduced levels.

Additionally, a reduction in the Continuum of Care line item and accompanying earmarks will result in an \$11 million decrease in funding for local ADAMH boards. Crisis services, services in jails, prevention services, housing services, and other recovery supports in our communities will be cut without this funding. CCAO requests that the funding be restored to the As Introduced levels.

H2Ohio

CCAO supports the \$307 million in funding to the H2Ohio Fund. My home county of Henry has close to 1,000 Department of Agriculture phosphorus reduction projects that have removed 32,300 pounds of phosphorus from our local waterways. Over 1.2 million acres of farmland have been enrolled in nutrient best management practices, dozens of wetland projects are underway and hundreds of failing home septic systems and lead service lines have been replaced. All these actions promote improved water quality for a healthier environment and healthier citizens.

The governor's proposed budget allocates an additional \$58.8 million to the H2Ohio fund. The additional funding will support the H2Ohio Rivers Initiatives, a new program dedicated to maintaining water quality, protecting wildlife, and supporting economic development within Ohio's river systems.

Furthermore, CCAO supports the agricultural producers who utilize best management practices to reduce nutrient runoff. These producers should be recognized for their efforts to improve water quality.

Chairman Dolan, Vice Chair Cirino, and Ranking Member Sykes, and members of the committee, the budget before you invests in each and every county and addresses many of our most pressing needs. My fellow county commissioners, executives, and council members look forward to working with you to continue to strengthen the state-county partnership.

Thank you for your time today. I am happy to answer any questions that you may have.