

Testimony by Robert Santos
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House Bill 96 Operating Budget
(Recreational Marijuana, Host Community Fund)
House Finance Committee
March 12, 2025

Chairman Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and esteemed members of the House Finance Committee,

My name is Robert Santos, and I appreciate the opportunity to present this statement opposing the removal of the Host Community Fund designated for communities that have opted to permit recreational dispensaries.

As the President of the Mahoning County Township Association, representing 14 townships, I draw upon my background, including 11 dedicated years in the Marine Corps, from which I was medically retired due to injuries sustained in defense of our freedoms. This experience instilled in me the core values of Honor, Courage, and Commitment, which continue to guide my public service as I strive to contribute meaningfully to my community.

I am here today to address the issues within HB 96, which places townships in a challenging position. In November 2023, a ballot initiative, Issue 2, legalized marijuana, and while I personally opposed it, the majority of Ohio voters supported it. This initiative grants us the authority to permit or deny dispensaries in our communities, and many townships made informed decisions based on favorable resident votes and the anticipated 36% tax revenue to fund essential community projects, thereby avoiding additional levies that would burden our residents.

My opposition to changes in the Host Community Fund stems from concerns that such alterations could jeopardize crucial funding for vital community projects and ongoing services. As you are aware, township funding primarily relies on property taxes and fixed levies, which often compel us to ask overburdened residents for additional support when service costs rise and become unsustainable on the current budget. Inflation has put township trustees in a very tough position, as rising costs for essential equipment occur while our revenue remains stagnant. This situation forces us to make difficult choices, such as reducing or eliminating services, and pursuing new levies would mean less money for residents, placing additional strain on already challenged households.

During my time in office, I have observed a disconnect between some of our legislators and their understanding of the challenges we face at the township level. It is not my intention to be confrontational; I respect your roles and the work you do. I also know the verbiage in this bill did not come from this committee. However, I must express our feelings of being overlooked when we encounter language in bills that threatens critical revenue sources for our communities. It just so happens this portion has come before you to determine whether it stays as is or, God willing, goes back to the communities.

Mahoning County comprises 14 townships, including two of the largest in Ohio: Austintown, ranked 12th, and Boardman, ranked 10th. Empowering our communities to manage these funding sources is essential for addressing financial needs without imposing further burdens on residents, enabling us to cultivate a community that instills pride in our children.

As elected representatives, we cannot understand how the state would redirect these funds away from the communities for state priorities, which makes us ask: What about our community projects and needs? This is not the first instance of state funding reductions impacting townships. The Local Government Fund, once a source of millions, has been halved, severely affecting our ability to train and equip emergency responders and ensure resident safety. Forcing us to seek alternative means. Which has been more levies. Something I never wanted to do.

Consider the racino issue: In 2015, Austintown was promised \$500,000 annually, but once the project concluded, those funds were reallocated to state needs. This revenue was vital for road repairs, infrastructure, and law enforcement support. The initial promise was withdrawn, forcing officials to seek alternative solutions, despite the tax on the \$1.3 billion that was generated by the seven racinos, which is \$439 million that went to the state, with none returned to the host communities. Austintown Township is the only town with a Racino that generated in 2024 55 million in tax revenue. NONE of this was invested back to Austintown.

Eliminating funding for local communities would be a disservice, and we have reached our limit. I urge you to reflect on the motivations that led you to your public service roles, just as I have articulated my commitment to serving our residents. Please restore the promised resources to our local officials and enable us to govern our towns for how we were elected to do so, and in a manner that fosters pride and supports economic growth. These dispensaries have been known to generate enough revenues that would result from approximately \$100,000 to \$700,000 additional revenue a year to each community.

These sentiments echo not only from townships but also from attached letters from the Mahoning County Commissioners, the Mahoning County Township Association, the Fraternal Order of Police Lodge 126, the Austintown Township Trustees, the City of Struthers, and the neighboring City of Niles in Trumbull County.

Chairman Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and esteemed members of the House Finance Committee, Thank you for your time. I will be happy to answer any questions you may have.