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**HOUSE FINANCE COMMITTEE  
INTERESTED PARTY TESTIMONY ON HOUSE BILL 96  
Keary McCarthy, Executive Director  
March 12, 2025**

Chair Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and members of the House Finance Committee, my name is Keary McCarthy and I am the Executive Director of the Ohio Mayors Alliance, a bipartisan coalition of mayors in Ohio's largest cities and suburbs. Thank you for the opportunity to testify regarding House Bill 96.

**Local Innovation, Statewide Collaboration**

Ohio's cities anchor Ohio's economy, driving regional growth and strengthening the entire state. Ohio has seven of the nation's 100 largest metropolitan areas, accounting for 71% of our population, 76% of our state's jobs, and nearly 90% of Ohio's GDP. As mayors in Ohio's largest cities, our bipartisan coalition seeks to promote our cities' uniqueness and innovation while recognizing and uplifting the many ways we are interconnected. We know that when Ohio's cities thrive, the entire state benefits.

Thus, OMA's core principles include protecting the fiscal health of Ohio's cities, preserving home rule and local control, and promoting the importance of state and local collaboration. As you consider potential changes to HB 96, we urge you to consider the crucial roles Ohio's cities play in moving our state forward and look for ways to foster state and local collaboration and pursue our common interests. We believe that one of our most urgent common interests at the state and local levels is preserving public safety and supporting our state's police officers and firefighters.

**Public Safety is Our Highest Priority and Most Pressing Common Interest**

Public safety is a critical priority for our mayors and police chiefs. For municipalities across the state, public safety is almost always the largest single budgetary expenditure. In some cases, particularly for larger cities, public safety accounts for between 60 and 70 percent—and in some cases more—of the total general revenue fund budget. In just Ohio's 30 largest cities, the collective amount spent on public safety on an annual basis totals \$2.1 billion. Personnel costs make up a significant share of these total costs and the demand on cities to attract, recruit, and retain law enforcement professionals has never been higher or more challenging.

In response to this challenge, our cities have increased pay and benefits to their law enforcement professionals, in some cases negotiating significant salary increases and allocating funds to invest in better technology, training, and equipment for first responders.

Our cities are grateful for the funds provided to local law enforcement through \$250 million in state grant programs for local law enforcement in the last operating budget. Over the past four years, our cities have received millions in state grants for body-worn cameras, first-responder wellness programs, and violent crime reduction and community violence intervention strategies. As we look ahead to the coming biennium, our cities are facing some hard choices about how to maintain current staffing levels and wage increases and continue to invest in effective violence reduction efforts.

Compounding our cities' challenges looking ahead is the consistently decreasing amount of support local governments have received from the state. Over the past 20 years, the state's contribution to the Local Government Fund has decreased by over 50 percent, and continues to decline when you adjust raw figures for inflation. In the "as introduced" version of HB 96, the LGF increases slightly from 1.7 to 1.75 percent of the total state general fund. The rate in 2008 was 3.68%. Modest increases to the LGF, while deeply appreciated, are not adequate to provide significant state support for our communities' investments in public safety. Today, I want to present an idea for more directly supporting public safety and our law enforcement officers across the state.

#### **Funding Public Safety is the Best Way to Support Local Law Enforcement and Fire Safety Services**

The Ohio Mayors Alliance is proposing a new, dedicated public safety fund that would supplement cities, villages, and townships with funding to support public safety and local first responders. We envision this fund being a small percentage of state support to supplement the amount cities pay in total police and fire payroll.

This dedicated state fund for public safety and local first responders would be provided to eligible municipalities, villages, and townships to help address two critical needs:

- First, these supplemental state funds would be used by municipalities and villages to hire, train, and support local first responders, specifically high-quality firefighters and law enforcement professionals.
- Second, by tying these funds to the pursuit and completion of the State of Ohio Law Enforcement Standards established through the Ohio Collaborative Community-Police Advisory Board, these state funds will promote best practices and significantly improve professional standards in police departments across Ohio.

While grant programs are welcome, cities and police and fire departments need consistent funding to address long-term costs and ongoing needs. Specifically, communities need dedicated funding assistance to help pay competitive wages, retain high-quality personnel, and hire more police officers and first

responders. We strongly urge you to make explicit state support for our collective interest in ensuring that Ohio's local public safety forces have the personnel and resources they need to keep us safe.

### **Other Public Safety Priorities: Law Enforcement Training Funding and Maintaining the Cannabis Host Community Fund**

Ohio law requires Ohio peace officers and troopers to receive between 24 and 40 hours of continued professional training (CPT) per year. We participated in the work of the Ohio Law Enforcement Training Study Commission in 2022 and continue to support its recommendations. However, as the Study Commission noted in its report: "CPT has been sporadically funded and inconsistently implemented in Ohio. As a result, other than firearms recertification, many officers receive little or no CPT some years. When the state does not provide the funding, officers are not required to take the training."

We are pleased to see that HB 96 proposes to maintain \$80 million in funding for CPT requirements for local law enforcement agencies. We believe that a dedicated funding stream for CPT remains a long-term need for our cities and local law enforcement agencies, and though we don't have a preference as to whether that funding comes from a specific tax source or the general revenue fund, we appreciate that Governor DeWine and the General Assembly have prioritized maintaining this funding.

We also strongly urge you to restore the cannabis host community fund to at least its current level of 36% of state excise tax revenue as you consider the proposed marijuana tax revenue distribution changes in HB 96. There are many funding needs, and we appreciate the Governor's intent to distribute funds to public safety needs, but local governments have made local policy decisions about allowing marijuana dispensaries in their communities based on the promise of being able to use tax revenue from the host community fund to bolster local needs - including, most crucially, public safety.

### **Economic and Housing Developments Support Ohio's Local Communities and the Entire State**

Ohio has the 7th largest GDP in the nation, and Ohio's metropolitan areas account for almost 90% of that GDP. As our economy grows and we work together to attract new businesses and jobs to Ohio, Ohio's cities must engage in robust economic and housing development to address ongoing demand for jobs, housing, and workforce training. We have made significant progress on development together over the past 5 years, and we are eager to continue to collaborate with state and local partners to continue that momentum.

### **More Housing At All Price Points Is Critical to Our Cities' Residents and Businesses**

Ohio families cannot maximize their access to education, career training, and jobs if they can't find safe, healthy housing for their families. All of our cities need more housing at all price points, and the need for affordable housing for working families has never been more acute. We strongly support increased funding for the Historic Building Preservation Tax Credit, which especially benefits Ohio's legacy cities and core city neighborhoods. While we always support housing development investments in all parts of

Ohio, because development anywhere helps all of us, we also encourage you to consider expanding the Governor's proposed \$100 million rural housing development investment funding to all counties in Ohio, and all local communities and the Ohio Department of Development to make determinations about where investment is most needed to support economic and business development.

### **Maintain Continued Funding for Brownfield Remediation**

Brownfield remediation has fueled redevelopment in some of our cities' most underserved and needy communities. We urge you to remedy this by including at least \$150 million for the Brownfield Remediation Fund in HB 96.

Over the past four years, the Brownfield Remediation Fund has provided millions of dollars in funding to our cities and their surrounding communities to spur crucial development in blighted and polluted areas. This expensive redevelopment is often not financially feasible without state support, and our communities and the Ohioans who live and work near these sites benefit immeasurably from this state support. This funding is a win/win for businesses, residents, local governments, and the State. We strongly urge you to restore funding for this crucial fund in HB 96.

### **Conclusion**

The provisions and suggestions outlined above support safer cities and a stronger Ohio economy. We believe that all Ohioans benefit from a pragmatic, bipartisan approach to allocating and prioritizing our state's resources in ways that serve our common interests and foster local and statewide collaboration. We are grateful for the opportunity to continue to work with the state to support our cities and the millions of Ohioans who live and work within them.

Thank you for the opportunity to testify before you today. I would be happy to answer any questions.