



WAYNE COUNTY COMMISSIONERS

Dave McMillen ★ Matt Martin ★ Jonathan Hofstetter

June 17, 2025

Dear Chairman Roemer, Vice Chair Thomas, Ranking Member Troy, and Members of the House Ways & Means Committee:

Subject: Opposition to House Bill 335 – Critical Fiscal Impacts on Wayne County

On behalf of the Wayne County Board of County Commissioners, we are writing to express our opposition to House Bill 335, the "Property Tax Relief Now Act," in its current form. While we support thoughtful property tax relief for Ohio residents, this legislation poses severe and immediate fiscal challenges that will significantly undermine Wayne County's ability to provide essential public services, including safety services.

House Bill 335 proposes a fundamental restructuring of Ohio's property tax system by eliminating inside millage authority for counties, a funding mechanism that has been in effect since the 1800s. For Wayne County, this translates directly to an estimated \$8 million annual revenue loss or approximately 21% of our budget. To merely offset this significant deficit and maintain our current service levels, our county would be compelled to seek voter approval for an estimated 0.50% sales tax increase this November. Wayne County's last increase was in 1991 and set the rate at 0.50%. Raises in the sales tax have been asked for in the past with the latest attempt in 2018. All have been defeated at the polls.

Wayne County faces a significant financial crisis due to a critical timing gap that will occur if the current legislative proposal is enacted. Inside millage collections, a vital revenue source, will end with the February 2026 tax settlement. Even if Wayne County voters approve a sales tax increase in November 2025, new collections won't begin until April 1, 2026, with the first distribution not arriving until July 2026. This delay alone will result in a \$3 million revenue loss for Wayne County in 2026.

The situation worsens if the sales tax measure is postponed until the May 2026 ballot, increasing the permanent revenue loss to an estimated \$8 million. This severe transitional deficit directly threatens the county's ability to fund crucial public safety, judicial, and social services.

Eliminating this revenue source creates significant systemic risk. This could lead to a downgrade in the county's credit rating and increased borrowing costs. The county is currently incurring debt to fund its jail remodel and addition, with the final debt amount to be secured in early 2027. The loss of revenue will undoubtedly decrease our financial rating and negatively affect our ability to manage this debt.

These crucial financial decisions were made in 2022 and 2023, long before the current legislative attempts to prevent counties from collecting their inside millage. In 2023, Wayne County was awarded a \$15 million state grant from the Ohio General Assembly for county jail projects, demonstrating a previously stable and predictable funding plan. The current House Bill proposal jeopardizes this plan, leaving Wayne County in an insecure financial position.

We acknowledge and appreciate the efforts to reform Ohio's property tax system; however, we urge you to consider the comprehensive proposals put forth by the County Auditors' Association of Ohio (CAAO) which include expanding homestead exemptions, eliminating the non-business credit while increasing the owner-occupancy credit, establishing an inflation-linked cap for school district revenue, and creating targeted relief programs like tax deferrals and abatements. We also suggest that the loophole be closed

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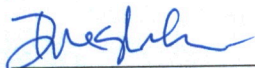
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where another entity can pick up the inside millage if someone voluntarily gives up their share. These alternatives offer a thoughtful approach to tax relief without destabilizing county finances.

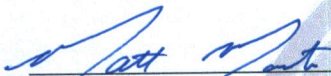
In summary, House Bill 335, in its present form, presents a fiscal risk to Wayne County and its residents. We urge you to oppose this legislation and instead collaborate with local government stakeholders to develop truly sustainable and equitable property tax reforms. We are available to provide further information and discuss these critical concerns at your convenience.

Sincerely,

WAYNE COUNTY BOARD OF COMMISSIONERS



Dave McMillen



Matt Martin



Jonathan Hofstetter

