#### Testimony to the House Ways and Means Committee Subject: Impact of Reducing Counties' Inside Millage

**Presented by:** David Buschur Mercer County Commissioner 6/17/2025

#### Via Electronic Mail

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

Thank you for the opportunity to provide testimony on the significant and lasting effects that a reduction in counties' inside millage would have on local government operations, essential services, and taxpayers. The inside millage, or "unvoted" millage, is one of the few constitutionally guaranteed revenue tools counties have to support core public services without the need for a vote of the people. This revenue is not discretionary—it forms the financial backbone for many of the day-to-day functions

that counties are mandated to provide under state law. If the legislature were to reduce or eliminate the county share of inside millage, the consequences would be both immediate and long-term:

# 1. Severe Impact on Mandated Services

Counties are legally obligated to fund a wide array of services, including:

- Judicial (Municipal/County Courts, Prosecuting Attorney)
- Law Enforcement (Sheriff Departments, Correction facilities, Coroner)
- Public safety (911 Dispatch Centers and Emergency Management Agencies)
- Government Administration (Elections, Real Estate Documentation, Financial, Zoning, etc.)
- Facility Maintenance and potential Debt Service.
- Other Programs (OSU Extension, Soil and Water Offices, Airport, etc.)

These services do not go away when funding disappears—counties would be forced to either raise voter-approved levies and/or voted on sale tax increases (which are uncertain and slow) or drastically cut services, compromising public safety and legal obligations.

# 2. Increased Pressure on Local Property Tax Levies and Additional Sales Tax

With reduced inside millage, counties would be compelled to ask voters for new levies or additional sales tax to replace lost revenue. This creates multiple problems:

- **Taxpayer Confusion and Fatigue**: Voters may not understand why essential services are being threatened when they already pay property taxes, leading to a loss of trust in government. Taxpayers will see this as a shift in taxation and not a cut to the size of government or a reduction in spending.
- **Businesses in Boarder Counties Ability to Compete:** Businesses in Boarder Counties will have to compete with their neighbors across stateliness that will have a lower sales tax rate.

# 3. Unintended Shifts in Government Burdens

Cutting inside millage does not reduce costs; it simply shifts them:

- More state mandates would go unfunded at the local level.
- Non mandatory county services will be cut. (Airports, Fairs, 4H, and other nonessential services)
- Courts could be delayed, jails could be overcrowded, and children or vulnerable adults could be left at risk due to lack of staffing and resources.

### 4. Erosion of Local Control

Inside millage is one of the few revenue tools counties can use without state intervention. Reducing it would further centralize fiscal authority in Columbus, undermining local decision-making. Counties are closest to the people—they should not be forced to beg for the basic funds required to fulfill their legal responsibilities. It is said that local government is the foundation of democracy, if it fails, democracy will fail.

### 5. Financial Instability and Credit Risk

A predictable, stable revenue stream like inside millage supports counties' ability to bond for capital improvements and plan long-term infrastructure. Cutting it introduces budget uncertainty and could threaten counties' bond ratings, driving up borrowing costs and impairing investments in roads, bridges, facilities, and technology.

### Conclusion

Counties are not asking for more—they are asking to keep what they already have to meet responsibilities mandated by the state itself. A cut to inside millage is not a reduction in government it's a withdrawal of resources from law enforcement, public health, and courts. It's a decision that would push counties toward crisis management and away from strategic service delivery.

I respectfully urge this committee to recognize the essential role inside millage plays in maintaining public services, local government integrity, and community well-being.

Thank you for your time and consideration.

Respectfully,

Board of Mercer County Commissioners

David Buschur mi Rick Muhlenkamp

Brian Miller