

Board of County Commissioners Lisa A. Sobecki President Pete Gerken Anita Lopez

June 17, 2025

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

Thank you for the opportunity to address this committee on an issue of serious consequence. We offer this testimony not simply in opposition, but out of deep concern and urgent alarm over House Bill 335. This legislation would inflict significant fiscal damage and disrupt essential operations across Ohio's counties. It threatens not only our financial stability, but also the foundational balance of authority between state and local government.

At its core, House Bill 335 seeks to eliminate the authority of counties, municipalities, and other local taxing entities to collect revenue from inside millage. This is a constitutionally authorized and long-standing component of Ohio's local government finance structure that has been in place since 1934 and supported by voters. This revenue is not a luxury. It is a necessity. It enables us to carry out our legal obligations and to provide the public services that our residents expect, rely upon, and are entitled to receive.

Inside millage remains one of the most stable and dependable sources of General Fund revenue for Lucas County. The passage of House Bill 335 would deal a severe blow to our fiscal foundation. It would result in a cut of more than 15% of our General Fund, removing more than \$20 million from our annual operating budget. The consequences of such a reduction would be immediate, far-reaching, and deeply harmful to the essential services we provide.

To balance our budget under such dire conditions, and assuming no new revenues materialize in the near term, Lucas County would be left with no alternative but to implement sweeping and painful reductions to core government services. These are not speculative. They are immediate and real.

The combined effect of these reductions would strike at the heart of county government. Core functions that preserve the safety, order, and well-being of our citizens would be weakened or withdrawn. Emergency medical services would be diminished. Law enforcement operations would be constrained. Jail facilities would fall further into disrepair, and the administration of justice would slow under the weight of limited prosecutorial resources and rising caseloads. At the very moment our communities need us most, social services would falter, leaving struggling families with fewer options and delayed assistance. The fundamental operations of local government would be placed in jeopardy.

HB 335 would also undermine our financial stability in the bond market. While much of our current debt is repaid using other sources, our general obligation debt relies fundamentally on the assurance of inside millage as security. The loss of this pledge would create material financial pressure on operations and existing debt obligations. It could also result in a credit downgrade,

increasing borrowing costs by millions of dollars on future debt-funded projects and jeopardizing infrastructure, public safety, and capital improvements.

HB 335 would allow counties to pursue an additional 1% sales tax. Let us be clear: Lucas County would have no choice but to go to the voters to request this additional sales tax authority. However, based on past experiences and polling, we do not believe such a tax would pass. The presumption that voters would support a sales tax increase simply because of a property tax reduction is, in our view, overly optimistic and disconnected from local sentiment.

Ohio's counties are responsible for delivering a wide range of statutorily mandated services operating jails, 911 systems, courts, elections, recordkeeping, and more. HB 335 would erode our ability to meet these mandates and shift the burden of service delivery to local taxpayers and local governments, without their consent. More fundamentally, the bill undermines local control. Counties and municipalities must retain the ability to responsibly manage local tax revenues in accordance with their community's priorities. Removing inside millage strips counties of a foundational revenue tool and transfers that authority to the state—contrary to the principles of home rule and accountable local governance.

House Bill 335 represents a profound threat to the fiscal health of counties like Lucas County. It is not just a tax shift—it is a dismantling of a constitutionally embedded system of local finance with no guaranteed replacement. We urge you to consider the real-world consequences of this bill on the delivery of public safety, justice, public health, and essential government services.

On behalf of the residents of Lucas County, we respectfully ask that this committee reject House Bill 335 or, at minimum, the state must keep counties whole through any revenue replacement means.

Thank you for your time and consideration.

Lisa A. Sobecki President

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