

Testimony by Robert Santos
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Association
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House Bill 96 Operating Budget
(Recreational Marijuana, Host Community Fund)
Government Oversight and Reform Committee
May 7, 2025

Madam Chair Manchester, Vice Chair Brenner, Ranking Member Weinstein, and esteemed members of the Government Oversight and Reform Committee,

My name is Robert Santos, a Marine Corps veteran, an Austintown Township trustee, and the President of the Mahoning County Township Association. I appreciate the opportunity to present this statement regarding House Bill 96, which proposes changes to the Host Community Fund for communities that have opted to permit recreational dispensaries.

Today, I stand before you to express my concerns about the potential impact of HB 96 on our communities. 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, as local leaders, the authority to permit or deny dispensaries based on informed decisions that reflect our residents' preferences. The anticipated 36% tax revenue from these dispensaries is a crucial alternative funding source for essential community projects, allowing us to avoid imposing additional levies that would burden our residents.

My opposition to the proposed changes in the Host Community Fund is rooted in the belief that preserving this funding is vital for our communities' growth and sustainability. Currently, before you is a reduction of that 36% down to 20%, lasting only 5 years for communities that have an open dispensary by June 20, 2025. Township funding primarily relies on property taxes and fixed levies, which often compel us to seek additional support from our residents during times of rising service costs. Inflation has placed significant strains on our budgets, forcing us to make difficult decisions that could impact the quality of services we provide.

We have observed what appears to be a disconnect between some of our legislators and the challenges we face at the township level. It is not my intention to be confrontational; rather, I hope to foster mutual understanding and collaboration. We recognize the importance of state priorities, but it is essential that we work together to ensure that our communities receive the support they need to thrive. The language in this bill, which threatens critical revenue sources, raises concerns about our ability to effectively address local needs.

Mahoning County comprises 14 townships, including Austintown and Boardman, two of the largest in Ohio. Empowering our communities to manage these funding sources is essential for addressing financial needs without further burdening residents. As elected representatives, we must prioritize local projects and initiatives that directly impact our communities.

The history of funding reallocations, such as the Local Government Fund and the racino issue, has shown us the consequences of diverting resources away

from our communities. The promise of revenue from the racino was crucial for local infrastructure and law enforcement, yet those funds were redirected, leaving us to seek alternative solutions that often involve additional levies—something we would prefer to avoid.

Eliminating funding for local communities would be a disservice, and we have reached our limit. I urge you to consider 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 effectively, fostering pride and supporting economic growth. The revenues generated by dispensaries can significantly benefit each community, potentially adding an additional \$100,000 to \$700,000 annually.

These sentiments are echoed not only by townships but also in 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.

Together, let us work towards a solution that ensures our communities receive the funding they need while supporting the broader goals of our state. Thank you for your time and consideration.

Madam Chair Manchester, Vice Chair Brenner, Ranking Member Weinstein, and esteemed members of the Government Oversight and Reform Committee, thank you for your time. I will be happy to answer any questions you may have.

Sincerely,
Robert J Santos
President, Mahoning County Township Association