STATEMENT OF THE CITY OF CENTERVILLE
IN SUPPORT OF SENATE BILL 331

Before the Senate Workforce Development Committee
Senator Kyle Koehler, Chair

Chair Koehler, Vice Chair Reynolds, Ranking Member Ingram and members of the Senate Workforce Development Committee, on behalf of the City of Centerville, thank you for the opportunity to provide testimony in support of Senate Bill 331.

My name is Scott Liberman, and I serve as the Law Director for the City of Centerville in Montgomery County. I have practiced law for over 30 years and have served as Centerville's Law Director for more than 25 years. I am here today on behalf of the City of Centerville and other political subdivisions across Ohio that operate hospitality-based public amenities.

As Law Director, it was brought to my attention, based on guidance from the Ohio Ethics Commission, that a public servant working in a hospitality role—such as a restaurant server—is prohibited from accepting anything of value from any source other than their public employer as compensation for the performance of their duties.

However, it is commonly expected by patrons of hospitality venues—including those operated by political subdivisions, such as golf courses—that servers will receive gratuities for their service. This creates a clear conflict between existing ethics guidance and customary industry practice. As a result, this is an area of law in need of revision to ensure that political subdivisions remain competitive in offering amenities and services to the public.

The City of Centerville provides high-quality public amenities that serve residents and visitors alike, including parks, event venues, and The Golf Club at Yankee Trace, a premier public golf facility. These amenities rely heavily on seasonal and part-time employees in roles that are traditionally tipped in the private sector, such as food service, event staff, and beverage cart attendants.

Under the current interpretation of Ohio's ethics laws, these employees may be prohibited from accepting gratuities, even when performing the same duties as their private-sector counterparts. As a result, local governments are placed at a significant disadvantage in recruiting and retaining staff for these positions.

This challenge is especially evident at The Golf Club at Yankee Trace, where customer-facing roles are directly comparable to those at private golf courses that permit gratuities. In an already competitive labor market, it is difficult to recruit seasonal employees. Asking individuals—many of whom are young or entering the workforce for the first time—to perform service-based roles without the ability to accept gratuities makes these positions far less attractive and, in many cases, difficult to fill.

Senate Bill 331 offers a practical and narrowly tailored solution by allowing public hospitality employees to accept gratuities while maintaining appropriate safeguards to ensure integrity in public service.

This legislation recognizes the realities of today's workforce and helps level the playing field between public and private employers without shifting costs to taxpayers or altering base compensation structures.

Importantly, this bill does not expand tipping to positions involving authority or decision-making. Instead, it is limited to roles where gratuities are customary and expected by patrons. It also ensures that gratuities cannot be used to offset wages, thereby preserving fair compensation practices.

For communities like Centerville, this legislation supports the continued ability to operate high-quality public amenities, deliver excellent customer service, and maintain a strong seasonal workforce. Without this flexibility, municipalities will continue to face unnecessary barriers to staffing positions essential to the success of these facilities.

Thank you for the opportunity to testify today and for your consideration of Senate Bill 331 in support of Ohio's local communities. I would be happy to answer any questions.