



**County  
Commissioners  
Association of Ohio**

*Serving Ohio Counties Since 1880*

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April 26, 2017

**To: Members of the Ohio House Finance Committee**  
**From: Kerry Metzger – Tuscarawas County Commissioner**  
**Re: Substitute HB 49 – State Biennial Budget**

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Chairman Smith, Vice Chair Ryan, Ranking Member Cera, and members of the Ohio House Finance Committee, my name is Kerry Metzger, and I am currently serving my 15<sup>th</sup> year as County Commissioner in Tuscarawas County. I am a Past President of the County Commissioners Association, and previously served as State Representative for the old 97th House District.

I wish to thank you for the opportunity to appear before your committee to provide testimony on behalf of the County Commissioners Association of Ohio regarding the critical issues contained in Sub HB 49 which impact county government and our 88 counties' abilities to maintain fiscal stability.

CCAO recognizes the extreme challenges the House has faced as revenue projections continue to decline, and we are appreciative of the efforts you have taken to prioritize several of our members' key concerns.

### **Indigent Defense Reimbursement**

The substitute bill includes an additional \$7.1 million in FY18 and \$7.9 million in FY19 which provides half of the additional funding needed to get counties to 50% reimbursement. Thank you for recognizing this priority issue for counties. We also appreciate the broad support for this issue in the House.



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## **Efforts to Counteract the Drug Epidemic**

The opiate epidemic has brought tremendous challenges upon local government services. We appreciate the House's commitment of over \$170 million in new funding to help us and our partners better address this difficult issue. We want to specifically acknowledge new support in three areas.

### **Child Protection**

Opiate addiction has pushed the child protective system into a state of crisis and counties desperately need more resources in order to care for the children who are coming into our care. CCAO supports the additional investment of \$15 million per year in the state child protection allocation. We also appreciate the additional \$10 million per year to support TANF MOE to provide support for kinship caregivers along with efforts to increase foster caregiver assistance.

### **County Jails**

CCAO, the Buckeye State Sheriffs' Association, and the behavioral health community presented three new program initiatives specifically designed to assist county jails in managing and caring for the mentally ill and addicted population. Two of these initiatives have been funded in the substitute bill:

- \$15 million per year has been provided to establish a state-wide behavioral health triage program that will support 6 regional centers based around the state hospital's catchment areas for individuals confronted with a mental illness crisis and 9 regional centers for individuals who are in immediate need of withdrawal management care.
- \$12 million per year has been allocated to ADAMS Boards to assist them in providing direct treatment and counseling services in the county jails which will allow for a continuity of care to inmates with mental health and/or addiction issues.
- The third initiative to reimburse counties for the psychotropic drugs prescribed for county jail inmates was not funded. The request was for \$4 million per year.

### **Prevention Funding to Counties**

\$25,000 to each board of county commissioners to utilize to bring their community together to work on prevention activities.

### **Felony 5 Offenders – Targeting Community Alternatives to Prison (T-CAP) Program**

We appreciate the House requiring that T-CAP grant funds must be used to reimburse the county jails for their per diem cost for housing an F-5 felon who is sentenced to confinement in the county jail. However, this program would result in a major paradigm shift transferring the responsibility for felony offenders from the state to the counties, and we ask that this program remain optional rather than become mandatory on all counties beginning in July 2018.

## **Other Issues Impacting Counties Supported by CCAO**

**Adult Protective Services (APS)** – Increases the initial appropriation of \$2.6M by \$250,000 per year.

**Multi-Agency Radio Communications System (MARCS) Subsidy** – As introduced, the bill eliminated the state subsidy currently provided to reduce MARCS subscriber fees paid by political subdivisions and regional public safety and first response agencies classified as Tier 1 subscribers from \$20 to \$10. The substitute bill restores the subsidy.

**Board of Revision Hearings** – provides an additional 90 days in which to decide complaints for Ohio's 10 largest counties. This will those counties more time to hear and decide the large volume of complaints filed with them. It also provides that when calculating time the reference to days means business days.

**County Commission Organizational Meeting** – removes the date specific requirement for the annual organizational meeting and allows the board to hold its organizational meeting any time prior to the second Monday in January.

**Local Government Fund Distribution** – eliminates the governor's plan to re-distribute these funds and maintains the current undivided local government fund distribution to the counties.

**Sales Tax on Hotel Intermediaries and Travel Services** – defines that the price subject to the sales and uses tax for hotel lodging is the total amount paid by the customer.

**Use Tax Collections by Certain Out-of-State Retailers** - requires, beginning January 1, 2018, an out-of-state seller with annual Ohio sales in excess of \$100,000 or 200 or more Ohio transactions to collect and remit use tax, regardless of whether or not those sellers have a physical presence or a substantial nexus with Ohio.

**County Treasurer Tax Collection Settlement Fees** – revises the schedule for the fees that are deducted from taxes collected by the county treasurer to increase the revenue from these fees to help cover the treasurer's costs in processing tax collections and distributions to the political subdivisions within the county.

## **CCAO Concerns**

**Sales and Use Tax Exemptions** - The sales and use tax has long been the number one revenue source for the counties' general funds and the erosion of this base through exemptions is of serious concern to counties. Consequently the exemption provided for prescription eyewear concerns us, and we will be reviewing the other proposed exemptions in the sub-bill.

## **CCAO Reviewing**

**Recordation Fees Restructured, CAUV Adjustments & Payment by Political Governments of Court Costs in Property Tax Appeals** – our CCAO committees and Board will be looking at these new provisions contained in the substitute bill.

On behalf of CCAO I, again, wish to acknowledge the daunting task that this committee and the House have faced, and thank you for your work in supporting county government by supporting us on several of our key issues. I'd be happy to answer any questions you might have.