

TESTIMONY IN SUPPORT

H.B. 166

Hon. David W. Light, Mayor

City of Norwalk, Ohio

Mr. Chairperson, members of the Committee, my name is **David Light**, and I am the Mayor of the City of Norwalk. With me is **Stuart O'Hara**, Law Director of Norwalk. We are here to provide our support in favor of HB 166.

Norwalk, like many other cities in Ohio, relies heavily upon municipal income tax to meet its obligations and provide necessary services to its residents. Nearly a third of our over-all annual budget of roughly \$35 million is supported by income tax. However, it is in the City's General Fund, from which our first responders - police and fire protection – are paid, that the effect of the income tax is more apparent. 68% of income tax receipts go to support the General Fund.

Within the General Fund, 91% of the Police Department budget and 89% of the Fire Department Budget are supported by the General Fund.

98% of the costs of our Sanitation Department is paid for by the income tax. 79% of the City's General Capital Improvement Fund comes from income tax.

Clearly, then, the municipal income tax is vital to supporting the necessary services the City of Norwalk provides to its residents. Since all residents of the City enjoy these services and benefits, we believe that it is only just and proper that all people residing within the City contribute to the cost of those services.

Unfortunately, there is a segment of our population that enjoys these benefits and services but does not contribute to the cost of them. In particular, one local company, based near Oberlin, Ohio, established a development in the City of Norwalk to house over 400 of its workers. In addition, another company is currently in the process of establishing similar housing in Norwalk for an additional 200 workers. All of these workers are, for the most part, brought into the United States from foreign countries. They work in the United States for extended periods of time and then return to their places of origin.

These workers reside in Norwalk for periods of time approaching 10 months out of the year. They live in the City during this time but work at job sites outside of the City. While living in Norwalk, they receive and enjoy the same benefits and services as other Norwalk residents: they receive police protection; they receive fire protection; they enjoy the benefits of properly maintained infrastructure paid for through the capital improvement fund.

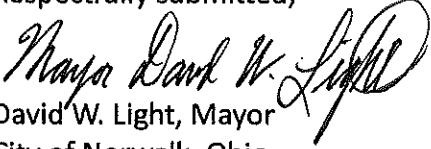
Yet, due to the current language in Chapter 718 of the Revised Code, the municipal income tax, these residents do not pay municipal income tax. They do not contribute to the cost of the services they enjoy.

We believe that the proposed amendments to Chapter 718 – subjecting foreign agricultural workers to the municipal income tax and requiring employers to withhold the tax - would help remedy this inequity.

Make no mistake – the City of Norwalk welcomes these newest members of our community. But having them contribute their fair share of the cost of providing the many municipal services which they enjoy and which are supported by the municipal income tax, would only be fair and just.

Thank you, Mr. Chairman and members of the Committee for this opportunity to testify before you on this important issue.

Respectfully submitted,


David W. Light, Mayor
City of Norwalk, Ohio