

## ***Ohio Township Association***

The Ohio Township Association (OTA) would like to thank the State & Local Government Commission (SLGC) for the opportunity to comment on the proposed 1999 Local Impact Statements.

The OTA appreciated the ongoing effort of the Legislative Budget Office (LBO) to provide information on the fiscal impact new laws in Ohio will have on townships. The LBO Local Impact Report helps educate our memberships and the members of the General Assembly on the affect certain legislation will have on townships budgets and keeps legislators and local officials aware of any unfounded mandated created in legislation proposed and passed by the General Assembly.

As we have stated in the past, the fiscal impact legislation may have on townships, often is underappreciated. Requirement established in legislation such as filing, notification and public hearing requirements could create significant cost for townships. The OTA is pleased that LBO takes such cost not consideration when determining local fiscal impact. Further, the standards used by LBO to determine what constitutes a "Local Impact" for townships ensure that townships with smaller populations are smaller budgets are not overlooked.

A bill is determined to have fiscal impact if its estimated annual cost is more than \$1,000 for townships with a population of less than 5,000 or if its estimated annual cost is more than \$5,000 for townships with a population of more than 5,000. Although \$1,000 or \$5,000 many not seem like a great deal of money, when compared with the total budget of the township, the loss of such revenue may create a significant impact.

According to the 1999 report, there are several bills with a local impact for townships, potentially resulting in a loss of thousands of dollars for townships governments. Increased tax credits granted by the State in House Bill 384, removal of BMV fees for specialized license plates in the House Bill 123, and increased fees for sewer sludge disposal in House bill 197 all present potential loss revenue for townships. Although the actual impact these new laws will have on townships will not be known until the laws are put into practice, the fiscal analyses calculated by LBO provide a base for our townships to use to determine how a new law may affect their budgets.

The OTA appreciated the opportunity to provide our input and look forward to working further with the State & Local Government Commission and LBO.