



COUNTY COMMISSIONERS ASSOCIATION OF OHIO

The 2003 Local Impact Statement Report prepared by the Ohio Legislative Service Commission (LSC) shows the impact of unfunded mandates on county government. The Report continues to show that counties are more heavily impacted than are schools, townships, or municipalities by these legislative initiatives. Of the 11 bills that became law during 2003 for which a Local Impact Statement was prepared, 10 impacted counties. At the same time, 7 of the bills impacted municipalities, 4 impacted townships, and 1 affected school districts.

The Local Impact Statement process is a valuable tool that we believe makes members of the General Assembly more aware of how their decisions have financial implications to counties and other local units of government. However, the Report does not give a comprehensive and accurate view of unfunded mandates from the perspective of counties because the General Assembly has exempted budget bills from the LIS process and, thus, this Report.

A reader of this Report would “miss” the extension of the “freeze” in Local Government Funds, a form of state revenue sharing with local governments; the elimination of reimbursement for lost revenue resulting from the state exemption of tangible personal property tax; the acceleration of the phase out of the inventory tax; the continued woefully inadequate funding of indigent defense; or the reductions in funding for child support enforcement or child protective service, responsibilities the state expects the counties to perform. These significant fiscal impacts were incurred by counties as a result of the state budget process. In our review, they are also unfunded mandates and carry a far greater significance than the legislation reviewed in this Report.

Unfunded mandates continue to plague all units of local government. Their impact becomes more severe, however, when coupled with the current economic climate. The demands for county government service, most of which the county delivers on the state’s behalf, continue to increase while revenue sources for county governments have stagnated or declined. Unfunded mandates continue to erode the foundation of a viable state/county partnership-county fiscal security.

We again thank the Legislative Service Commission for the opportunity to comment on this report. The LSC staff is always fair and objective and they provide a true service to local governments in preparing professional Local Impact Statements under what is often challenging circumstances.

We urge the General Assembly to include the fiscal impacts of state budget bills under the LIS process and that these bills will be included in these reports in the future. Only then, will we have a true picture of the impacts of unfunded mandates on local governments.