

Written Testimony of
Michael H. Cochran, OTA Executive Director

Submitted on
March 24, 2009

On behalf of the Ohio Township Association (OTA), I am writing to express our concern with several provisions of House Bill 1, the biennial budget bill, pending before the House Finance & Appropriations Committee.

First and foremost, the OTA opposes new language included in RC Section 4117.01 (B) that alters the definition of public employer to include a township with respect to paid, full-time firefighters of a township fire department. Current law exempts all townships and villages with less than 5,000 residents from collective bargaining rules. The change in HB 1 would mean that any paid, full-time township fire department would be subject to collective bargaining rules pursuant to ORC Chapter 4117. I must note that villages that have paid, full-time firefighters, like the language change suggested for townships in HB 1, would not be subject to ORC Chapter 4117.

The OTA strongly objects to this change. Our primary reason for opposing this is the cost related to collective bargaining negotiations and the “decision” process being removed, at least partially, from the township trustees. With respect to township budgets, they are simply not large enough to handle the costs of the process as the cost of attorneys and collective bargaining representation are significant. Additionally, by opening this section up for one exemption it will create a slippery slope that could lead to additional exemptions. This type of legislation has been introduced in the past and the OTA has opposed those bills and must continue to oppose this language in HB 1.

A second concern we have with HB 1 is the increase in fees for solid waste and construction and demolition debris (C&DD) facilities. House Bill 1 calls for a total increase in those fees of one dollar and twenty-five cents per ton for solid waste facilities and one dollar and thirty-five and one half cents per cubic yard and two dollars and seventy cents per ton for C&DD facilities. While the OTA does not object to the overall increase in fees, we do object to the state receiving one hundred percent of the increased fee revenue.

The OTA feels that solid waste and C&DD facilities have a responsibility to the communities hosting them. The negative impacts of these facilities must be addressed including damage to the roads surrounding a facility, increased demand on a township's safety services, litter control and noise. These impacts can be decreased by allowing townships to use funds generated by the facilities in the form of host fees for increased fire and EMS protection, litter control, noise abatement walls, and the abatement of any other nuisance or problem created by the facility. The OTA respectfully requests that the community host fees be increased for solid waste and C&DD facilities.

Next, the OTA respectfully requests consideration of an amendment that would give political subdivisions receiving tangible personal property (TPP) replacement revenue an additional \$11.2 million in FY 2011. A key component of Ohio's 2004 tax reform was the phased-out elimination of the TPP. In its place, the state created the Commercial Activity Tax (CAT). Part of the tax reform package called for reimbursements to local governments designed to hold them harmless for five years, with the understanding that this would provide a window within which to craft a permanent solution.

We understand that the national and state economic challenges we face will make it difficult in the biennial budget to look for a permanent solution. Instead, we are proposing an extension of the hold harmless agreement through the FY 2010 - 2011 biennium. This extension would require an additional \$11.2 million from CAT revenues be used to continue the hold harmless agreement that benefits all local governments and special districts like parks, MRDD and community colleges. This funding absolutely is essential for critical programs and services that are important in townships and other entities.

The Ohio Township Association supports the testimony that you heard from Suzanne Dulaney and Assistant Fire Chief Bob Bates on this matter. We are a proud member of the TPP Coalition referenced by Ms. Dulaney & Assistant Chief Bates and we encourage members of the Finance Committee to consider the inclusion of an amendment that would hold all local governments and service providers harmless through FY 2011.

Fourth, the OTA strongly recommends the Committee reconsider the funding cuts given to The Ohio Cooperative Extension Service, or commonly referred to as OSU Extension. The OSU

Extension program has long provided great services to Ohio's townships. For example, last General Assembly legislation was passed overhauling the line fence law in Ohio. Township officials are responsible for addressing line fence matters and so the overhaul of the new law needed to be accurately and adequately related to township officials. The OSU Extension personnel helped the OTA create an educational tool for our members to understand the new law and procedures to follow when implementing the new law.

The OSU Extension personnel helped the OTA develop our Ohio Township Association Leadership Academy (OTALA) program for township officials and employees. The OTALA is designed to provide useful programs that will enhance the leadership and decision making skills of the township leadership team. We have had over 900 township officials and employees take OTALA classes since its inception in 2003.

In 2007, the OTA, with the assistance of The OSU Extension, began offering zoning sessions to township officials and members of township zoning and zoning appeals boards. The OTA has educated more than 400 township zoning personnel about different zoning laws and procedures. The OSU Extension personnel are also frequent speakers at our conferences on a variety of other issues. Without their help, we would not be able to provide the quality education services to our members. Again, the OTA strongly opposes the 24% reduction in funds to The OSU Extension and encourages the Committee to restore their funding for FY 2010 and FY 2011.

Finally, in the "As Introduced" version on HB 1, funding is eliminated for the Rural University Program and the OTA strongly recommends this funding be restored. The Rural University Program was originally established in 1985 as a way to improve the operational efficiencies of governments and other public services in rural areas of the state by utilizing the expertise and resources of public institutions of higher education.

The OTA has worked with three universities that have received this funding in the past: Miami University, Ohio University and Bowling Green State University. These public service laboratories bring together a unique blend of faculty, staff, professional consultants and graduate and undergraduate students to deliver products and services to units of local governments. No other resource of this type exists for township government officials in Ohio.

While we have worked with all three entities in the past, the OTA has a special relationship with Miami University and the Center for Public Management and Regional Affairs. Miami University - Center for Public Management and Regional Affairs and the Ohio Township Association has had a cooperative agreement in place since 1986. The Center provides applied research, technical assistance, student & faculty internships, database development, website creation and survey management to many townships throughout the state. The Center has created the "Township Sourcebook" series consisting of a guide to personnel management, the duties of a township fiscal officer and the duties of a township trustee. A zoning sourcebook is in the final stages of development and it is designed to give a basic overview of how zoning is implemented and applied in townships.

The Center has been instrumental in educating township officials across the state on a wide variety of issues facing townships. Center staff routinely presents at OTA conferences, meetings of our township administrators and have provided teachers for our OTALA program. Center staff is working with the OTA to develop a second tier for our OTALA program that we anticipate starting in 2010. The Ohio Township Association strongly encourages the House Finance Committee to reinstate the funding for the Rural University Program so that townships in Ohio are able to continue receiving the quality programs, research and teaching that Miami University and the others provide.

At the same time that local governments are being asked to further their efforts in cooperation and collaboration, these two entities (The OSU Extension & CPMRA) have done more to further cooperation and collaboration than any others with whom we have worked. It seems to be counterproductive to now either drastically reduce or eliminate their funding thus crippling their ability to provide quality research and cooperative services to local governments.

Thank you for your consideration of our requests. Should you wish to discuss these matters further, please do not hesitate to contact me or OTA Director of Governmental Affairs Heidi M. Fought at (614) 863-0045.