

Ohio House of Representatives



State Representative Bob Peterson
Ohio House District 85
Sponsor Testimony, House Bill 225
Tuesday, September 27, 2011

I am honored to present HB 225. We talk all the time about wanting government to operate efficiently, like a business. With my 14 years of experience as a county commissioner, I believe this goal of efficiency should be strived for in many areas, and in some areas, government should be held to a higher standard than private businesses.

Many times, the reason local governments do not operate like a business is due to unnecessary restrictions in the Ohio Revised Code. This bill deals with correcting three straightforward measures that limit the ability of local governments to operate in the 21st century. While many if not most, counties and townships are already using direct deposit to pay their employees, this bill offers clarifying language and gives local governments the authority to pay all employee through direct deposit

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Currently counties and townships are limited to 5 % of their revenue that can be placed into rainy day funds. This bill raises that threshold to one sixth of their yearly revenue. I doubt that in today's difficult economy that many will be able to take advantage of this part of the bill. But wouldn't it have been better, if heading into this recession, counties and townships had had a larger amount set aside into a rainy day fund?

The last segment of this bill addresses the challenge of reclassifying property, if that property moves from private to public use, within a few narrow categories. Currently, if a property becomes public land it goes through a very difficult process: for example, a new road is built; for property that was previously privately owned, the county auditor would send the parcel information to the Tax Commissioner. The Tax Commission reviews this information and reclassifies the property as public use, which makes the parcel exempt from property tax. Depending on the timing of the request and the work load, taxes may have to be paid on this parcel, and then later reimbursed since the parcel is now for public use... not a very efficient system.

HB 225 simply allows the county auditor to reclassify property in these specific instances: If the land is to be used for a public road or highway, the land is

property of the Federal government, building improvements to government owned buildings, or property belonging to public universities.

This simple measure saves time and work at the county and at the state level.

This bill was originally drafted by Representative Huffman in the 128th General Assembly and was reported favorably out of the Local Government committee with bi-partisan support. House Bill 225 is supported by the Ohio Auditor's Association, the Township Association and the County Commissioners Association of Ohio. In fact, since we have continued work with these various groups on this bill, we expect to bring an amendment to this bill dealing with deferred compensation next week.

Thank you all for your attention, I would like to now yield the floor to the joint sponsor of this legislation, Representative Al Landis.