



As noted in the Introduction to the 2010 Local Impact Statement Report, various bills are exempted from the LIS requirement and, consequently, the LIS Report inadequately represents the burden of unfunded mandates placed upon county government by the General Assembly.

Generally, the impact of unfunded mandates has become more severe for all units of local government due to current economic challenges. For counties, in particular, the demands for services, most of which the county delivers on the state's behalf, continue to increase while revenue sources have stagnated or declined. Unfunded mandates continue to erode the foundation of a viable state/county partnership by threatening county governments' fiscal security.

Because the General Assembly has exempted budget bills from the LIS process, the Local Impact Statement process does not give a comprehensive and accurate view of unfunded mandates from the perspective of counties. Likewise, the fact that the LIS only applies to the "As Introduced" version of legislation is another major shortcoming in the law.

CCAO feels that with the new emphasis of the Kasich Administration on making state and local government more efficient and less costly that the law should be modified to reflect this new philosophy. The major change that should be enacted is to require this report to reflect the actions of the General Assembly in the State Budget. Another positive change in the law would be to require a current LIS when bills are amended. If such changes are made to the law, the 2011 Report would be not only more interesting, but would also be a more accurate depiction of how actions of the General Assembly impact counties and other local governments given the massive fiscal policy changes and the enactment of a series of "tools" that were also included in the budget.

In addition, including at least a listing of new permissive opportunities for collaboration and intergovernmental cooperation in the Report would point out opportunities for reduced local government costs. Such as section of the Report would also serve as an excellent tool to spur initiatives that could reduce local government costs. Making estimates of cost are often difficult and more of an "art" than a "science". Sometimes local governments really do not know the nature and magnitude of the costs until they implement the new law. Perhaps a periodic "look back" at costs a few years after the law becomes effective would be more definitive and valuable.

CCAO thanks the Legislative Service Commission for the opportunity to comment on this report. The LSC staff has a difficult job and we wish to acknowledge their professionalism, competence, and hard work. Irrespective of the concerns CCAO raises regarding the LIS process, CCAO knows that the LSC staff is a valuable resource that serves the General Assembly and Ohioans well.