



Greater Ohio Policy Center

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Greater Ohio Calls Commission on Local Government Reform Report a Modest First Step

More reform, action still needed to prepare Ohio for the competitive Next Economy

COLUMBUS – Greater Ohio Policy Center called a draft report, which was unanimously approved at a meeting of the Ohio Commission on Local Government Reform and Collaboration Friday, a modest first step toward increasing the efficiency and effectiveness of local government and fostering economic development in Ohio, but called for government leaders to quickly build upon the commission’s efforts.

Today is the statutory deadline for the commission to issue its final report, the culmination of 19 months of work to develop recommendations to increase the efficiency of local government, achieve cost savings for taxpayers and promote economic development.

“The report and its recommendations are a step in the right direction, but the pending state budgetary crisis makes real local government reform all the more urgent, as the gap between costs and revenues on the local level continues to widen with reduced ability for the state to make up these differences,” said Greater Ohio’s Executive Director Lavea Brachman. “To avoid crippling budget cuts in the next state budget and make Ohio economically competitive, local government must become more attentive to reducing costs through collaboration and consolidation. The commission’s recommendations are not the bold action steps required under the current dire fiscal and economic conditions.”

These issues require long-term attention, and, as a logical next step, Greater Ohio calls for the creation of a permanent, intergovernmental, collaborative body responsible for continuing the work of the current commission.

The commission’s recommendations, such as those to:

- alter state law to make regional tax sharing permissive
- permit counties to provide regional service across political boundaries
- formalize the role of metropolitan planning commissions
- encourage the creation of regional economic development plans based on a region’s recognized strengths

- create an incentive system to encourage local government collaboration focused on the delivery of services

if implemented could greatly improve the efficiency and effectiveness of local government, while also increasing the competitiveness of Ohio's communities.

However, the commission did not go nearly far enough, as evidenced by a number of concepts that were held back for "consideration," such as requiring each county to create a Local Government Services and Collaboration Commission and targeting current revenue streams, including Local Government Fund allocations, to political subdivisions that engage in collaborative efforts.

"Another serious oversight by the commission was not creating a process to collect and evaluate the data needed for greater transparency and accountability to protect the taxpayers' investments in their local government," said Gene Krebs, Greater Ohio Senior Director of Government Affairs and Policy. "A permanent intergovernmental body could be charged with implementing a system through which local governments would provide data on all costs and revenues in a standardized fashion, thus helping Ohioans fully understand the true costs of local government. Such a body could also be a vehicle for evaluating best practices used in other states, such as New York and Indiana, and piloted in communities in Ohio, to share with legislators and the general public to help build the case for reform in Ohio," he said.

Restoring Prosperity: Transforming Ohio's Communities for the Next Economy, a report released by Greater Ohio and the Brookings Institution Metropolitan Policy Program earlier this year, which contains some of the recommendations found in the commission report, showed that the proliferation of local governments and the fragmentation of the state into "little box" jurisdictions create duplication that is expensive. This fragmentation prevents local governments from developing a unified vision for economic and business development and thus from creating a competitive business climate.

The *Restoring Prosperity* report notes that Ohio has 3,800 taxing jurisdictions and half of them are either school districts or townships, yet the commission report lacks serious recommendations for school district or township reform. For example, in fiscal year 2008, K-12 education in Ohio comprised the largest share of state spending – 39 percent or \$8.65 billion, according to the report.

"Any reform must include a discussion about school district reorganization. If Ohio wants to compete in the global economy, we must reduce these types of costs and others," Brachman said

Greater Ohio's *Restoring Prosperity* report and a full list of its recommendations can be found by clicking on the following link: <http://www.greaterohio.org/files/quick-downloads/restoring-prosperity-report.pdf>

About Greater Ohio Policy Center

Greater Ohio, the state's "smart growth" organization, promotes – through research, public education and grassroots advocacy – public policy to grow Ohio's economy and improve the state's quality of life through intelligent land use. Toward this end, Greater Ohio advances policies and programs that revitalize urban and metropolitan areas, strengthen regional cooperation, and protect Ohio's open space, natural resources and farmland. Based in Columbus, Greater Ohio is non-partisan, non-profit, and foundation-funded. For more information, please go to www.greaterohio.org.

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