



# THE BUCKEYE INSTITUTE

## **Innovate the Code Policies Save Taxpayers Time & Money**

Interested Party Testimony  
Ohio House State and Local Government Committee  
Ohio House Bill 76

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Chair John, Vice Chair Dean, Ranking Member Brennan, and members of the Committee, thank you for the opportunity to testify on the regulatory reform policies included in Ohio House Bill 76.

My name is Greg R. Lawson. I am the research fellow at **The Buckeye Institute**, an independent research and educational institution—a think tank—whose mission is to advance free-market public policy in the states.

The Buckeye Institute's vice president of policy and I were honored to attend a press conference at the end of January with Governor Mike DeWine and Lieutenant Governor Jon Husted that outlined the administration's goal to cut one-third of the Ohio Administrative Code. That laudable goal builds on efforts made by former Senate President Larry Obhof and Senator Rob McColley to cut Ohio's bureaucratic red tape. House Bill 76 continues those reforms.

House Bill 76 will help right-size the state's Administrative Code by identifying antiquated or redundant rules that are overdue for removal. With **smart changes** to various outdated government notification requirements and by allowing constituents to submit documents electronically, for example, the bill promises to save taxpayers time and money. As others have **testified**, the bill's commonsense changes could save taxpayers an estimated \$44 million and 58,000 hours of state employee labor. Those dollars can be spent by those who earn them, and those hours can be put to more meaningful use.

Reducing regulatory red-tape is necessary to keep Ohio growing economically. As the **Mercatus Center** and the **Regulatory Studies Center at George Washington University** have **explained**, government regulation discourages entrepreneurship, which is a significant problem inasmuch as first-year entrepreneurial start-ups historically have been net **job creators** while existing businesses are net job destroyers. In addition to dissuading entrepreneurs, The Buckeye Institute's **Economic Research Center** has **found** that licensing regulations have also discouraged people from moving to Ohio and have prevented more than 7,000 workers between 25-45 years old from pursuing licensed occupations. And Buckeye economists have observed that some of Ohio's high licensing costs keep workers from good-paying professions, suggesting that without those additional regulatory costs more job-seekers would be employed.

House Bill 76 takes another meaningful cut at government red tape, but more remains to be done. Some Ohio businesses and job creators face regulatory burdens created by agency over-reach when agencies exceed their statutory authorities. The **Common Sense Initiative** and other important policies have been working to restrain this common phenomenon. But sometimes agencies impose otherwise unnecessary burdens because of how the General Assembly wrote the law. New occupational licensing laws are particularly notorious examples that cost your constituents and communities jobs, growth, and economic opportunities.

Agency and legislative over-reach must both be stopped. "Innovating" and decluttering the Administrative Code is good, but never issuing broad legislative mandates in the first place is even better.

Thank you for your time and attention. I would be happy to answer any questions that the Committee might have.



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