



THE BUCKEYE INSTITUTE

Interested Party Testimony Submitted to the Ohio House Finance Committee on House Bill 3

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Thank you Chairman Smith, Vice Chair Ryan and Ranking Member Cera for the opportunity to testify before the Ohio House Finance Committee. My name is Greg R. Lawson. I am the Research Fellow at **The Buckeye Institute for Public Policy Solutions**.

I am here with a few brief remarks regarding House Bill 3, the DataOhio project. I have previously testified about DataOhio and the need for government transparency. I appreciate the chance to revisit the issue today.

The Buckeye Institute has long championed a more transparent government that makes it easier for taxpayers to see and understand how Columbus spends their hard-earned money. Such transparency helps citizens better understand what their government has done, what it is doing, and what remains to be done with their tax dollars. Fiscal transparency helps keep government accountable to the citizenry, fosters a more informed public, and facilitates a better dialogue between the people and their elected representatives.

Recognizing the need for and challenges of providing more fiscal transparency, The Buckeye Institute developed its own searchable database for tracking state spending on salaries for state employees, K-12 teachers, four-year higher education, and select local government employees. Of course, imitation is the sincerest form of flattery, and The Buckeye Institute's database proved so popular and useful that the **Ohio Treasurer of State** and the **Office of Budget and Management** now offer even more robust services.

Despite its popularity and usefulness, The Buckeye Institute's database, as well as existing state services, are not comprehensive toolkits. For example, it does not publish information on vendor payments made by localities, and the local component that lists local government salaries remains quite limited. While the State Treasurer's office, has expanded the state's **Ohio Checkbook** database so that it now also includes many Ohio local governments, more transparency is better than less.

As time goes on, this will prove increasingly important for Ohioans seeking to understand the operations of local governments, especially in an era of potentially reduced resources.

Ohio boasts thousands of local governmental bodies and a labyrinth of taxing authorities. As The Buckeye Institute outlined several years ago,

As of October 2007, Ohio ranked seventh among states regarding the number of local governmental entities and taxing authorities according to the U.S. Census Bureau, with a staggering 3,702 entities. On average, there are more than 41 taxing authorities per county, which is 46 percent more than the national average of 28.

Ohio had the sixth highest number of municipalities (938) and townships (1,308). There are 614 school districts as well as a myriad of law enforcement and safety entities along with special district governments. Cuyahoga County alone has 104 local government entities.¹

¹ Lawson, Greg R., *Joining Forces: Consolidation Will Help Ohio's Local Governments if Compensation Package Costs are Properly Managed*, The Buckeye Institute, October 3, 2011.

Without fiscal transparency for Ohio's local governments, taxpayers remain largely in the dark without ready access to vital information needed for holding their elected officials accountable.

The DataOhio project can further promote transparency by developing a standard chart of accounts so that citizens and policymakers can make apples-to-apples comparisons of spending across these diverse local governments. This would help constituents and even lawmakers make better sense of how our local governments operate—again, an increasingly important issue as the General Assembly debates the adequacy of local government resources.

DataOhio and similar efforts can all work together as complementary tools for the common, important purpose of empowering Ohio's taxpayers to raise accountability at all levels of Ohio government.

Thank you for your time. I look forward to answering any questions from the committee at this time.