

Local Elections and the TEL.

The Tax Expenditure Limit (TEL) issue, scheduled to be on this November's statewide ballot as State Issue 1, makes two very clear distinctions in limiting state and local taxing and spending. The first distinction is that the General Assembly can increase state taxes **WITHOUT A VOTE OF THE PEOPLE**. The General Assembly and Governor can pass a statewide tax increase whenever it wants with majorities in both Houses and the Governor's signature.

If the TEL passes, all local tax increases must go to the ballot. If that were the only change made by the TEL that might not be a very big deal for local government because the vast majority of tax increases already go to the ballot. Those few issues that don't are subject to initiative and referendum, which means the people can demand a vote, if they wish. The amount of tax dollars increased by local governments without a vote of the people since the year 2000 has been incredibly tiny compared to total local expenditures and state tax increases by the General assembly since 2000. The vast majority of those local tax increases without a vote have been small villages establishing income taxes.

So, in practical terms, while the problem that is supposed to be addressed by the TEL is "out of control" state spending, the TEL does not rein in the power of the General Assembly to raise taxes, while requiring, for the most part, small villages to put their tax increases on the ballot. If that's all the TEL did, that might be goofy, but okay.

However, the TEL goes on to make life easier for the "out of control" state spenders and merely impossible for all local governments (cities, villages, counties, libraries, townships, special districts and school districts). **IT MAY COME AS NO SURPRISE THAT THE AMENDMENT'S PRIMARY SUPPORTER IS A STATE OFFICIAL.**

Under the TEL, while the state does not have to submit tax increases to the voters, it must submit any actions that cause it to go over the state-spending limit in the TEL. That limit, for each budget year, is spending equal to the Consumer Price Index plus growth rate of population or 3.5%, whichever is greater. That same growth in spending applies to all local governments.

In order to pass a ballot issue blessing a growth rate above the cap for **state spending**, the General Assembly's issue for more spending must have "**a majority of electors voting at such an election**" approve that spending.

On the **local level** all tax increases and spending over the cap cannot be approved "**without first obtaining the approval of a majority of electors in that political subdivision.**" That means that every elector gets a vote, whether they show up at the polls or not. That also means that voters, who don't vote, automatically vote "NO." Any issue that does not have at least 50% showing up at the polls, even if everyone votes for the issue, loses.

Even the supporters of this issue say such a standard is ridiculous. They, of course, go on to say that's not what the language means, even though that's what it says. They further go on to say there are statutes, written by the General Assembly, that say the same thing, but don't really mean it. What they don't say is that we're considering an amendment to the Constitution, not statute. What they don't say is that this new definition of a "majority" is not used anywhere in the Ohio Constitution. That's because this ridiculous definition of a majority in a local election, so different from the definition used for statewide elections and throughout the rest of the Constitution, is quite unfair and very different from the principles upon which this state and country was founded.

TEL supporters also say that this "little" confusion, which will endanger the fairness of every school, city, village, county, library, park and special district election, can all be cleared up by the courts, after the TEL passes. Any Constitutional Amendment that guarantees that it will take a law suit, of unknown outcome, to figure out what the amendment means, on such a critical issue, does not deserve to be presented as an amendment to the Constitution. On their face, Constitutional amendments must mean what they say and clearly deliver on what they promise. The TEL (State Issue 1) does not.

