

Proposed: 3/6/2023

RESOLUTION NO. 036-2023(COTW), *First Reading*

By Councilwoman Boyd, President Hart, Mayor Seren, Vice President Cobb, Councilwoman Russell, Councilman Mattox, Councilman Cuda, Councilor Larson

A Resolution opposing House Bill 1, that cuts and flattens Ohio's income tax rates and stops \$1.2 billion per year in state payments to local governments; and declaring the necessity that this legislation become immediately effective as an emergency measure.

WHEREAS, currently the state income tax rates range from 2.765% on people making somewhere between \$26,051.00 and \$46,100.00 to 3.99% for Ohioans making more than \$115,300.00—HB 1 would create a flat state income tax rate of 2.75% on incomes above \$26,050.00; and

WHEREAS, HB 1 would make up for lost income-tax revenue by slashing funding given to local governments for schools, libraries, park districts, community colleges, mental health, developmental disabilities boards etc.—a loss of \$1.2 billion in state funding to those local authorities each fiscal year; and

WHEREAS, according to Guillermo Bervejillo, Ph.D., state policy fellow at Policy Matters Ohio, “Ohio families making less than \$30,000 per year will get nothing from this bill, families making \$50,000 a year will see a tax cut of \$3 or less, meanwhile an individual making half a million dollars per year could see a tax cut of more than \$5,000”; and

WHEREAS, an examination of the flat-tax proposal by the Institute on Taxation and Economic Policy (ITEP), estimates a cost of more than \$2 billion per year—part of this burden will be shifted onto schools and local authorities by doing away with the state-funded 10% property tax rollback; and

WHEREAS, HB 1 is short-sighted and would weaken state finances going forward--undermining state economic growth, which is a function of healthy communities, educated workers, and effective infrastructure made possible by state revenue.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Cleveland Heights, Ohio, that:

SECTION 1. This Council opposes House Bill 1, that cuts and flattens Ohio's income tax rates and stops \$1.2 billion per year in state payments to local governments.

SECTION 2. Notice of the passage of this Resolution shall be given by publishing the title and abstract of contents, prepared by the Director of Law, once in one newspaper of general circulation in the City of Cleveland Heights.

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SECTION 3. That the Clerk of Council is directed to transmit copies of this Resolution to Governor Mike DeWine, HB 1 Sponsor Adam Mathews, Ways and Means Committee Chair Bill Roemer, Ways and Means Committee Vice-Chair Derek Merrin, and Ways and Means Committee Ranking Minority Member Daniel P. Troy.

SECTION 4. It is necessary that this Resolution become immediately effective as an emergency measure immediately necessary for the preservation of the public peace, health and safety of the inhabitants of the City of Cleveland Heights. Wherefore, provided it receives the affirmative vote of five (5) or more of the members elected or appointed to this Council, this Resolution shall take effect and be in force immediately upon its passage; otherwise, it shall take effect and be in force from and after the earliest time allowed by law.

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MELODY JOY HART  
President of Council

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ADDIE BALESTER  
Clerk of Council

PASSED:

Presented to Mayor: \_\_\_\_\_

Approved: \_\_\_\_\_

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KAHLIL SEREN  
Mayor