



House Ways and Means Committee
Testimony on HB 76
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Ohio Association of County Boards of DD
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Chairman Schaffer, Vice-Chair Lipps, Ranking Member Rogers, and members of the Ways and Means Committee; thank you for the opportunity to testify on House Bill 76. The Ohio Association of County Boards of Developmental Disabilities opposes this legislation in its current form.

House Bill 76 would require that levy issues be presented to voters in terms of the amount of the tax per \$100,000 of “fair market value” rather than per \$100 of “taxable value” as required under current law. While the goal of increased transparency in the levy process is laudable, we believe that the proposed solution will actually make levy ballot language less transparent.

By changing the standard by which levies are measured from “taxable value” to “fair market value,” the bill eliminates the only available apples-to-apples comparison between properties of differing classifications or in different locales. The “fair market value” of a property is not indicative of property classification, and therefore is not a fair way to represent the impact of a levy on an individual property owner.

In addition, the term “fair market value” is itself confusing. Most property owners would likely consider this to mean the amount a property would fetch in an arm’s length sale; however, it is the county auditor who assesses the market value of each property using a variety of factors, which may result in a considerably different sum than that what that property might bring if placed on the market. While this distinction does not affect the process used to calculate property taxes, the confusion that could result in the minds of voters after reading levy language structured in this way runs counter to the stated intention of transparency.

A final source of confusion for voters will likely arise out of the fact that it will be impossible to calculate a “fair market value” impact for the ballot language which will be representative of the many differently situated properties subject to a levy. It may be necessary to either provide numerous projections to address various property classifications, or else to list all of the various

assumptions included in the projection in order to achieve “transparent” ballot language. In either case, it is unlikely that most voters would see an accurate projection of their individual tax liability.

We believe that true levy transparency is a commendable goal and would be happy to partner with the legislature on levy transparency initiatives. However, for the reasons stated above, we do not believe that this language achieves that goal, and therefore we ask that you not support the bill with the “fair market value” provision included. Thank you for your consideration, and I am happy to answer any questions.