

Testimony in Support of House Bill 34 (Hambley) – Certified Mail  
Before the Senate Government Oversight and Reform Committee  
By Shelley Davis, Cuyahoga County Board of Revisions Administrator

March 22, 2017

Chairman Coley, Vice-Chairman Uecker, Ranking Minority Member Yuko, thank you for the opportunity to testify today in support of House Bill 34 to revise certified mail requirements in the state.

My name is Shelley Davis and I am the Cuyahoga County Board of Revision's Administrator. I would like to thank the Sponsor of the bill, Vice-Chairman Hambley, for introducing this important piece of legislation.

What is great about the proposed legislation is, it's not taking away the authority to use certified mail, its authorizing additional options, like 1<sup>st</sup> class mail and email. Agencies that want to reach their audiences by certified mail still can. Until this pending legislation is passed and effective, it is costing tens of thousands of needless dollars spent on the antiquated certified mail requirement. The Board of Revision generates certified mail daily, the projected postage cost for 2017 is in excess of \$150,000 dollars. A swift passage of this legislation will have immediate cost saving benefits for Cuyahoga County and the Board of Revision. The day this bill becomes effective, we save money, not down the road, but that day.

The proposed legislation is not that different from what the Board of Tax Appeals State did several years ago. The Board of Tax Appeals was required to send all their notices by certified mail, but due to budget constraints the law was amended to remove the certified mail requirement.

This language has been in effect for at least 37+ years; back in the day when electric typewriters and electric adding machines were considered the "new technologies" of the day. Today there are so many effective ways to reach the taxpayer which don't involve certified mail.

By continuing the obsolete requirement of using certified mail is extremely costly and is a disservice to the taxpayers. It prohibits the governmental agencies from utilizing other means and other technologies to provide notice to the taxpayers in the most expeditious and cost effective methods available.

While every county continues to look where they can cut or trim their budget and still provide core services to the taxpayer, it's a hard pill to swallow when the Cuyahoga County Board of Revision has spent over **\$1.5 million dollars** on the postage costs of certified mail for the last 8 years. The United States Postal agency continues to increase the rate of certified mail yearly.

The Board of Revision is required to send the hearing and decision notices by certified mail and to all parties' named in an Appeal. Also the Boards of Education receives certified mail for complaints filed within their school district.

The Board of Revision also is charged with hearing complaints on Homestead Denials, Remission of Penalty, and Manufactured Homes, which also require certified mail notifications.

The Board of Revision is required to send the hearing notice at least **10 Days prior to the hearing date**. Certified Mail can take up to 21 days in the mail stream to reach the intending party. The post office does not forward certified mail, even if they have a forwarding address on file, this can create a situation where the property owner missed their hearing. Also if the case is continued, the certified mail process is repeated again.

Cuyahoga County Board of Revision also receives complaints filed with international addresses from around the World. The Board must send their mail via International Airborne Priority Mail Service which basically is the same as certified mail at an average cost of \$21.00 per piece of mail.

Cuyahoga County Board of Revision has the largest return rate of certified mail, the Board averages a 60-70% return rate. The certified mail is returned as *Unclaimed, No Such Address, Unable to Forward or Vacant*.

With all of this said, the Board of Revision continues to make every reasonable attempt to reach the property owners by using an secondary 1<sup>st</sup> class mailing. The Board of Revision mails a 1<sup>st</sup> class notice in tandem with the certified mailing, so at least we know they received notice. This extra step comes with an additional cost, the cost of making the copy, envelopes and 1st class postage.

Even though Cuyahoga County and Franklin County are very close based on the population and parcel count, **NO COUNTY** has the same level of complaints filed as Cuyahoga County. In the last 8 years Franklin County took in about 55,000 complaints, **Cuyahoga County took in 116,000 complaints.**

Since 2013 Cuyahoga County Board of Revision has taken pro-active steps to reduce the postage costs by contracting with a vendor to automate the certified mailing process, which also eliminated paying for the Return Green Card, a saving of \$2.70 per piece. The vendor cost was \$300,000 which the Board of Revision received in man-hour savings and some postage cost recoupment.

Then in 2014 the Board sought and gained permission from the Department of Tax Equalization to add an "Email Box" on the DTE Form 1 (*Complaint Against the Valuation of Real Property*), my logic was if we had an email address, we would use that for additional notice and discontinue the second 1<sup>st</sup> class mailing.

Also we contacted all the Boards' of Education to see if they would waive their certified mail requirement in lieu of receiving an email notice, twenty Boards of Education accepted. We also reached out to the largest law firms that file complaints in our county and offered them the same option, twelve firms accepted.

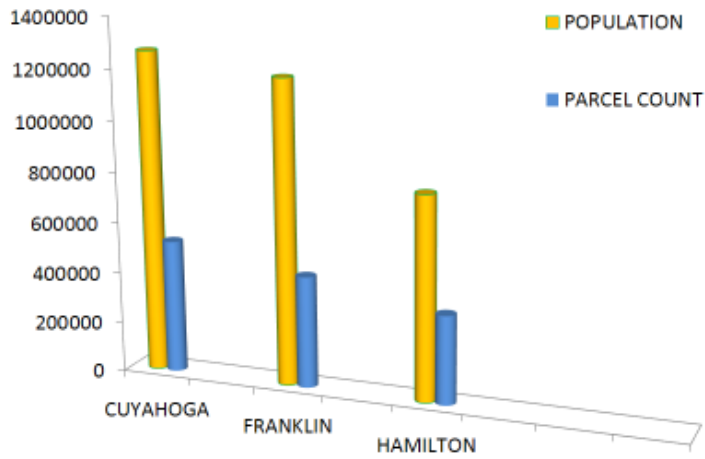
In October of 2014 the Board of Revision received permission from the Tax Commissioner to allow taxpayers to E-file their complaints with the Cuyahoga County Board of Revision, which provides the Board with a valid email address. For tax year 2014; **2,879** taxpayers E-file their complaints and another **4,073** taxpayers E-Filed their complaints for Tax Year 2015.

So all in all, the Board of Revision has emailed over 36,000 notices to taxpayers thus eliminating the need for the additional 1<sup>st</sup> class notice and cost. The taxpayer's love having their information instantly regarding their hearing date and time and instant receipt of their hearing decision.

Even though the Board continues to pro-actively explore cost saving measures, there's still much work to be done with improving the obsolete certified mail requirement which this House Bill will do.

Thank you again for the opportunity to testify. I am happy to answer any questions at this time.

### POPULATION & PARCEL COMPARISON



### 8 Year BOR Filing Comparison By County

