



Testimony of Mike Sobul on HB 343

Chairman Eklund, Vice-Chairman Terhar, Ranking Member Williams, and members of the Senate Ways and Means Committee, my name is Mike Sobul, for the past seven years the CFO/Treasurer of the Granville Exempted Village School District. Prior to that, I spent nearly 25 years with the Ohio Department of Taxation as the Assistant Director and then Director of Research. I am here to testify in opposition to HB 343.

HB 343 places undue burden and constraints on Boards of Education in order for them to act at County Boards of Revision. The process of reviewing valuations, whether in general or of specific properties, is an administrative function within a school district, working within policies or guidelines set by the Board. To set law to require Boards of Education to take action on every single challenge or counterchallenge places administrative burdens on the Board that are not necessary. In addition, the time constraints contained in current law for filing counter-complaints may require special Board meetings in districts where Boards of Education only meet monthly in order to comply with the new requirements.

Besides the procedural issues with HB 343, proposed laws such as this one and various other proposals that attempt to restrict property taxation and the ability of school districts to enact property taxes do not fit well with the school funding system in the state. As long as the state is going to require a local share of funding, and I am not arguing that this should not be case, proposals to restrict local taxation are very troublesome. In Granville, 65 percent of our operating resources come from local taxpayers. If our tax base is going to be asked to contribute that high of a percentage of our total funding, we as a school district need the tools to protect that base. The tax base is our biggest asset. Proposals like HB 343, which potentially restricts the base, puts that much more pressure on the remaining taxpayers to provide the resources we need to operate, and, ultimately, make it more difficult for districts to pass the local levies that the state says we need to maintain the outstanding educational programs and opportunities for our students.

Some of the base concepts behind HB 343 are not unreasonable. I agree that Board members should receive at least summary information of the property challenges the district is filing and that law firms should not be blanket filing without first consulting with district administration. Like many districts in the state, Granville does contract with a law firm, on a fee-for-service basis, to monitor and recommend properties for filing complaints or counter-complaints. The law firm is not authorized to file any action with the Board of Revision without my prior approval, which comes following discussions with the District Superintendent and after Board notification. This is a process that works well, does not put undue burden on our Board of Education, and meets the goals HB 343 seems to be addressing.

Chairman Eklund, thank you for the opportunity to be here today. I will be happy to answer any questions committee members may have.