



## Akron Public Schools®

Chairman Merrin, Vice Chair LaRe, Ranking Member Rogers, Members of the Ways and Means Committee, thank you for giving me the opportunity to provide opponent testimony on S.B. 95. amended with H.B. 75.

I am Ryan Pendleton, CFO/Treasurer of Akron Public Schools. We are the fifth largest district in Ohio with approximately 22,000 students enrolled.

APS files increase complaints as to commercial property to make up the loss of revenue from decrease complaints. APS files counter-complaints to protect existing revenue. Over an economic cycle, the loss and gain of revenue from commercial decrease and increase complaints offset each other. Our ability to manage local property taxes directly impacts our funding and the need to secure additional resources from the voters and the General Assembly.

H.B. 75 and S.B. 95 are **NOT** the compromise Bill agreed to on December 7, 2018, at an Interested Parties meeting at the Statehouse on Sub. H.B. 343. Senator John Eklund, the Chair of the Senate Ways & Means Committee lead the meeting attended by the Bill's sponsor Rep. Derek Merrin along with lobbyists and attorneys from various educational, governmental and business groups. There was an open discussion among the parties with compromises among the participants. Rep. Merrin conveyed to the participants his interest in a compromise Bill. Senator Eklund ascertained Rep. Merrin's approval for any changes in the Bill. On December 13, 2018, the Senate Ways and Means Committee passed Sub. H.B. 343 based on the compromises agreed to by the sponsor and Interested Parties.

The compromise in Sub H.B. 343 addresses the concerns of the proponents that the elected board of education is aware of and approved the filing of increase complaints.

H.B. 75 and S.B. 95 largely revert to the original H.B. 343 introduced in the House.

First, there is a requirement in H.B. 75 and S.B. 95 which was not included in the compromise Bill for a board of education to approve the filing of a counter-complaint filed in response to a taxpayer-initiated decrease complaint. A board of education filing a counter-complaint is responding to the taxpayer initiated complaint to request the Board of Revision to retain the existing value and attend the hearing. H.B. 75 and S.B. 95 create unnecessary requirements for a board of education to file a counter-complaint. In the 30-day time period provided under law to file a counter-complaint, a board of education must receive the complaints, review the complaints, prepare a notice letter to the taxpayer for each complaint, serve by certified mail the notice letter at least 14 days in advance of a Board meeting to approve the filing of a counter-complaint, and

prepare and file counter-complaint. Second, H.B. 75 and S.B. 95 include notice requirements to taxpayers for increase and counter-complaints removed in the compromise Sub H.B. 343. The notice requirements for increase complaints duplicate the notice provided by the Board of Revision. Further, a board of education meeting is not the forum to discuss the merits of a tax complaint. While intended to ensure a board of education is aware and approves the filing of complaints, H.B. 75 and S.B. 95 create a cumbersome process for our school board to protect revenue.

We request that the Committee amend S.B. 95 to remove H.B. 75 or incorporate the compromises agreed to by all parties, including Rep. Merrin, and approved by the Senate Ways & Means Committee at the end of 2018.

We appreciate your consideration of our objections and look forward to working with interested parties, the sponsor, and the committee for additional discussions.

Thank you,

A handwritten signature in black ink, appearing to read "Ryan Pendleton". The signature is fluid and cursive, with a long horizontal stroke at the end.

Ryan Pendleton, CFO/Treasurer