

**Senate Bill 95**  
**House Ways and Means Committee**  
**Opponent Testimony**  
**Tuesday, December 8, 2020**

Chairman Merrin, Vice Chair LaRe, Ranking Member Rogers, and members of the House Ways and Means Committee, thank you for allowing us to testify in opposition to the substitute version of Senate Bill 95.

Our coalition of several school boards from around the state including, the Jackson City Schools, Urbana City Schools, Pickerington Local School District, Lockland Local School District, and Wellston City School District, oppose Substitute Senate Bill 95 for one very unique reason.

Before the House Ways and Means Committee adopted the substitute bill of Senate Bill 95 on December 3<sup>rd</sup>, we did not have a position on Senate Bill 95. However, the substitute bill language of Senate Bill 95 contains the original language of House Bill 75, which we strongly oppose. Therefore, we oppose Substitute Senate Bill 95.

We continue to oppose House Bill 75, which in all material aspects amounts to a reintroduction of House Bill 343 from last General Assembly. While we appreciate the effort Representative Merrin and others made to compromise on many aspects of the legislation in 2018, the current version of the language in Substitute Senate Bill 95 resurrects nearly all of House Bill 343's most onerous and cumbersome requirements for school districts. Meanwhile, the language abandons most of the compromises and amendments that representatives of property owners and school boards ironed out when House Bill 343 was under the Senate Ways and Means Committee's consideration in the 132<sup>nd</sup> General Assembly.

Because the "House Bill 75" language in Substitute Senate Bill 95 fails to include the compromises that the interested parties struck in the Senate during the last General Assembly, we fear the bill would have the same harmful effects on school districts.

Current law permits property owners, school boards, and others to file and respond to cases affecting the value of real estate. Current law ensures that a property owner receive multiple written notices of property tax cases affecting their property. Each county's board of revision ("BOR"), composed of elected officials, hears these cases. And the BOR is already required to provide notice to an owner by certified mail of any hearings that affect the owner's property. At those hearings, owners and other parties have the opportunity to present documents and testimony relating to the property's value, and to examine and refute the other side's evidence. In other words, under the current system, owners receive ample, repeated notice of proceedings that affect the valuation of their property, and enjoy the right to fully participate in those proceedings, including the right to appeal.

It makes sense to permit owners and school boards to fully participate in this process because most schools receive most of their funding from property taxes, and the local school district receives the majority of each dollar of property tax. The result is a balanced playing field, where the parties with the most incentive to determine a property's true value have the option of being at the table.

It is important to reiterate that most BOR cases arise when property owners seek lower values, which results in schools getting less revenue. In a minority of cases, the local school board files an “increase complaint.”

Substitute Senate Bill 95, which alters Ohio Revised Code § 5715.19, would require every entity *other than a property owner* to take unnecessary and time-consuming procedural steps before responding to or initiating a property tax valuation case. Boards of education get 30 days from receiving notice of a valuation complaint to file a counter-complaint; if they don't file in time, they're frozen out of the process. In its current form, substitute Senate Bill 95 would preclude a school district from adequately and appropriately participating in a system that the state has determined is the best public policy apparatus to fund our public schools.

Because counties notify boards of education of new valuation complaints on an intermittent basis throughout spring and summer, and because school boards only have 30 days to file counter-complaints in response to owners' valuation complaints, this bill would impose a cumbersome series of rolling deadlines. With the overlay of noticed public meeting requirements, the bill would create a serious obstacle to districts having the chance to timely file the paperwork necessary to participate in valuation cases. And it's worth remembering that this bill would apply not only to school-initiated cases, but also to those cases where owners seek reductions in property value that will deprive the school districts of local revenue.

There are several other harmful elements of House Bill 75 in substitute Senate Bill 95 that remain from the original House Bill 343. The bill still requires a board of education to pass a separate board resolution for *every single BOR case* that it wants to participate in, including cases where the school district desires merely to oppose an owner-initiated case. The bill also retains the onerous provisions requiring school boards to pass, give notice of, conduct a hearing on, and debate every separate case. A Board may vote on all of the issues as part of one “consent agenda” according to Substitute Senate Bill 95, but that is the only change that begins to level the playing field for school districts facing unfair property valuations. These and other concerning elements of House Bill 343 were addressed through meetings and compromises during the last General Assembly, yet this re-introduced bill includes virtually none of those productive compromises. This is not a matter of picking up where the Senate committee left off; to the contrary, Substitute Senate Bill 95 takes many steps backwards from the compromise version that the Senate Ways and Means Committee passed last December, thanks to the hard work of Chair Eklund at the time and the many interested parties. For these reasons, our group of school districts must oppose the current version of House Bill 75.

Instead, we support a deliberative process calculated to achieve a compromise similar to the one we struck in 2018. We propose that Substitute Senate Bill 95 be amended to require public bodies like boards of education to pass a single resolution that identifies the properties upon which the board would like to file an original BOR complaint. This compromise would eliminate the board resolution requirement for counter-complaints, which after all are merely filed in response to cases that property owners themselves have

initiated. A fair proposal would also remove the cumbersome notice provisions that the bill presently contains.

If Substitute Senate Bill 95 is amended with the compromise language from the 132<sup>nd</sup> General Assembly, then our group of school districts would support it. However, our group must remain opposed to the bill as it is currently written.

Therefore, we strongly urge you to reject Substitute Senate Bill 95 and instead amend the language to reflect the compromise language from the 132<sup>nd</sup> General Assembly. Thank you for your consideration.