



**Senate Agriculture and Natural Resources Committee
Senate Bill 333 Proponent Testimony
Buckeye Association of School Administrators
Ohio Association of School Business Officials
Ohio School Boards Association
September 1, 2020**

Chairman Hoagland, Vice Chairman Schaffer, Ranking Member O'Brien, and members of the Senate Agriculture and Natural Resources Committee. Thank you for the opportunity to provide input on Senate Bill (S.B.) 333. This testimony is submitted by Katie Johnson, Deputy Executive Director for the Ohio Association of School Business Officials (OASBO), Kevin Miller, Director of Governmental Relations for the Buckeye Association of School Administrators (BASA) and Will Schwartz, Deputy Director of Legislative Services for the Ohio School Boards Association (OSBA).

Our three organizations represent public school board members, superintendents, treasurers/CFOs, and other school business officials from around the state. Our members have an interest in S.B. 333 since the bill provides assistance to certain impacted schools districts for the property tax revenue lost due to the state's acquisition of property. It is on their behalf that we submit this testimony in support of Senate Bill 333.

School districts rely on local property tax revenue as one of the primary sources of revenue to support their General Fund, which pays for teachers, staff, equipment and related costs for operating a school district. Under current Ohio law, property owned by the state is exempt from taxation when the property is used for a public purpose. Thus, when the Ohio Department of Natural Resources (ODNR) acquired property in Morgan, Muskingum, Noble, and Guernsey counties for conservation and recreation purposes, the school districts and other political subdivisions were negatively impacted by the forgone tax revenue related to the property in question. The state's land acquisition results in lower revenues to the respective General Funds of the impacted school districts. It may also shift the local tax burden onto the remaining property owners to bear a greater tax responsibility to fill the void left due to the acquisition.

S.B. 333 reimburses the impacted school districts for this forgone property tax revenue resulting from the state's acquisition. The bill is also narrowly drafted to address the acquired property in Morgan, Muskingum, Noble, and Guernsey counties and provides a revenue source to reimburse the impacted school districts and other political subdivisions. This reimbursement is necessary since school districts in Ohio rely on local property tax revenue as one of their primary revenue sources.

The reimbursement provided under S.B. 333 is particularly necessary considering the current financial realities facing our schools. Ohio school districts are under more financial strain than ever with funding frozen at Fiscal Year 2019 levels and cuts to K-12 education budgets for Fiscal Years 2020 and 2021. These funding cuts are in addition to the challenges school districts are facing when managing the costs of operations for the 2020-21 school year during the COVID-19 pandemic.

We would like to extend our thanks and appreciation to Senator Schaffer for his leadership and work on this issue. We believe S.B. 333 provides necessary relief to the impacted school districts. Therefore, our organizations support the bill on behalf of our members.

This concludes our testimony. Thank you for your consideration. Please contact us if you have any questions.