



**Senator Sandra Williams**  
**21<sup>st</sup> Ohio Senate District**

**Senate Bill 273 Sponsor Testimony**  
**Senate Ways and Means Committee**  
**March 3, 2020**

Chairwoman Roegner, Vice Chair Blessing, and members of the Senate Ways and Means Committee, thank you for the opportunity to offer sponsor testimony on Senate Bill 273.

The purpose of this legislation is two-fold; to help protect long-term homeowners and vulnerable citizens from exorbitant property tax increases and will prohibit municipalities from imposing water and sewers liens on properties.

Senate Bill 273 will place a cap on annual property tax increases to no more than 10% per year for qualified homesteads and allow localities to offer an additional property tax incentive that would aid in the reduction of property tax increases for long-term homeowners that experience exorbitant increases in their property taxes due to high growth and development in certain neighborhoods. A Long-term homeowner is defined as an owner occupied resident who has lived in their home for at least ten years. Property owners in Cleveland, Columbus, Cincinnati, Toledo and Dayton, just to name a few, have faced an escalation in property values in some places due to gentrification and neighborhood redevelopment. Many long term homeowners and long term residents are in threat of being forced out of their homes due to looming tax bills. In some neighborhoods, property taxes have increased between 100- 300%. Another study showed that property taxes within very low income neighborhoods have increased from 10-50% within one year, making it unaffordable for longtime homeowners. The goal of this legislation is to allow residents to remain in their homes where property taxes are increasing rapidly. This legislation will also allow counties, municipalities, and townships to offer further reductions in property taxes based upon their own determination of eligibility requirements such as age, disability, and financial need. School districts are allowed to opt out so they can maintain funding.



As a state, it is clear that we understand the importance of development and growth; however, we cannot continue to do so at the expense of our residents, who have likely lived in these developing communities for many years. It's unfair to price people out of their homes because circumstances that they cannot control.

The second and also critical part of this legislation ends the draconian policy of placing liens on properties with overdue water and sewer bills. In some cases the water bills are accurate, however in a significant number of cases there have been bill glitches, over charges and a faulty process for contesting the bills.

This practice, outlined in Ohio Revised Code Section 743.04, allows every municipality in the state to use the practice of water and sewer liens. However recent news reports have shown that the practice of water liens is widely used in the Cleveland water and sewer service territory.

Ohio Law simply allows liens to be placed, there is no minimum dollar amount that the customer must owe or length of time the customer has to be in the arrear. In Cleveland, for example, water bills as low as \$300 has been sent to the county auditor for a water lien. More than 11,000 water liens were placed on properties between 2014 and 2018. While customers requested hearings through the Cleveland Water Review Board, few hearings were held. For example, in 2018, 207 hearings were requested but only 33 were held, 28% received no relief—26% received a payment plan with no adjustment.

Another issue with ORC 743.04, in addition to the fact that it allows delinquent water charges to be certified with the county auditor, is that the notice to the property owner does not need to be certified. Notices are sent through the United States Postal Service and may or may not make it to the homeowner.

As members of the Legislature, we have a responsibility to protect our residents and ensure that economically vulnerable citizens are not further burdened by the inability to pay for essential services. Senate Bill 273 is that protection and I ask for your favorable consideration. Chairwoman and members of the committee this completes my testimony for Senate Bill 273. I will be happy to answer any questions.