

OHIO HOUSE OF REPRESENTATIVES
WAYS AND MEANS COMMITTEE
TESTIMONY on OHIO HOUSE BILL No. 207

Respectively Submitted of:

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Tuesday, May 18, 2021

Chairman Merrin, Vice-Chairman Riedel, Ranking Member Sobbecki and Members of the House Ways and Means Committee: as the Chief Executive Officer of the Western Reserve Area Agency on Aging (WRAAA), permit me to extend my appreciation of the submission of this written testimony pursuant to H.B. No. 207, the proposed legislation to increase the amount of and expand the income qualifications for Ohio's homestead exemption.

As the largest of Ohio's 12 area agencies on aging, WRAAA administrates waiver and managed care programs that provide service choices and necessary support needs of older adults and individuals with disabilities throughout its five county region (Cuyahoga, Geauga, Lake, Lorain, and Medina), enabling them to live safely and independently in their own homes. This proposed H.B. No. 207 legislation would directly benefit our low-income, homeowner clients subsisting on rigidly, fixed incomes.

In 1970, Ohio voters approved a constitutional amendment endorsing a homestead exemption that reduced property taxes for lower-income older adults and permanently and/or totally disabled Ohio citizens. By shielding some of the market value of their homes from taxation, the exemption took the *form of a credit* on property tax bills and allowed eligible homeowners to exempt up to \$25,000 of their home's market value from all local property taxes.

House Bill No. 207 proposes three principal changes to the current homestead exemption law:

- Increases the homestead exemption for elderly and/or disabled homeowners and certain of their surviving spouses from \$25,000 to \$31,200 of the home's appraised value or cost;
- Indexes the homestead exemption amount so the exemption and resulting tax savings increase in proportion to the increase in inflation; and,
- Expands the homestead exemption eligibility by raising the income threshold affording exemption eligibility to \$37,500, currently is \$34,200 in modified Ohio adjusted gross income.

As people age, the majority desire and prefer to remain in their own homes. Legislation like the Homestead Exemption earmarks a roof over their heads while simultaneously apportioning residual monies *critically* needed to pay utility bills, food, medication, hygiene products, home-cleaning and safety items, etc. As long-lived contributors to society, older Ohioans deserve to *age gracefully* in their own homes and in the communities they helped build and sustain.

Per the 2020 Census projections, Ohio is on pace to become one of a handful of states mostly in the Midwest and Northeast that will have **more residents age 60 and older** than people under age 20. The implications for the growing needs of senior citizens and individuals with disabilities and/or chronic conditions is growing phenomenally – **supportive legislation is eminently essential** to meet their residential needs and enable community viability. I reiterate my gratitude to you, Mr. Chairman and distinguished members of the Ways and Means Committee, for this generous opportunity to offer testimony on H.B. 207, and for your concentrated, diligent efforts on behalf of Ohio's most vulnerable and frail citizens.