



Eric S. Gordon
Chief Executive Officer

Ohio House Ways and Means Committee

HB 1: Opponent Testimony

March 14, 2023

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Chairman Roemer, Vice Chair Merrin, Ranking Member Troy, and members of the House Ways and Means Committee, I am Eric Gordon, CEO of the Cleveland Metropolitan School District (CMSD). Thank you for the opportunity to provide written opponent testimony regarding House Bill 1 (HB 1).

CMSD is the third largest public school system in Ohio, serving more than 36,000 students.

Thanks to the efforts of the 129th Ohio General Assembly, a nationally recognized, groundbreaking urban education reform plan created by our community, the "Cleveland Plan" was enacted into law nearly 10 years ago. The innovative plan has provided necessary tools to the district to ensure that every child receives a high-quality education.

While we recognize that there is much work still to be done, CMSD has made significant progress and is Ohio's top-rated urban district for academic growth and ranks #12 in the state for growth gains among all districts. We lead Ohio's urban districts for closing gaps among Black and Hispanic students. We have also implemented the "Say Yes Cleveland" Scholarship Program providing support services from pre-K through high school and providing postsecondary tuition scholarships for all eligible graduates.

If enacted, HB 1 would, among other provisions, reduce the assessed value of residential property by 10% applying property taxes on 31.5% of market value rather than the current 35%. It would also eliminate the 10% property tax "rollback" payments and replace the 2.5% homeowner credit with a flat \$125 payment.

Our preliminary analysis suggests CMSD could lose nearly \$37 million in the next two fiscal years if the current *HB 920* factors are not applied. If 920 is applied, CMSD will lose nearly \$4 million in that same period. However, in this second scenario, many property tax payers given the elimination of the rollback will pay more and the CMSD will receive less.

We appreciate that there is a concern with increasing property taxes. We have had significant dialogue in our community and have been pleased to receive the support of voters. HB 1 would undermine our district's revenue and adversely affect our ability to deliver on the promises to our community.

Thank you for your time and consideration. I look forward to continuing to work with the Committee as you discuss this issue.

Eric S. Gordon
Chief Executive Officer