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**Ohio House Ways and Means Committee
House Bill 1: Written Opponent Testimony
Scott DiMauro – President, Ohio Education Association
April 18, 2023**

Chair Roemer and members of the House Ways and Means Committee:

My name is Scott DiMauro. I am a high school social studies teacher from Worthington and currently serve as President of the Ohio Education Association (OEA). On behalf of the OEA's 120,000 members, thank you for the opportunity to express our opposition to House Bill 1. The bill proposes to make significant changes to Ohio's current personal income and property tax systems. Specifically, House Bill 1 proposes to create a flat income tax rate of 2.75%, eliminate the state 10% rollback reimbursement to school districts and other local government entities, and reduce the assessment percentage on residential and agricultural property.

The proposed flattening of the income tax would drastically reduce the State General Revenue Fund (GRF) tax revenues by approximately \$2.5 billion in FY 24, \$1.8 billion in FY 25, and by an increasing amount in FY 26 and beyond. This proposal jeopardizes Ohio's ability to provide the resources public schools need for our children to succeed and support other important public services that Ohio's citizens depend on.

House Bill 1 also proposes changes to local property taxes, including the elimination of the 10% rollback reimbursement. These changes will be harmful to local governments and taxpayers as it will immediately increase the tax burden on local taxpayers, drastically reduce funds supporting schools, make it more difficult for school districts financially plan, and force school districts and local governments to go back to their voters to make up the shortfalls, ultimately passing more of the burden to fund services to local property taxpayers. According to the fiscal note from the Legislative Service Commission (LSC), these abovementioned property tax changes would result in:

- \$929 million annual tax increase for residential and agricultural property taxpayers; and
- \$538 million annual decrease in local tax revenues for school districts and local governments.

Based on the concerns outlined above, OEA urges opposition to House Bill 1. Thank you for the opportunity to testify. Please contact me with any questions.

