

To the Honorable Members of the House Ways & Means Committee:

Thank you for allowing me to participate in today's hearing in support of HB187. My name is Nancy Nix, and I was appointed the Butler County Auditor in February of this year. Prior to becoming Auditor, I was the Butler County Treasurer for 16 years. I'm a former Middletown City Vice Mayor and Councilwoman, a licensed CPA and a former banker with USBank.

As Butler County Auditor, I oversee a Real Estate Division with six appraisers on staff, three of whom are certified appraisers. I believe, as do our appraisers, that current economic conditions have created an artificial housing market due to trillions in federal spending flooding the economy, lack of housing supply emanating from the 2008 financial crisis, and due to interest rates being set artificially low over a long period of time. The Tax Commissioner has handed down a 42% increase countywide, meaning some areas of Butler County will be actually be higher than 42%, including distressed areas with blue collar workers and retirees who can ill afford the associated increased taxes.

One argument against HB187 is that the Tax Commissioner is valuing real estate at the "True Market Value." Actually, when conducting sales ratios, the Tax Commissioner has never required counties to be at 100% of sales price, but has targeted 90-110% of sales price, which to us means the Tax Commissioner does have discretion when setting value changes. They can and should take into account economic and business conditions and the catastrophic effects artificially inflated markets can have on people's lives.

Butler County has followed this issue closely for years and is of that mindset that a three year lookback of sales conveyances over a one year lookback prevents steep peaks and valleys in the housing market. Using the three year average also allows for more sales and a better statistical sample size for review.

Lastly, HB187 forces more cooperation between the Tax Commissioner and the County Auditor's office and the sharing of data. The changes to the legislation give the County Auditor more discretion and local control over their values. Across the state, County Auditors have invested millions into qualified appraisers and technology. County Auditors have more local knowledge of their real estate market and a better idea of what sales are valid and which are not. Current law says the state can dictate where values are without real input from those on the ground doing the actual appraisal.

Finally, as County Treasurer before, during and after the '08 financial crisis, I have seen firsthand the negative impacts high taxation can have on at-risk populations. During those years, Butler County's real estate tax delinquency rates shot up from 2% to almost 10%, and foreclosures numbered in the thousands. We must take action to prevent a recurrence of such a calamity.

Thank you for listening to my testimony. I appreciate your time.

