



Before the House Ways and Means Committee
House Bill 263 – Authorize a property tax freeze for certain owner-occupied homes
Sponsor Testimony by Representative Thomas Hall and
Representative Dani Isaacsohn
Tuesday, October 3rd, 2023

Chair Roemer, Vice Chair Lorenz, Ranking Member Troy, and members of the House Ways and Means Committee, I appreciate the opportunity to provide sponsor testimony, along with my joint sponsor Representative Hall, on House Bill 263. This legislation would freeze property taxes for eligible seniors.

The issue is straightforward: Many seniors are on fixed incomes, so they have limited ability to keep up with rising costs. Additionally, for most Ohioans, the majority of their wealth is in their home. So, if we want seniors to be able to age with dignity while maintaining the wealth they have built in their home, we have to do something to help them manage the rising property taxes that accompany rising values.

This bill would freeze property taxes for the hundreds of thousands of seniors most in need of help across Ohio. In a world where so many costs are going up - from food to medicine to transportation - it is critical that we help provide stability and predictability when it comes to property taxes.

To give an example of where this is most critical in a district like mine in Cincinnati, consider a couple that bought their house in the 1960's in the Walnut Hills neighborhood. They were young, recently married and starting a family. They raised their kids in that home, and have been there throughout the many ups and downs of the economy and the neighborhood. For decades their neighborhood struggled to maintain residents, and home values stagnated or declined. Recently, however, the community has seen a lot of renewed investment and interest, and home values have nearly doubled in the last 5 years.

For this couple, that should be welcome news. After decades of seeing other Americans build wealth in their housing while communities of color still haven't recovered from the 2008 crash, this couple is now seeing meaningful gains in the value of their home. But - and you knew this was coming - they can only reap those just rewards if they can afford to keep their house. That's where our bill comes in.

It won't solve all of their problems, but it sends a clear signal from the state: we want our state to be a great place to grow older, where seniors are able to keep and utilize the wealth they have built in their homes, to pass generational wealth along, and to age without the constant shadow of financial strain.

None of that, I want to emphasize, should come at the cost of our local governments or our schools, libraries, and others who rely on property taxes for the bulk of their funding. Treating

our seniors with the dignity they deserve is an issue for the state to prioritize, not to pass the buck on, so our bill calls for the state to use our resources to hold harmless all of the schools and local governments in the same manner as we do with the homestead exemption.

This is a bipartisan issue, and I am proud to stand next to my joint sponsor and friend Representative Hall, to put forward a bill that would help his constituents as much as it would help mine, and as much as it will help all of yours.

Since we introduced the bill, we have already heard—either directly or through my office—from hundreds of seniors all over the state who are in support of this legislation. Many of those who have contacted my office to voice their support have also offered their suggestions, critiques, comments, or concerns about the bill. Some have asked about the age requirements, some have been concerned about how their social security will affect the income requirement, and some are concerned about the 10-year residency requirement. As HB 263 hopefully makes it way through the House, we are committed to making this provision help as many people as possible in as fiscally responsible a way as possible.

I'll close with a note on the fiscal impact of this bill. The estimates vary depending on how we structure the eligibility requirements, but it will likely mean somewhere from \$20M to \$50M in annual reimbursements to schools, fire departments, libraries, and other property tax dependent entities from the state.

Like with all other spending, it's a question of priorities. We have the incredible privilege to serve the people of Ohio at a time when we have a surplus of funding, and it would be an honor to direct some of that money towards helping seniors maintain wealth as they, have more predictable expenses, less stress over money, and more time and resources to spend as they choose. They deserve that from us. I look forward to your questions.