Representative Thomas Hall 46th House District House Bill 187 Sponsor Testimony

Chairman Blessing, Vice-Chair Roegner, Ranking Member smith, and members of the Senate Ways and Means Committee. Thank you for allowing us the opportunity to provide sponsor testimony for House Bill 187, which seeks to modify procedures to conduct property tax revaluations.

This bill seeks to address an issue that will effect Ohioans from 13 counties this year and soon all Ohioans. Irresponsible fiscal policy at the federal level over the past 3 years is set to punish our constituents financially due to no fault of their own, and we have an opportunity to begin the process of solving this issue before this adjustment is enacted.

As many of you know there is a triannual reevaluation of property values that takes place by the Department of Taxation. This process currently allows our friends at the Department of Taxation the ability to unilaterally decide the numbers and weight they are going to attribute to the individual years for the reevaluation. Due to the substantial inflation we experienced in late 2021 and throughout 2022 the tax department chose to weight the latter years more significantly than the minimally inflationary 2020.

This decision has consequences and they are as follows. Ashland: 39% estimated increase, Ashtabula, Fulton and Greene: 32%, Athens and Noble: 20%, Butler: 42%, Clermont: 43%, Knox: 40%, Madison: 36%, Montgomery: 37%, Summit: 34%, and Wayne: 38%. These increases are untenable for those that are financially stable in our districts let alone those who are on a fixed income, elderly, veterans, or the countless other dealing with financial insecurity. But don't take my word for it, my office has been fortunate enough for our constituents to make their voices heard. <u>Teresa Rumping:</u> "We have already tried cutting back on spending to make up for the increases in food, gas, and other necessities. If our property taxes increase significantly we will be unable to support any other requested levy increases for schools, fire and police, all of which we routinely support."

<u>Tim Motes:</u> "2 years ago we were forced to absorb a 20% increase. Another 40% hike will force us to sell our Madison Township home. Please help the retirees of your district!"

<u>Margaret Shepherd:</u> "My husband and I are both retired and have lived in Madison Township for 51 years. We have always supported the fire levies and other levies in the township. However with this big increase in property taxes we will not be able to support any levies in the township. Being on a fixed income and with everything almost doubling in price we will be on a tight budget just to pay for groceries, car, house insurance, electric and water bills" These are just a few of the constituents who have reached out to our office and there are plenty more I can share if the committee would like.

Now that we have addressed the reality of what are constituents are facing it is time to speak about what we are going to do about it. This bill will adjust the formula that is used to reevaluate these values by a few ways. Firstly, it will ensure that the individual years used to reevaluate the property values will be equally weighted in order to prevent inflationary outliers like 2022 from drastically increases values. Secondly, it will give greater authority to our county auditors throughout the reevaluation process allowing local officials elected by our constituents to provide the most accurate figures rather than appointed officials. Thirdly, through the committee process we have added in a CUAV provision in order to address the even higher increases facing agricultural land. Finally, we have added a provision that would make this effective for the 2023 tax year so we provide the relief this bill will provide immediately rather than allowing our constituents to face the brunt of this before any adjustment.

This is a temporary solution to a larger problem that we will continue to look to address further. However, through this one change we have seen these values drop possibly over 50%. This is a start and we will continue to work to make sure that our constituents are not priced out of paradise because our homes are special and a busted formula should NOT be the force that drives people from them. Chairman Blessing and members of the committee, thank you again for the opportunity to testify on House Bill 187 and I would now like to allow my joint sponsor Rep. Bird the opportunity to provide comments.