

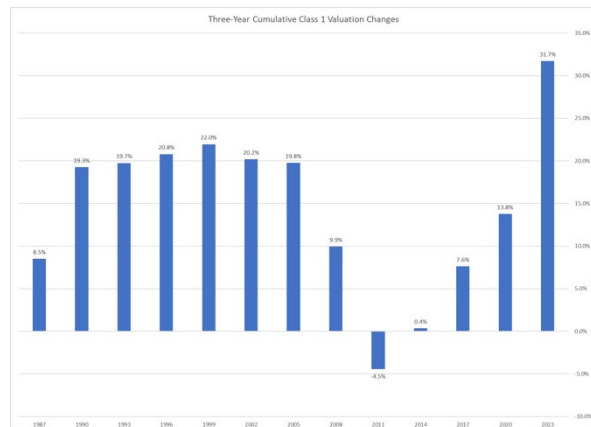
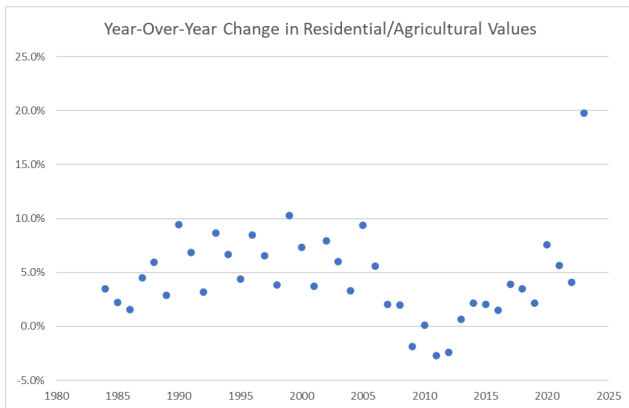


Senate Ways and Means Committee
 Senate Bill 271 – Proponent Testimony
 June 25, 2024

Ohio Association of School Business Officials (OASBO)
 Ohio School Boards Association (OSBA)
 Buckeye Association of School Administrators (BASA)

Chair Blessing, Vice Chair Roegner, Ranking Member Smith, and members of the Senate Ways and Means Committee, thank you for the opportunity to provide proponent testimony on Senate Bill (SB) 271. Our organizations represent public school boards of education, superintendents, treasurers/CFOs, and other school business officials from around the state.

On behalf of our members, we wish to thank Senators Blessing and Craig for introducing SB 271. As this committee has discussed, we are seeing historic increases in property valuations not seen in 50 years. The two charts below illustrate the historic nature of the property valuation increases we are experiencing, which are due to a combination of factors including but not limited to Ohio’s strong economy, the lack of housing, and the population growth in certain areas.



The education community recognizes the property tax burden that some of our most vulnerable residents are facing due to these historic increases in property values. School leaders across Ohio strongly support targeted, means-tested tax relief that will make it possible for residents to remain in their homes.

Under current law, the homestead exemption provides some relief to the increases in home values and the related increases in property taxes, but is limited to low-income senior citizens and permanently and totally disabled Ohioans. The exemption is applied to a qualifying homeowner’s property and is implemented as a tax credit paid for by the state.

SB 271 would create a circuit-breaker approach to property-tax relief that provides targeted, means-tested relief to both homeowners and renters. Individuals with household incomes up to \$60,000 and home valuations up to \$438,000, whose property taxes or percentage of rent attributable to them exceeds 5% of their income. It provides relief to homeowners and renters alike. Homeowners would be provided with a state-funded property tax credit, while renters would be eligible for a refundable income tax credit.

We especially appreciate this approach because it does not make changes to Ohio's complicated property tax system, which is interconnected with the school funding formula. It is broad based yet targeted to our most vulnerable citizens.

As testimony before the Joint Committee on Property Tax Review and Reform illustrated, taxpayers are experiencing real fatigue. SB 271 would create across-the board relief for our most vulnerable citizens and send an important message to people across Ohio that we want them to remain in their homes as productive members of our community.

Thank you again for the opportunity to submit proponent testimony. Should you have questions, please do not hesitate to contact us.

Respectfully submitted,

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