



## **HOUSE BILL 28 - (ELIMINATE REPLACEMENT LEVIES)**

### **WRITTEN TESTIMONY- OHIO HOUSE WAYS & MEANS COMMITTEE**

**MARCH 5, 2025**

Chairman Roemer, Vice Chair Thomas, Ranking Member Troy, and members of the Ohio House Ways & Means Committee, I am writing on behalf of the nearly 21,000 members of the National Federation of Independent Business (NFIB) in Ohio to lend our support for House Bill 28, legislation that will eliminate replacement levies.

By way of background, a typical NFIB member employs 20 or fewer. Our members come from all industries in each of Ohio's 88 counties. The most common concern we are hearing from our members today is on property tax increases.

House Bill 28 is a voter transparency bill. The different types of property tax levies that appear before voters can lead to great confusion. The nuances between renewal and replacement levies can leave voters not truly understanding what they are voting on.

Renewal levies continue a previously voter approved levy, raising roughly the same amount of revenue. The tax reduction factor from House Bill 920 kicks in on renewal levies ensuring a downward adjustment when valuations increase to keep the owner essentially with the same bill.

Replacement levies, however, resets the valuation, effectively increasing the amount of revenue raised based upon the higher value of properties. While voters may be told they are paying the same effective tax rate, it is likely on a higher reappraised value of the property leading to increased owner costs.

House Bill 28 simply aims to end this confusion. The bill will eliminate replacement levies. The legislation retains the ability to propose renewal levies and renewal levies with increases or decreases. Under House Bill 28, voters will have a much clearer understanding of what they are being asked to vote on. House Bill 28 is one of the recommendations from the 135<sup>th</sup> General Assembly's Property Tax Review and Reform Committee and is a good transparency measure.

We thank Representatives Adam Mathews and David Thomas for introducing this bill. We recommend passage of House Bill 28.

Sincerely,

A handwritten signature in blue ink, appearing to read "Christopher J. Ferruso". The signature is fluid and cursive, with a long horizontal stroke at the end.

Christopher J. Ferruso  
State Director