

**House Bill 126**  
**Ryan Jenkins, Treasurer/CFO**  
**Pickerington Local School District**  
**Senate Ways & Means Committee**  
**Tuesday, November 9, 2021**

Chairman Blessing, Vice Chair Roegner, Ranking Member Williams, and members of the Senate Ways & Means Committee, thank you for allowing me to testify in opposition to the current version of House Bill 126.

My name is Ryan Jenkins and I serve as the Pickerington Local School District's Treasurer and Chief Financial Officer. Under the direction of the Board of Education and along with my staff, I oversee the fiscal operations of the Pickerington Local School District. However, I began my career in education as a high school math teacher. I have served as both a high school assistant principal and a lead middle school principal.

We believe it is important to testify as an opponent to House Bill 126, essentially a reintroduction of House Bill 343 from the 132<sup>nd</sup> General Assembly, and of House Bill 75 from the 133<sup>rd</sup> General Assembly. While we appreciate the effort Representative Merrin and others made to compromise on many aspects of the legislation during December of the 132<sup>nd</sup> General Assembly, the subsequent versions of House Bill 343 (as promulgated by House Bills 75 and now by House Bill 126), resurrect nearly all of the previous bills' most onerous and cumbersome requirements for school districts. Meanwhile, this re-introduced bill abandons most of the compromises and amendments that representatives of property owners and school boards ironed out when House Bill 343 was under this committee's consideration during the 132<sup>nd</sup> General Assembly.

Because House Bill 126 fails to include the compromises that the interested parties struck in the Senate during the 132<sup>nd</sup> General Assembly, we fear the bill would have the same devastating effects on school districts that we forecasted before this committee back during hearings for House Bill 343, and for hearings held with the House Ways & Means Committee in April of 2019.

Current law permits property owners, school boards, and others to file and respond to cases affecting the value of real estate. Current law ensures that property owners receive multiple written notices of property tax cases affecting their property. Each county's board of revision ("BOR"), composed of elected officials, hears these cases. The BOR is already required to provide notice to an owner of cases that are filed that affect an owner's property. The BOR is also already required to provide notice to an owner by certified mail of any hearings that affect the owner's property. At those hearings, owners and other parties have the opportunity to present documents and testimony relating to the property's value, and to examine and refute the other side's evidence. In other words, under the current system, owners receive ample, repeated notice of proceedings that affect the valuation of their property, and enjoy the right to fully participate in those proceedings, including the right to appeal.

It makes sense to permit owners and school boards to fully participate in this process because most schools receive most of their funding from property taxes, and the local school district receives the majority of each dollar of property tax. The result is a balanced playing field,

where the parties with the most incentive to determine a property's true value have the option of being at the table.

It is important to reiterate that most BOR cases arise when property owners seek lower values, which results in schools getting less revenue. In a minority of cases, the local school board files an "increase complaint."

House Bill 126, which alters Ohio Revised Code § 5715.19, would require every entity *other than a property owner* to take unnecessary, time-consuming, and costly procedural steps before responding to or initiating a property tax valuation case. Boards of education get 30 days from receiving notice of a valuation complaint to file a counter-complaint; if they don't file in time, they're frozen out of the process. Importantly, the language in its current form would preclude school districts from adequately and appropriately participating in a system that the state has determined is the best public policy apparatus to fund our public schools.

Because counties notify boards of education of new valuation complaints on an intermittent basis throughout spring and summer, and because school boards only have 30 days to file counter-complaints in response to owners' valuation complaints, this bill would impose a cumbersome series of rolling deadlines. With the overlay of noticed public meeting requirements, the bill would create a serious obstacle to districts having the chance to timely file the paperwork necessary to participate in valuation cases. And it's worth remembering that this bill would apply not only to school-initiated cases, but also to those cases where owners seek reductions in property value that will deprive the school districts of local revenue.

Furthermore, because there is no "discovery" process at the BOR level, the board of education and the affected property owners would end up talking past each other if the Board does engage in a full hearing on each complaint. Rather than getting to the bottom of a property's true value, House Bill 126 would encourage owners to cry foul, hoping that objections to higher taxes would mask the actual inquiry, which is determining a property's true value.

Let me emphasize the harmful elements of House Bill 126 that remain from the original House Bill 343 and House Bill 75. The bill still requires a board of education to pass a separate board resolution for *every single BOR case* that it wants to participate in, including cases where the school district desires merely to oppose an owner-initiated case. The bill also retains the onerous provisions requiring school boards to pass, give notice of, conduct a hearing on, and debate every separate case despite having only 30 days from receiving notice of a complaint to make itself a party to an owner-initiated case. That timing is untenable and would all but preclude boards of education from exercising their statutory rights to reduce revenue losses from owner-initiated cases. A Board may vote on all of the issues as part of one "consent agenda" according to House Bill 126, but that is the only change that begins to level the playing field for school districts facing unfair property valuations. These and other concerning elements of House Bill 343 were addressed through meetings and compromises during the 132<sup>nd</sup> General Assembly, yet the subsequent version of this bill that was created during the 133<sup>rd</sup> General Assembly (House Bill 75) and this re-introduced bill (House Bill 126) includes virtually none of those productive compromises. This is not a matter picking up where the Senate committee left off; to the contrary, the new version of this bill takes many steps backwards from the compromise version that the Senate Ways and

Means Committee passed in December of 2018. For these reasons, our group of school districts must oppose the current version of House Bill 126.

Instead, we support a deliberative process calculated to achieve a compromise similar to the one we struck during the 132<sup>nd</sup> General Assembly. We propose that H.B. 126 be amended to require public bodies like boards of education to pass a single resolution that identifies the properties upon which the board would like to file an original BOR complaint. This compromise would eliminate the board resolution requirement for counter-complaints, which after all are merely filed in response to cases that property owners themselves have initiated. A fair proposal would also remove the cumbersome notice provisions that the bill presently contains.

If the goal of the bill is to ensure that school boards understand and approve the initiation of property tax proceedings, our proposed compromises to the bill would accomplish that purpose, and our group of school districts would support it.

However, our group must remain opposed to the bill as it is currently written.

Thank you for your consideration. I am happy to answer any questions from the Committee.