

Testimony for the Ohio Senate Ways and Means Committee
Dr. Philip Wagner, Superintendent and Todd Griffith, CFO/Treasurer
Licking Heights Schools
Testimony on House Bill 123
February 15, 2022

Chairman Louis Blessing, III; Vice-Chair Kristina Roegner; Ranking Sandra Williams; and members of the Senate Ways and Means Committee, good morning. My name is Dr. Philip Wagner and I am the Superintendent of Licking Heights Local Schools and am joined by our CFO Todd Griffith. We are offering testimony in opposition to House Bill 123.

School funding in Ohio is divided between state and local revenue sources. The reality for many Ohio school districts is the state school funding share is limited by a gain cap. Therefore, H.B. 123, as proposed, will limit our ability to generate local revenue.

The CRA tax abatement process serves many purposes, including the development of cooperative working relationships among businesses and schools. Such partnerships often lead to important discussions about the school's value to the area, as well as, inform workforce and career development programs. Therefore, we do not agree that current CRA legislation is a barrier for the developers coming to our area and committing to our communities.

Schools are the center of communities. We work collaboratively with stakeholders toward a common goal of doing what is best for children within our respective communities. As such, stimulating economic development has at least three important implications: 1. It protects the residential tax base, 2. It minimizes the amount of land developed for residential use and 3. It enhances workforce opportunities for the community.

First, for any abatement in excess of 50% the income tax sharing threshold should remain at \$1,000,000, as it does in current law.

Second, in an effort to keep all economic development tools in alignment, which we understand is the intent of the bill, there should not be an inflationary factor and the length of the CRA should be reduced from 15 to 10 years to match the other tools (Enterprise Zone (EZ) and Tax Increment Financing (TIF)).

Third, we are concerned about the notice requirements within current operations as represented within the proposed legislation. We believe that more, not less, notification is needed to accomplish the partnership among municipalities and school districts.

Finally, we would like apartment buildings to be considered commercial property in regards to CRA's.

Thank you for allowing us the opportunity to testify and focus on initiatives to improve Ohio and its communities. However and in summary, the current restrictions of school funding cause great concerns with the proposed legislation of HB 123 and for these reasons, we do not agree with changes to current CRA language as proposed in H.B. 123.