

House Government Oversight Committee Substitute House Bill 294 Interested Party Testimony

Buckeye Association of School Administrators Ohio Association of School Business Officials Ohio School Boards Association

December 7, 2022

Chair Wilkin, Vice Chair Swearingen, Ranking Member Brown, and members of the House Government Oversight Committee, thank you for the opportunity to provide written interested party testimony on Substitute House Bill (HB) 294. Collectively, our organizations represent public school district superintendents, public boards of education, and treasurers/CFOs, business managers and other school business officials from around the state.

Sub. HB 294 includes HB 458, which would eliminate the August election with limited exceptions. Eliminating the August special election makes raising a district's local share of funding even more challenging. Just six years after eliminating the February special election, this change would remove another opportunity, down to two, for school districts to ask their residents to support their students and community.

The nature of the Ohio Constitution and the state's school-funding formula forces many school districts to routinely ask their voters to simply maintain current levels of education services. Reducing their ability to do so by eliminating the August election will undoubtedly make it more difficult for school districts to sustain or raise local revenues. It also will complicate budget and levy planning efforts and may cause fiscal instability for some districts.

Placing an issue on the August ballot is a decision not taken lightly, and it is one that should be decided by each board of education with their understanding of the community's needs and interest.

While we disagree with proponents of eliminating the August election who allege that the August ballot is untransparent and does not represent the will of the electorate due to lower voter turnout and a lack of public focus on the ballot issues, we understand there is support for this legislation to move forward.

We ask that the Committee consider amendments to this legislation to address the following:

- OFCC Projects. The elimination of the August election has negative implications for school districts participating in an Ohio Facilities Construction Commission (OFCC) project. The OFCC process gives districts 13 months to pass a bond issue after the July announcement of eligible districts. This gives districts three opportunities to pass a bond issue to provide the local share of funding for their project (first in November, then May, and finally in August). Reducing this opportunity by one-third will result in more districts lapsing on their OFCC funding opportunity, which means new scope and cost estimates must be set. This can translate to project delays, higher labor and supply costs, and less favorable loan terms.
 - Suggested Amendment: We ask that the Committee consider amending the 13-month window to a 16-month window to provide districts three opportunities to pass a bond issue for their local share of funding for OFCC projects.
- Renewal Levies. Depending on the levy type, a district could be limited as to when they may go on the ballot to renew a tax levy. While it is preferred to keep the August election to provide schools with as many opportunities to renew a levy as possible, making the opportunities to renew an existing levy consistent would help districts in planning.
 - Suggested Amendment: We ask that the Committee consider amending the renewal levy provisions for all levies to be consistent with income tax levies which does not impose a limit on how early a renewal income tax may be placed on the ballot.

We urge the Committee to consider amendments that would implement these concepts and would welcome the opportunity to work with you and other members to resolve these issues.

Please feel free to contact us with questions.

Respectfully submitted,

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