

## Senate Local Government and Elections Committee HB 458 Written Interested Party Testimony

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

## **November 29, 2022**

Chair Gavarone, Vice Chair O'Brien, Ranking Member Maharath, and members of the Senate Local Government and Elections Committee, thank you for the opportunity to provide written interested party testimony on House Bill (HB) 458. Collectively, we represent public school board members, superintendents, treasurers/CFOs and other school business officials from around the state.

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 HB 458 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 that this legislation is moving forward.

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

• OFCC Projects. HB 458 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.

- <u>Recommendation</u>: Amend 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.
  - o <u>Recommendation</u>: Amend 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. Please feel free to contact us with questions.

Respectfully submitted,

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