



**House Ways and Means Committee
HB 343 Opposition Testimony
Ohio School Boards Association
Buckeye Association of School Administrators
Ohio Association of School Business Officials
November 28, 2017**

Chairman Schaffer, Vice Chair Scherer, Ranking Minority Member Rogers and members of the Committee. My name is Barbara Shaner, Advocacy Specialist for the Ohio Association of School Business Officials (OASBO). Joining me today for this testimony and in answering your questions are Jay Smith, Deputy Director of Legislative Services for the Ohio School Boards Association (OSBA) and Thomas Ash, Director of Governmental Relations for the Buckeye Association of School Administrators (BASA). Thank you for the opportunity to speak to you today to express our opposition to HB 343.

Our three organizations represent public school district boards of education, superintendents, treasurers/CFOs, business managers, and other school business officials from around the state. On behalf of our members, we oppose HB 343. Ohio's current property valuation and tax system has worked to benefit its citizens for decades. We believe it affords all interested parties the ability to participate in the process, providing a proper procedure for checks and balances to preserve and maintain fair and equal taxation practices. HB 343's unnecessary changes to this long-respected system are highly objectionable.

First, the bill includes a provision requiring a separate board of education resolution for every parcel of property being challenged for low values, regardless of whether several parcels are owned by the same property owner. Even if the bill limited the required resolutions to include one for every affected property owner, the requirement is unreasonable and unnecessary. **We oppose this change.**

We agree with the bill sponsor's assertion in sponsor testimony that school board members should be aware that the district is taking action to challenge property values when believed to be valued too low. However, it is not appropriate for the board members to be aware of and act on challenges to the property values of individual property owners, either residential or commercial. This step would have the effect of politicizing the decisions as to which properties would be challenged. Also, HB 343 opens the process to become politicized by giving property owners the ability to put pressure on the board not to challenge property values. This would likely remove all objectivity from the process.

Further, the Board of Revision (BOR) process itself is meant to afford property owners and taxing authorities the ability to participate. We believe the BOR properly provides property owners the opportunity to exercise due process rights in an objective, non-threatening environment.

HB 343 also requires notification to the property owners by the school district when property values are challenged. This is a redundant mandate as again, the BOR process is already set up for this purpose. **We oppose this provision.**

Rather than enacting the changes in HB 343, school board members should be required to set parameters for when the district would challenge property values such as the types of property, the dollar amounts, and/or percentage change, etc. This way, taxpayers are assured of fairness and equality in the actions the district takes. Many boards of education already engage in setting the parameters for when values are challenged.

Based on feedback from our members, we think districts typically challenge values when a sale of property has occurred, and most only challenge commercial property values. Ohio law is clear that the sale price of a property is the best determiner of the property's value. Therefore, challenges based on sales are reasonably evident.

Also, anecdotal reports from members have indicated that the attorneys who represent school districts in these matters operate on a fee-for-service basis. This means school leaders are cautious about filing unreasonable challenges that will not be successful. If, as the sponsor indicated in testimony, a school district or other local government is practicing frivolous filings, the current system is set up to keep them in check. The BOR process will curtail such activity.

Mr. Chairman, this concludes our testimony. **We urge you to reject HB 343.** We will be happy to address your questions.