



June 26, 2025

The Honorable Governor Mike DeWine
Riffe Center, 30th Floor
77 South High Street
Columbus, OH 43215-6117

Dear Governor DeWine,

Our organizations represent school board members, superintendents, treasurers and other school business officials responsible for the leadership and management of Ohio's public school districts across the state. We appreciate the tremendous amount of thought, debate and discussion that goes into the development and approval of the state's biennial budget, Amended Substitute House Bill (HB) 96. We also understand that a document as lengthy and complex as this one contains provisions that are not fully supported by all stakeholders. We wish to highlight four issues included in HB 96 that are of great concern to our members, students, and the public.

Cash Balance Carryover (TAXCD91)

HB 96 places a statewide cap on school district carryover balances at 40%, automatically reducing property tax rates until a district's balance falls below that threshold. This arbitrary limit puts school districts – and the 1.4 million students they serve – in the unsustainable position of going to voters more frequently for smaller amounts of funding just to stay under the cap. In Ohio, seven out of ten new money school levies fail – a rate that will only worsen should this become law. Rather than providing responsible relief to taxpayers, this one-size-fits-all restriction guarantees more school levies, not fewer, and further entrenches Ohio's unenviable distinction as the national leader in school levies – a distinction driven by HB 920.

This change will not result in taxpayer relief. It will increase levy fatigue, frustrate homeowners, and most importantly, reduce resources to support educational opportunities for students. Moreover, the provision creates unnecessary complexity and opens the door to inconsistent implementation. Several key terms and procedures related to the calculation are vague, undefined, or missing altogether, including how encumbered funds or permanent improvement designations are treated. Without clear guidance, this will lead to uneven application across Ohio's 88 counties, placing districts at risk of arbitrary and unequal enforcement. Importantly, Ohio law already allows county budget commissions to reduce property tax rates in appropriate circumstances, making a statewide mechanism not only unnecessary, but duplicative and potentially conflicting **We strongly urge you to veto this provision and preserve local flexibility to manage school finances responsibly.**

Partisan School Board Elections (SOSCD14)

The bill requires candidates for a school district board of education to appear on the ballot with a political party designation. The education of our children has always been a nonpartisan issue, and it should remain that way. Politics has no place in the classroom, and it should have no place on the ballot for those who seek to govern our schools. Reducing school board races to mere partisan contests shifts the focus from a candidate's qualifications, experience, and vision for education to their party label alone.

This provision would also disqualify current and prospective school board members from service. Under state and federal law – Ohio Revised Code 124.57 and the federal Hatch Act – state and federal employees, as well as certain local public safety employees, are prohibited from running in partisan elections. As a result of this provision, public servants who want to further serve their communities and their schoolchildren would be unnecessarily barred from that service. School board candidates should be judged for their ability to govern the district and support students – not by a political party. **We ask that you veto this provision to protect the nonpartisan nature of education.**

STRS and SERS Employee Contributions (PENCD8)

HB 96 prohibits school districts from paying employee contributions to STRS on behalf of a superintendent and principal and SERS on behalf of a treasurer. This benefit helps district attract and retain top-level school leaders. It also is crucial in principal recruitment given the minimal pay difference between veteran teachers and principals. Without this tool, schools may be forced to offer higher base salaries, which may result in greater long-term taxpayer costs. **We ask that you veto this provision from the bill to protect local control and allow school boards to negotiate the best contract possible.**

20-Mill Floor (TAXCD107)

HB 96 changes which levies are included in the 20-mill floor calculation. Under this bill, emergency levies, substitute levies, incremental growth levies, conversion levies, and the property tax portion of combined levies would all count toward the 20-mill floor.

Approximately 200 districts will no longer be at “the floor” due to these changes which means they essentially have no mechanism to deal with inflation. In many of these districts, “new money” levies are simply not possible. These changes will result in more levy requests being put before voters and will disproportionately impact small, rural districts. The changes increase the likelihood that school districts will face fiscal emergency and require state solvency assistance. **We urge you to veto the changes to the 20-mill floor in order to protect the educational services and opportunities Ohio's public school students deserve.**

State Income Tax (TAXCD103)

HB 96 includes further reductions to the state income tax, continuing a troubling trend of diminishing state revenues that support critical services for Ohio's children. The proposed changes would result in a loss of approximately \$1.6 billion over the biennium—funds that could have been used to update the cost inputs in Ohio's school funding formula, ensuring that every student has access to the resources and opportunities they need to succeed.

We respectfully urge you to consider vetoing the income tax reduction provisions in HB 96. Preserving these revenues is essential to maintaining a strong and equitable public education system in Ohio.

Thank you for taking the time to review our requests. We would be happy to make ourselves available for any questions you may have.

Sincerely,



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