



Senate Bill 109  
Opponent Testimony  
Ways & Means Committee  
June 17, 2009

Tom Ash  
Director of  
Governmental Relations  
*Buckeye Association of  
School Administrators*

Good morning Mr. Chairman and members of the Committee. On behalf of the Buckeye Association of School Administrators, County Commissioners Association of Ohio, Ohio Association of School Business Officials, Ohio Municipal League, Ohio School Boards Association and the Ohio Township Association, thank you for the opportunity to testify before you this morning on SB 109, which exempts from real property taxation the increase in assessed value of a single-family residential property owned by a developer or builder until the title of the property is transferred.

Larry Long  
Executive Director  
*County Commissioners  
Association of Ohio*

Our organizations are testifying collectively, as we all share the same two concerns with this piece of legislation: 1) political subdivisions will receive less revenue; and 2) creates a slippery slope which could lead to additional exemptions from real property taxes.

Barbara Shaner  
Associate Executive  
Director  
*Ohio Association of  
School Business Officials*

**Loss of Revenue**

As noted in the Fiscal Note prepared by the Legislative Service Commission, counties, municipalities, school districts and townships will all potentially lose revenue should this bill be enacted. Local governments and school districts receive and depend upon property tax revenue to provide essential services for their constituents. Local governments and school districts, just like the state and federal government, are facing budgetary issues and are struggling to find enough revenue to support the infrastructure and services they support.

Susan Cave  
Executive Director  
*Ohio Municipal League*

Local governments still would be required to service the territory which includes the single-family residences that may be exempted from property taxation. The services which still would be required would be road maintenance and safety services, including fire, EMS and sheriff/police protection. Additionally, nothing in the bill precludes a developer from renting or leasing the single-family residence that they own and this could potentially result in children being enrolled in the local school district. Services will be needed yet the local governments and schools will not have the increased tax revenue to help fund the services.

Damon Asbury  
Director of Legislative  
Services  
*Ohio School Boards  
Association*

**Slippery Slope**

We are very concerned about the precedent this bill, if enacted, would set. Senate Bill 109, if enacted, would open the door for other businesses that own unused or underutilized facilities to request a similar tax exemption.

Michael H. Cochran  
Executive Director  
*Ohio Township  
Association*

**Conclusion**

Our organizations respectfully request the Senate Ways and Means Committee oppose SB 109 for the reasons stated above. Again, I appreciate the opportunity to testify this morning, Mr. Chairman. I would be happy to try and answer any questions that you or Committee members may have.