



**House Ways and Means Committee  
House Bill 504**

**Ohio Association of School Business Officials (OASBO)  
Buckeye Association of School Administrators (BASA)  
Ohio School Boards Association (OSBA)**

**May 20, 2026**

Chair Roemer, Vice Chair Thomas, Ranking Member Troy, and members of the House Ways and Means Committee, thank you for the opportunity to provide written testimony on House Bill 504. Our organizations represent Ohio's public school board members, superintendents, treasurers/CFOs, and other school business officials from across the state. Our members are dedicated to protecting state and local revenue sources that support students, schools, and the delivery of high-quality educational services.

We recognize the very real concerns many Ohio homeowners are experiencing related to rising property valuations and the resulting impact on property taxes. School district leaders live in the communities they serve, pay property taxes themselves, and understand the importance of transparency, predictability, and taxpayer trust. We appreciate the Committee's continued engagement in discussions surrounding property tax reform and affordability.

Ohio's school funding system relies on a state-local partnership in which voter-approved local levies work alongside state funding to support district operations. Local property taxes remain one of the primary stable and predictable local revenue sources available to school districts under current law. While school districts do not control the overall structure of Ohio's property tax system, they are responsible for managing within it and ensuring long-term financial stability for students and communities.

OASBO respectfully opposes House Bill 504.

**Uniformity and Constitutional Concerns**

Our primary concern with House Bill 504 is that the bill creates significant uniformity concerns by allowing property tax reductions to vary from county to county based on local resolutions, valuation timing, and differing reappraisal outcomes.

Under the bill, counties experiencing aggregate valuation increases of 15% or more following a reappraisal or triennial update may authorize a temporary reduction in taxes charged and payable against property owners. The reduction would phase in valuation increases by reducing two-thirds of the increase in taxes in the first year and one-third in the second year.



Because implementation is optional and dependent on county-level action, similarly situated taxpayers across Ohio could face substantially different effective tax treatment based solely on where they live, when their county undergoes reappraisal, and whether local officials adopt the reduction. This creates a patchwork approach to taxation that raises serious concerns under Ohio's constitutional requirement for uniform taxation according to value.

### **Need for Stability While Recent Property Tax Changes Are Implemented**

In addition to the constitutional concerns, we respectfully urge the Committee to allow recently enacted property tax changes to be fully implemented and evaluated before layering on additional structural modifications.

Counties, school districts, county auditors, taxpayers, and budget commissions are still working through the implementation and interpretation of several recently enacted property tax reforms. Those changes have already introduced substantial complexity and uncertainty into local forecasting, levy planning, taxpayer communication, and long-term financial management.

House Bill 504 would add another significant variable into an already evolving property tax environment. Because the bill's implementation is discretionary at the county level and tied to fluctuating valuation growth, it would create additional unpredictability for local governments attempting to responsibly plan and forecast future revenues.

The Legislative Service Commission estimates the bill could reduce local property tax revenues by up to \$160 million in tax year 2026, \$171 million in tax year 2027, and \$150 million in tax year 2028 if adopted statewide. The fiscal note further states that the bill has no fiscal effect on the state because the reduction occurs after rollback calculations.

While the bill is intended to provide temporary relief to taxpayers, the resulting revenue reductions would directly impact local governments and school districts without any state replacement funding mechanism.

### **Conclusion**

We appreciate the Committee's continued work on property tax issues and recognizes the importance of meaningful taxpayer relief. We remain committed to being part of thoughtful discussions surrounding sustainable and constitutionally sound reforms.

However, House Bill 504 raises significant concerns related to uniformity, predictability, and the cumulative impact of ongoing property tax changes. We respectfully urge the Committee to allow recent reforms to be fully implemented and evaluated before considering additional structural changes to Ohio's property tax system.



We appreciate the Committee's thoughtful consideration of these issues. Thank you for the opportunity to share our perspective on this important legislation.

Respectfully submitted,

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