



### Week of Feb. 13, 2023

#### House GOP priority legislation unveiled

Flanked by fellow Republicans, House Speaker **Jason Stephens** on Wednesday unveiled a host of bills, which are priority pieces of legislation for the lower chamber. They include the following:

- House Bill (HB) 1, which modifies Ohio's income tax brackets by establishing a flat 2.75% income tax rate, reduces the property tax assessment rate from 35% to 31.5%, and eliminates the 10% property tax rollback, among other changes;
- HB 6, which requires school and colleges to designate separate single-sex teams and sports for each sex (the Save Women's Sports Act);
- HB 8, which enacts the "Parents' Bill of Rights" to require public schools to adopt a policy on parental notification on student health and well-being and instructional materials with sexually explicit content;
- HB 10, which expresses the intent of the General Assembly to continue phasing-in the Fair School Funding Plan and, if practicable, fully phase it in;
- HB 11, which establishes the Backpack Scholarship Program, also referred to as the Backpack Bill;
- HB 12, which renames the Department of Education as the Department of Education and Workforce, creates the position of Director of Education and Workforce, and revises the functions and responsibilities of the State Board of Education and the Superintendent of Public Instruction;
- HB 33, which makes operating appropriations for the fiscal year 2024 and 2025 biennium – the biennial budget bill.

#### House Bill 1 would slash schools and local governments budgets by \$1.2 billion

House Bill 1, introduced by freshman Rep. **Adam Mathews**, would enact sweeping reforms to the state's income tax and, to pay for that change, drastically modify Ohio's property tax system. The top priority legislation would make several changes, including:

- consolidating the state income tax brackets into one single flat income tax rate of 2.75%;
- eliminating the 10% property tax rollback, a credit the state pays on property owners' behalf to schools and local governments, currently valued at \$1.2 billion statewide;
- revising the 2.5% owner-occupied property tax rollback to be a flat \$125 credit;
- modifying the homestead exemption program;
- reducing the property tax assessment rate from 35% to 31.5% (a 10% decrease) and requiring it to be adjusted downward based on market factors.

Based on a preliminary review of state tax data, the elimination of the 10% property tax rollback for schools will decrease school budgets statewide by **\$805 million**. Will is in possession of district-by-district simulations of the financial impact of the change. Please contact him if you require this information. He will be sharing it in total once he is done categorizing the data.

#### House Finance Subcommittee testimony begins

Members of the House Finance Subcommittee on Primary and Secondary Education convened for the first time Thursday to hold an organizational meeting and hear testimony from the State School for the

Deaf and State School for the Blind. Led by Chair **Tracy Richardson**, the committee schedule will begin public testimony on the first week of March, and full public testimony begins March 8 and runs through March 23.

**Testimony on Senate Bill 1 continues, amendments discussed**

Proponents and interested parties testified this week before the Senate Education Committee on the effort to restructure the Department of Education (ODE) and State Board of Education. During the hearing on Senate Bill (SB) 1, chair of the committee, Sen. **Andrew Brenner**, indicated several amendments were forthcoming, including those for which the Alliance advocated, including education and management experience requirements for the deputy directors and a public feedback process for administrative rules considered by the new state agency. A third hearing on the bill will occur Tuesday, Feb. 21 at 3:00 p.m. Additionally, SB 11, the Senate's universal voucher bill, will receive a second hearing that day.

**State Superintendent search delayed again**

Citing uncertainty regarding SB 1, members of the State Board of Education voted again to delay the selection of a search firm to assist with the selection of a new Superintendent of Public Instruction.