Good afternoon Alliance members,

We learned today that the Senate Ways and Means Committee will meet twice next week, once on Tuesday for testimony and again on Wednesday to accept a substitute version of the bill and also vote on the bill. The bill could then be placed on the Senate floor for a vote during the Senate's Wednesday session and then return to the House that same day for a concurrence vote. In other words, the enhanced homestead exemption proposal could be debuted and passed on the very same day it gets sent to Gov. Mike DeWine for his signature.

We will communicate information on the substitute bill to members as we receive it. Please let Tony or I know if you have any questions.

Week of November 27, 2023

Update on property valuation legislation

The details of a temporary expansion of the homestead exemption are likely to be unveiled on Tuesday next week. With the goal of passing the plan by Dec. 13, Senate Republicans intend to modify House Bill (HB) 187 by removing the bill's three-year averaging of property values and replacing it with a three-year, expanded homestead exemption for income-eligible senior citizens. Sen. Bill Blessing, the architect of the plan and chair of the Ways and Means Committee, indicates the proposal would temporarily increase the current amount of exempted property to \$30,000 for existing recipients of the exemption. Meanwhile, seniors whose household income exceeds the current eligibility threshold of \$36,100 but does not exceed \$75,000 would qualify for a reduced exemption. Those with a household income exceeding \$75,000 would be ineligible.

According to Blessing, the property tax cut would cost roughly \$300 million, and he intends for the state to cover only one-half of that cost, leaving school districts and local governments with a resulting loss in revenue. Finally, it is expected that the Senate will retain the bill's permanent provision that grants county auditors the final authority in determining property values, rather than the state tax commissioner as under current law.

The committee is expected to formally accept these changes and potentially others in a new version of HB 187 on Dec. 5. A committee vote could occur the following week on Dec. 12, followed by a vote of the full Senate the next day during its Dec. 13 session. A final House vote to concur with the Senate's changes would need to happen on the same Dec. 13 date in order to send the bill to Gov. **Mike DeWine** before the Christmas holiday.

The likelihood of all these events occurring is in doubt due to a variety of factors, including available time, lawmakers' ability to comprehend the proposal, and political sniping between House Speaker **Jason Stephens** and Senate President **Matt Huffman**. Stephens, who this week poured cold water on a controversial Senate priority bill due to insufficient votes from House members, told reporters he has not discussed the new homestead exemption plan with the Senate, and stated it was his understanding that the Senate was simply going to pass HB 187 without any changes.

House passes two education-related bills; committees continue to review others

The House passed <u>HB 139</u> (increasing penalties for assaulting sports athletic officials) and <u>HB 257</u> (allowing virtual meetings for some public bodies, including board-established committees).

Committees were active this week, with the following bills undergoing passage or review:

- <u>HB 206</u>, which provides schools with additional expulsion authority, was amended and passed by a vote of 13-2 in the House Primary and Secondary Education Committee.
- <u>SB 17</u>, which requires capitalism to be incorporated into the financial literacy standards and model curriculum, passed out of committee with 10-5 vote.
- <u>HB 187</u>, which modifies the property valuation process, received a first hearing but with the rare occurrence that the sponsor and any proponent could come testify at the first hearing.
- <u>HB 312</u>, which creates a regional partnership program to support early childhood to post-secondary regional partnerships, received proponent testimony in a House committee.
- HB 68, which enacts the SAFE Act and Save Womens Sports Act, received proponent testimony.
- <u>HB 263</u>, which freezes property taxes for qualifying senior citizens, received a hearing for opposition testimony, but no individuals testified.
- <u>HB 70</u>, which requires districts to adopt a policy regarding over-the-counter drug administration, received a third hearing.
- <u>HB 310</u>, which reduces the cost for school employees to purchase regular military service credit, received a second hearing for proponent testimony.

DEW director confirmation hearing scheduled for Tuesday; DEW holds first public meeting

A confirmation hearing for Gov. **Mike DeWine**'s selection for director of the Department of Education and Workforce (DEW) will take place on Tuesday next week. **Steve Dackin**, DeWine's nominee, is on the agenda for the Senate Education Committee, but it is not yet known whether a question-and-answer forum will occur.

Meanwhile, Interim DEW Director Jessica Voltolini kickced of DEW's inaugural public meeting last week. Joined by Chief Legal Counsel Tony Palmer, Chief of Budget and School Funding Aaron Rausch, and Director of Policy and Legislative Affairs Jennie Stump, Voltolini and the senior staff provided an update on budget implementation items, pending administrative rules, and an update on the agency transition and its public meetings process. A recording of the meeting is accessible here.

Heard around the Statehouse

"I don't know where the House is going to be on this." - Sen. **Bill Blessing**, referring to the Senate's temporary enhanced homestead exemption proposal.

"It doesn't have the votes. I don't know that I'm trying. I mean it's been in committee for what? Six months? Five months or whatever? I think there are a lot of concerns with that bill from both sides of the aisle frankly." - House Speaker **Jason Stephens**, referring to <u>Senate Bill (SB) 83</u>, the controversial higher education reform legislation.

"I honestly don't believe that the speaker has much personal knowledge of what's in this bill." - Sen. **Jerry Cirino**, referring to SB 83 and Speaker Stephens' characterization that the bill does not have enough support for passage.

"When you make concessions and the folks who say 'if you make these concessions, I'll vote for it' but they don't — well, then the concessions don't end up getting made in the future." - Senate President **Matt Huffman**, referring to the House's rewriting of SB 83 several weeks ago but still lacking enough votes for passage, according to Stephens.