



Good afternoon, Chairman Roemer, Vice-Chair Thomas, Ranking Member Troy, and esteemed Committee Members,

My name is Christopher Galloway. I currently serve as the Lake County Auditor as well as the Second Vice President of the County Auditors Association of Ohio. I am here before you today representing the taxpayers of Lake County in my role as county auditor. The CAAO is interested in HB309 but has not yet taken an official position on the legislation at this time. Although I can say our membership supports, if not all of HB309, at least many portions of it.

Let me begin by saying a big thank you to Vice Chairman Thomas for crafting this legislation. I also want to thank him for allowing me to work closely with him on it. In fact, HB309 is legislation I have been dreaming about since I became auditor in 2019. Before it had a number – 309 – my association just called it “The Galloway Plan.” So, thank you Representative Thomas for taking my scattered thoughts and doing the real work of putting it into an effective legal framework. And thank you Dave for incorporating many other good ideas.

HB309 won’t get headlines. HB309 won’t be talked about around kitchen tables like a statewide initiative to eliminate property taxes, but it is in fact a REAL and effective means of controlling property taxes in the State of Ohio.

Upon becoming County Auditor I quickly learned that our Budget Commission has been a rubber stamp on tax budgets for decades. This was a function of successive Lake County Prosecutors having the legal opinion that we have no authority as a commission to do the things outlined in HB309.

It turns out that depending on a county prosecutors’ interpretation of decades old AG opinions or conflicting language in case law, counties are handling their duties and responsibilities differently. That’s no way to run government.

While Lake County provides minimal perfunctory duties and a rubber stamp on tax budgets, to my south in Geauga County, their Prosecutor interprets that same language and case law differently and the outcome is very different. Actual roll back of levies when budgets do not require the full levied taxes!

I want this authority for all 88 counties. Eliminate the guesswork. Correct the statute to be clear as day as to what the role and responsibilities of the Budget Commission are.

The main points of clarification and empowerment for the Budget Commission are:

1. Provide that the County Auditor and County Treasurer could have an alternate in a similar fashion to the county prosecutor for the budget commission.
2. Give explicit language that the Budget Commission’s responsibility is to yearly review all property tax levying political subdivisions for need of the property tax revenue in the following year.
 - a. Should the budget commission determine the political subdivision does not need any amount of property tax revenue for operations in the following year, the Budget

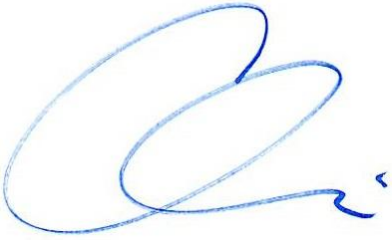
Commission has the explicit authority to decrease property tax rates for any fund of the political subdivision for the following year only.

3. The Budget Commission has the authority to suspend, reduce, or question the need for all property tax levying entities including inside millage, outside voted levies, emergency levies, bond levies, etc.
4. The Budget Commission shall review emergency and bond levies yearly and has the explicit authority to suspend and/or reduce for the following year any emergency or bond levy, which is not subject to HB 920, to ensure revenues do not increase beyond yearly voter intent.
5. Require a public hearing of the Budget Commission and local subdivision entity should carryover of property tax levied dollars increase beyond 30% of the prior year's expenses for that fund. The hearing would be to determine the need for property tax revenue in the following year for that fund's purpose.
6. Grant explicit ability for the budget commission to review all forms of health departments and County Metroparks budgets for need of revenue received by the health departments from local entities or property taxpayers. The Budget Commission may decrease revenue to these entities in a manner similar to property tax levy rates.
7. Any appeal by the political subdivision of a reduction in tax rate by the county budget commission must be decided by the Board of Tax Appeals in the calendar year the appeal is made.
8. Meetings of the Budget Commission may be held virtually with the same requirements as other county boards with virtual permission.
9. Approval of meeting minutes, resolutions, financial certificates, and all votes must be made in a properly advertised public meeting of the Budget Commission.
10. The Tax Year in which an entity would receive additional property tax dollars due to inside millage or the 20-mill floor, the entity shall pass a resolution stating their desire to receive the unvoted increase in revenue or desire to not collect a determined amount of tax rate. Said resolutions would be delivered to the County Budget Commission with a deadline set by the Budget Commission in enough time for tax rates to be determined.
11. Removes the veto ability for the largest city to prevent approval of the local government fund allocation. (I would respectfully ask that all the statutory LGF language be stricken from ORC, as no county currently uses it. If a county updates their LGF or cannot agree on a formula, the Budget Commission will impose one until there is agreement amongst the subdivisions.)
12. County District Library levies shall be determined by the County Commissioners in a manner similar to Children Service, Mental Health, and Developmental Disabilities levies.
13. The Budget Commission shall provide a recommendation of action to the County Commissioners prior to county levying agencies receiving a vote on new or existing levy action by the County Commissioners.

Mr. Chairman, and esteemed members – making these substantive changes to Budget Commission authority empowers local elected officials to provide a much-needed check and balance on local levying agencies, subdivisions and taxing authorities. It is another important “tool in the toolbox” toward reforming the property tax crisis that has hit our fair State. And it is true LOCAL CONTROL.

I encourage this committee to expeditiously bring this important legislation to a vote and consideration of the entire House of Representatives. Your constituents will know you are serious about property tax reform and will thank you.

Thank you for your time today. I will be happy to answer any questions you may have.



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