

**UPPER MERION AREA SCHOOL DISTRICT**

435 Crossfield Road  
King of Prussia, PA 19406

**RESOLUTION GOVERNING THE DEVASTATING IMPACT HOUSE  
BILL 1213/SENATE BILL 586 WILL HAVE ON THE UPPER MERION  
AREA SCHOOL DISTRICT'S COMMUNITY AND EDUCATIONAL  
PROGRAM**

June 5, 2017

**WHEREAS**, the House Commerce Committee approved House Bill 1213, and the Senate Urban Affairs and Housing Committee approved House Bill 586, which is legislation that prohibits taxing bodies to seek appeals of under-assessed properties, only allowing appeals to be sought under very limited circumstances;

**WHEREAS**, House Bill 1213/ Senate Bill 586 permit the property owner to request the dismissal of an appeal and the taxing body has the burden to prove that the reassessment is justified;

**WHEREAS**, House Bill 1213/ Senate Bill 586 permit a property owner with an increased assessment as a result of a tax assessment appeal brought by the taxing district to have the assessed value of the property changed to the assessed value in effect immediately prior to the appeal;

**WHEREAS**, beyond limiting the right of a school district to engage in tax assessment appeals, House Bill 1213/ Senate Bill 586's changes to the standards of redress in appeals which allow an assessment to be determined as consistent with the assessed value of similar properties located in the same neighborhood or local community will completely destroy the educational program in the District if passed;

**WHEREAS**, House Bill 1213/ Senate Bill 586 will enable commercial businesses to appeal their tax bills and be valued consistent with the assessed value of similar properties located in the same neighborhood or local community, an argument that property owners have been making many years unsuccessfully in the court system;

**WHEREAS**, this methodology will allow commercial property owners to receive significantly reduced assessments, large refunds from local governments and significantly reduced tax bills moving forward;

**WHEREAS**, these changes to the standards of redress will impact every school district in the Commonwealth of Pennsylvania but will have a unique impact on the Upper Merion Area School District;

**WHEREAS**, the Pennsylvania School Boards Association has estimated the adverse impact of the proposed legislation to be equivalent to \$9,219,969.00, which the District perceives to be a very conservative estimate;

**WHEREAS**, the District currently has pending assessment appeals that it has initiated in order to have assessments readjusted that more accurately reflect the property value of those properties;

**WHEREAS**, the dismissal of these appeals could result in the loss of tens of millions of dollars in revenue to the District;

**WHEREAS**, if the funding stream of the District, which relies heavily on real estate taxes, were to be reduced as indicated above, the District would likely have to abandon many programs of the District designed to enhance the education of its students at a time when the District's educational needs are constantly evolving;

**WHEREAS**, House Bill 1213/ Senate Bill 586 are being pushed by national chains and property owners of commercial properties and large apartment owners that are currently involved in pending tax assessment appeals initiated by the District;

**WHEREAS**, House Bill 1213/ Senate Bill 586 are being pushed by apartment owners that are currently involved in an appeal pending before the Pennsylvania Supreme Court involving the District's practice of filing assessment appeals for properties it believes to be under-assessed;

**WHEREAS**, some have argued that lowering the tax costs for apartment owners would translate to a savings for the renters, but there is no assurance that the owners of apartment buildings would pass on those savings to the renters in their buildings;

**WHEREAS**, there has never been legislation in recent memory that has had the potential of having as devastating an impact on education as any legislative initiative or economic calamity since the passage of the current Public School Code of 1949.

**NOW, THEREFORE**, the Board of School Directors of the Upper Merion Area School District hereby resolves as follows:

1. For the reasons set forth herein, the Board steadfastly opposes the passage of House Bill 1213/ Senate Bill 586.
2. The Board hereby authorizes the District Administration on its behalf to communicate with all constituencies, including but not limited to state representatives, community leaders, constituent municipalities, Montgomery County, and the taxpaying residents of this community to inform and educate all constituencies of the devastating nature of such legislation, particularly on the District.

**ENACTED** this 5<sup>th</sup> day of June, 2017.