



CITY OF PITTSBURGH  
**OFFICE OF THE CITY CONTROLLER**  
Controller Rachael Heisler

**Pennsylvania Senate Democratic Policy Committee Hearing:**  
*The Cost of Inaction – Property Reassessments*

**Monday, July 15, 2024**  
**Gold Room, Allegheny County Courthouse**  
**436 Grant Street**  
**Pittsburgh, PA 15219**

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**INTRODUCTORY REMARKS**

Before I get started today, I'd like to offer some brief thoughts on the attempted assassination of former President Trump in Butler County over the weekend.

First, we must thank Saturday's first responders: our medics and law enforcement, including local and state police, Secret Service, and the FBI. We must never fail to acknowledge those who run toward danger every day and have earned our collective gratitude.

Violence should not play a part in our political system. We win at the ballot box. This principle is a cornerstone of our democratic process and what separates us from much of the world. I understand the instinct to point across the aisle and say, "They started it," but it does not matter right now. We all must work together to change the trajectory of our intensifying partisanship. This does not mean we are neutral in our political beliefs. Rather, this moment requires we engage each other with care. We all have agency to improve this environment.

We must deescalate the political discourse, tone down the heat in our social media posts, acknowledge our own political rigidity, and work together to ensure our elections remain free, fair, and safe. Most importantly, we must reject calls for violence, whether they look like they did on January 6th, 2021 or on Saturday in Butler County.

Now, I will begin my testimony.



## TESTIMONY

Good afternoon. Senator Fontana and Senator Muth, thank you for holding this hearing, and thank you for giving me the opportunity to offer testimony in my position as Controller of the City of Pittsburgh.

Property taxes are a critical source of revenue that helps make it possible for our government to function and provide essential services to our residents. In 2023, City property taxes totaled \$148,990,067, constituting 22% of all General Fund revenues. For the 10-year window from 2014 through 2023, the City of Pittsburgh collected \$1.4 billion in property taxes. These funds are integral.

While anecdotal, our office is also currently processing and distributing more than \$7 million in City property tax refunds alone, some of which date back as far as 2019. While some of these refunds are driven by the rapid changes facing property owners downtown, the bigger story should be that the current system is slow, protracted, and ultimately unfair as it disproportionately benefits those who have the resources to file an appeal.

I agree with Senator Fontana and many others that the current property assessment process in Allegheny County – and across Pennsylvania – is dysfunctional and untenable. I appreciate your commitment to seek out better solutions.

As has been acknowledged by others, we know the current system truly only reassesses when a property is purchased. Even then, assessments are narrowly applied, meaning a new assessment is typically applied on new housing but not existing housing. When existing housing is bought and sold, assessments are levied randomly, which leaves neighbors with similarly priced homes purchased six months apart with drastically different tax liabilities.

Either way, we know assessments are disproportionately levied on new construction – and by extension renters and more recent homebuyers – at a time when we need to be expanding our housing stock and attracting more people to the City of Pittsburgh. Pittsburgh already has an inventory problem, and the current assessment process does not incentivize new development. In fact, I would argue it hinders it.

We can and should conduct this process in a way that is fair for all property owners across the Commonwealth. Programs to assist vulnerable homeowners should be targeted. We must prevent people from being priced out of their homes in neighborhoods with steeply rising housing prices. For example, I support Senator Costa's legislation to create a program to provide tax relief for long-time owner-occupied properties in certain neighborhoods. Our office looks forward to making sure that this program, known as LOOP, is thoughtfully implemented to protect the most vulnerable residents in these growing neighborhoods.

I also believe that we should establish such a system of fair and regular assessments across Pennsylvania. In my opinion, relying on each county to create its own system would be more protracted and inefficient, more irregular and unfair, and more costly. Most importantly, it would remove political considerations from decision-making and give municipalities, school districts, and taxpayers the predictability they require. As you know, Pennsylvania is the only state that does not require regular reassessments, and I appreciate your efforts to change that.



Again, thank you for holding this hearing and for allowing me to offer my testimony. As you continue to conduct hearings and develop solutions, please let me know if you need any information from my office or if we can assist you in any way.

Sincerely,

*Rachael Heisler*

Rachael Heisler  
City Controller  
City of Pittsburgh