

---

# POLICY MATTERS OHIO

---

CLEVELAND: 3631 PERKINS AVENUE SUITE 4C - EAST • CLEVELAND, OHIO, 44114 • TEL: 216/361-9801 • FAX: 216/361-9810  
COLUMBUS: 1372 GRANDVIEW AVE. SUITE 242 • COLUMBUS, OHIO, 43212 • TEL: 614/486-4601 • FAX: 614/486-4603  
HTTP://WWW.POLICYMATTERSOHIO.ORG

**For Immediate Release: January 5, 2007**

**Contact: Amy Hanauer 216-361-9801**

**Read the report: <http://www.policymattersohio.org/AnEconomyThatWorks2007.htm>**

## ***An Economy That Works* recommends policy changes for Ohio As new leaders take office, Policy Matters Ohio provides research-based blueprint**

A blueprint to create an Ohio economy that works better for all was released today by Policy Matters Ohio, an Ohio-based non-partisan policy research institute. *An Economy That Works* draws upon Ohio traditions of investing in the future, creating opportunity, building the middle class, protecting assets and strengthening public structures, to put forth a set of recommendations that will lead to a stronger, smarter and more sustainable Ohio economy.

“Ohio became a great state because its people made smart decisions and sound investments,” said Amy Hanauer, report author and Policy Matters Ohio Executive Director. “During times far less prosperous than today, Ohio’s citizens considered future needs, invested effort, time and scarce resources, and took a chance on a better tomorrow. Today we are better educated, more prosperous, and more successful because of that earlier leadership.”

As Governor-elect Ted Strickland and dozens of other newly-elected officials take office, the report, based on research by Policy Matters and other organizations, makes a series of recommendations that new leaders can implement. These include:

First, **invest in the future** by supporting education, infrastructure and energy, so that Ohio is better prepared to meet tomorrow’s needs. Specifically the report recommends:

**Education:** Provide universal pre-kindergarten education, improve the quality and equity of the K-12 education system, make higher education affordable, increase the job connections in the adult vocational and community college system, and retain skills and experience by placing displaced workers.

**Infrastructure:** Invest in core areas, increase internet access, bolster the Housing Trust Fund, explore high speed rail and mass transit, and maintain support for Ohio’s stellar library system.

**Energy independence and an energy economy:** Require some use of renewable energy, encourage energy efficiency, modernize our electrical infrastructure and promote green products made in Ohio.



Second, **create more opportunity** in Ohio, by being strategic about economic development, setting high standards, and ensuring that all Ohioans have the chance to contribute to the economy. Specific recommendations include:

**Strategic development:** Establish a unified development budget as was recommended during the Governor-elect's campaign; Reform the enterprise zone program; Discourage poaching of jobs between Ohio communities and between Ohio and neighboring states.

**Higher standards:** Enforce the new minimum wage and existing labor laws; Encourage local living wage ordinances so that government funds spur economic development; Target public subsidies to high-wage careers with benefits.

**Sentencing reform:** To ensure that all Ohioans can contribute to the economy, reform sentencing, so that dangerous criminals are imprisoned while non-violent drug-related offenses lead to more effective and efficient methods of correction.

Third, Ohio has welcomed past generations into the middle class. We need to **create and preserve on-ramps to the middle class** by making necessities like child care and health care affordable and having a fair, progressive tax system. The report recommends:

**Health and child care:** Explore ways that Midwest states can pool resources to provide universal health insurance, conserve health insurance dollars, and invigorate the Midwest economy. Invest in early childcare and after school care to ensure that children thrive and parents can contribute to the economy.

**Progressive taxes:** Return to a more progressive income tax and put in place a state earned income tax credit to help working families with modest earnings.

**Unemployment compensation:** Strengthen the unemployment compensation system, which assists during crises, helps the economy and prevents people from dropping out of the middle class.

Fourth, Ohio can also do more to **protect wealth and assets** that Ohioans have worked so hard to build. We can do so by reining in the exploitative forms of credit that have grown out of control in Ohio. This includes restoring the consumer sales practices act that has protected Ohio consumers for thirty years, better regulating payday loans, predatory home loans, and tax refund anticipation loans, and encouraging the federal government to regulate exploitative practices by credit card companies.

Finally, we need to keep **strong public structures** in this state, structures that undergird a more successful Ohio. This can be done by continuing to use the public sector to deliver public goods and services, and demanding accountability and excellence from all public systems.

“We can create a more fair, prosperous and sustainable Ohio,” said Hanauer. “New leaders have many ideas of their own to offer. This document is Policy Matters’ contribution toward a vision of an Ohio economy that works better for all.”