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Policy Matters Ohio statement on Gov. Kasich's budget proposal

Gov. John Kasich's proposed budget shortchanges key investments that Ohio needs to be making. It cuts funding to public schools by more than \$2 billion compared to the current biennium, while reducing support for higher education. Important human services – Federally Qualified Health Centers, kinship care that helps keep children out of foster care, subsidies for boards for developmental disabilities, eligibility for child-care subsidies – all are to be reduced.

The Kasich budget would create a better balance between institutional and home and community-based care for seniors. Like sentencing reform, this is a needed change. However, the budget would hammer local governments and libraries, redirecting tax revenue away from them and pushing the fiscal crisis down to the local level. It would further strain local budgets with diminished funding for county human service functions that the state has supported before. Some of the harshest impact of this budget won't be felt in Columbus, but by correctional officers, sanitation workers, janitors, teachers, social workers, police and firefighters across the state.

The proposal relies on one-time revenue, \$1 billion in Fiscal Year 2012 alone, instead of addressing the major source of Ohio's fiscal problems: Inadequate revenue caused by tax cuts and loopholes (128 exemptions, credits and deductions amounting to more than \$7 billion each year). Selling prisons may raise short-term money but it raises troubling questions about accountability.

More analysis of this document is needed to fully understand all its implications for Ohioans, but a balanced approach that does not rely just on cuts and sell-offs is needed.

