



PRESS STATEMENT
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House budget proposal makes some improvements, but still underinvests

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The Republican majority of the Ohio House of Representatives today announced its proposal for the next two-year state budget. Despite some improvements, the new House plan remains an underinvestment budget that provides inadequate resources for Ohio's [needs](#).

The proposal includes some welcome additional support for opioid treatment, children's services and certain other human services, along with modest additions to K-12 spending. The changes also include \$2 million to support employment and training programs for people eligible for food assistance (SNAP) and improvements in how Ohio regulates for-profit career colleges, both of which were [needed](#) and will help many access higher-quality training. In a positive step, the plan also scraps Governor Kasich's proposed income-tax cuts and sales-tax rate increase, which would further weight the tax system in favor of affluent Ohioans.

However, the House Republican plan also contains some significant negatives, such as seeking federal approval for work requirements for many of the 700,000 Ohioans who benefitted from Medicaid expansion. Modest spending additions the governor had proposed for higher education and need-based financial aid for students were eliminated.

Major questions also remain unanswered, such as how the House will handle the significant [cuts](#) looming for counties and transit agencies if a replacement for sales tax from Medicaid managed care organizations is not provided. News reports indicate that the majority's plan only takes into account about half of the \$400 million in annual spending reductions that will be necessary, based on the latest projections. This casts a shadow over the new proposal, and underlines that the state needs more [revenue](#) to meet basic needs, including the more robust [severance](#) tax that the plan rejects. Only when full details of the new plan have been released will a full appraisal of it be possible.

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