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State budget should invest in Ohio

Report shows tax cuts for wealthiest undermine crucial programs

By increasing investments in common sense public programs, Ohio could train more workers for jobs of the future, better educate our children, stem the rising tide of addiction and rebuild our transportation system. Instead, the state policymakers squandered billions of dollars on tax cuts and breaks that benefit a few powerful interests.

A new brief from Policy Matters Ohio outlines the investment required to lay the foundation for strong and healthy communities across Ohio. For example, as Ohio struggles with an Opiate epidemic, a \$30 million investment would fund 15 mental health and addiction centers, 240 more in-patient beds and 100 more psychiatric beds for kids. As drug-addicted parents overdose, go to treatment or jail, more children enter the foster system. County agencies need \$20 million a year to meet the demand.

“Investments like these are about Ohio’s future,” said report author and Policy Matters senior project director Wendy Patton. “If we don’t address this public health crisis, the fabric of our families could be ripped apart for generations. Addicts need treatment. Their children need stable environments. Right now we aren’t prioritizing that and we will pay the price down the road.”

Since the start of the new millennium, Ohio lawmakers steadily reduced the amount of revenue to fund essential public programs. They eliminated the estate tax, phased out reimbursements to localities and cut the Local Government Fund in half. The tax cuts implemented under Governor John Kasich overwhelmingly favored the wealthiest residents. The richest 1 percent of Ohioans, on average, pay only about 6 percent of their income, while the bottom 20 percent of earners pay nearly double that amount.

“Not only is our tax system unfair, it doesn’t generate enough revenue to pay for the things everyone uses, like roads, trash collection and public school,” Patton said. “If we brought our tax system into balance and didn’t drain our revenues by giving away money to people who don’t need it, Ohio could be healthier and more prosperous.”

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Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute

with offices in Cleveland and Columbus.