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Ohio Budget Basics

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policymattersohio.org

About Policy Matters Ohio

Policy Matters Ohio, a nonprofit policy research institute, creates a more vibrant, equitable, sustainable and inclusive Ohio through research, strategic communications, coalition building and policy advocacy.

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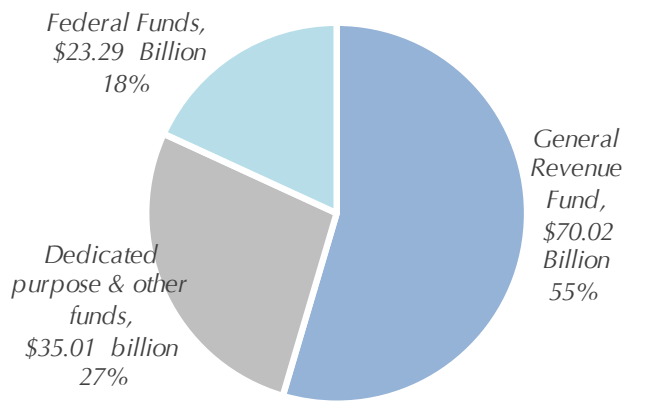
Budget Overview

Ohio has four separate legislatively-enacted budgets.[1] The operating budget receives the most attention. It underpins most of the basic services provided by state government in education, agriculture, natural resources, commerce, health, human services, corrections and more.

Ohio's legislative body, the General Assembly, has two chambers: The House of Representatives and the Senate. Ohio elects state representatives to 2-year terms and senators to 4-year terms. The 132nd General Assembly commences in 2017 with deliberations on a 2-year budget for state fiscal years 2018-19 (a fiscal year runs from July 1 to June 30. When we refer to years in this paper, we are referring to fiscal years, unless otherwise noted).

Figure 1

Major funds in Ohio's operating budget
(billions of dollars)



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission's Budget in Detail, 2016-17

Figure 1 shows Ohio's current budget, including all funds, adds up to $128.3 billion for the biennial (2-year) budget period used by the state. Broadly speaking, it is made up of three types of funds:

- Federal funds make up 18 percent of the budget ($23.3 billion).
- General Revenue Funds make up 55 percent of the budget ($70 billion). These come from Ohio taxes and federal Medicaid dollars.
- Funds from fees or special taxes make up 27 percent of the budget ($35 billion).

Ohio's budget becomes law through legislation that lays out how much money will be used, and for what purpose. In other words, the budget bill "appropriates" funds for programs. The Governor starts preparing the budget about a year before it becomes law. This year, the governor's version of the next budget, the "Executive Budget," will be (electronically) delivered to the House of Representatives on January 31, 2017. Legislators will use this as the basis for a new bill. They'll assign it a number and refer it to committees. The public will be invited to testify. They will pass the House budget bill toward the end of April and send it to the Senate for the same process. The Senate's version will be passed by early June. A conference committee of Senators and Representatives will meet to settle the differences between the versions. It will be signed into law by the Governor by midnight, June 30 and will go into effect on July 1.

1 Ohio's general assembly passes a separate budget for transportation, for capital expenditures, for the Bureau of Workers Compensation and for the operating budget.

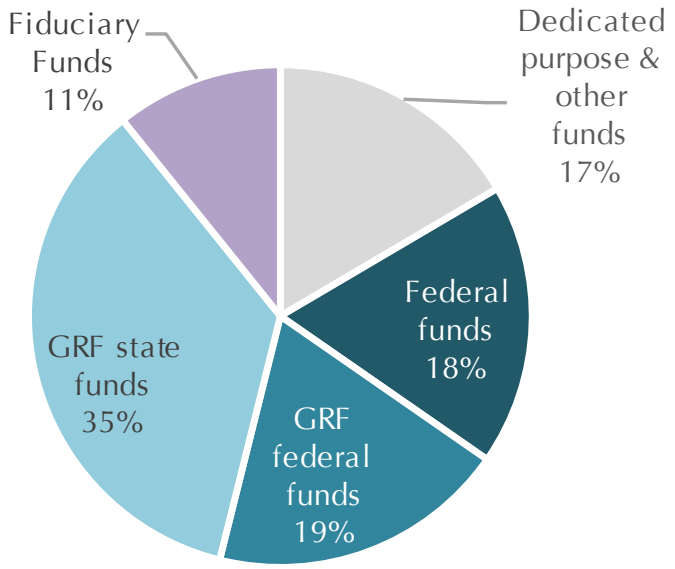
Budget Overview, continued...

Figure 2 shows some distinctions within the three broad fund categories shown in **Figure 1**.

- Overall, 37 percent of the total ("All Funds") budget is made up of federal funds.
- Another 11 percent of the state's budget is made up of "fiduciary funds," which are collected by the state but passed through to other entities.
- The focus of budget analysis is the 35 percent comprised of state taxpayer dollars in the General Revenue Fund ("GRF").
- State-only GRF funds totaled $45.4 billion over the current, 2-year state budget: $21.9 billion in state fiscal year (FY) 2016 and $23.5 billion in FY 2017.

Figure 2

Federal money and pass-through funds make up almost half of Ohio's all-funds budget.



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission's Budget in Detail, 2016-17

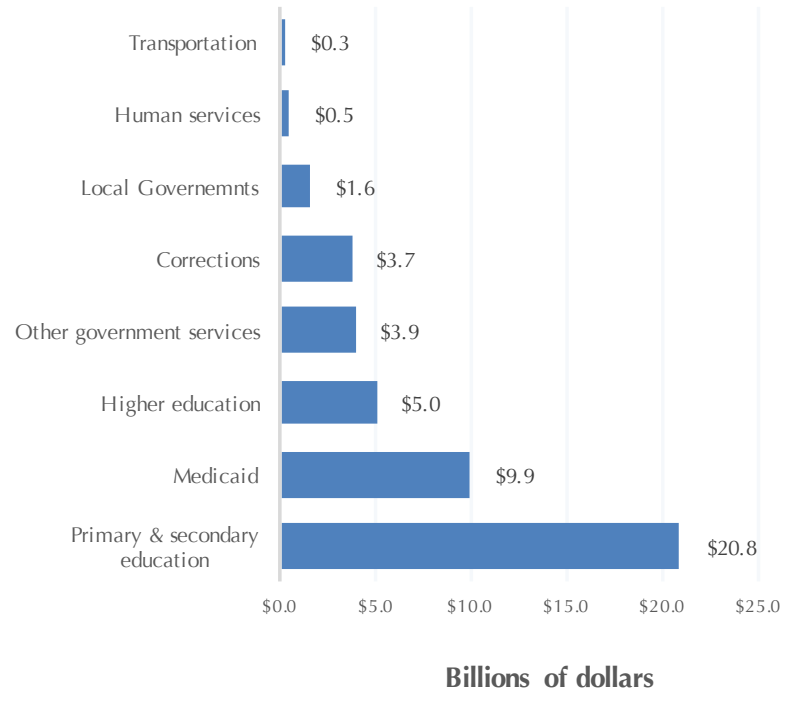
Public Investments: Where Does the Money Go?

Figure 3 shows investment by major category in the $46 billion GRF of the current budget.

- Education receives the largest investment of state dollars in the GRF. The state spends $20.8 billion in primary and secondary education during the 2-year budget, and $5 billion in higher education (about half is spent in each year of Ohio's biennial budget).
- Health is the second largest investment of state-source GRF dollars. Medicaid covers a quarter of Ohioans – about 3 million people - and is the state's largest insurer. The state's share of Medicaid in the GRF is almost $10 million (about half in each year of the budget).[2]
- Though not a GRF expenditure, Ohio's tax expenditure budget (see tables 2 and 3) is about the same size as the state investment in K-12 education, on a yearly basis.

Figure 3

Major investments of state dollars in Ohio's General Revenue Fund, 2016-17



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission historical expenditures, Table 2 (General Revenue Funds, Lottery Profits Education Fund and Local Government Funds).

2 Although Medicaid comes in second in state GRF funds, federal matching dollars make it the single largest expenditure in the all-funds budget, accounting for 37 percent of the total budget at $46.7 billion in FY 2016-17.

State expenditures as a share of the economy

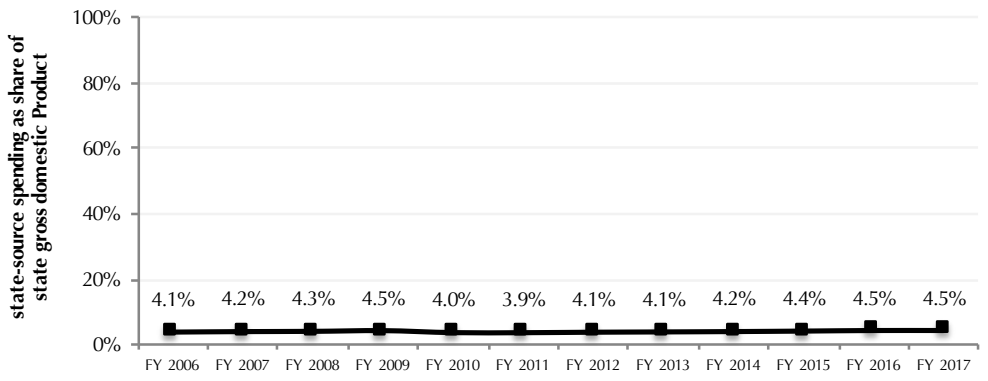
State GRF spending has been constant relative to the state economy for years, hovering between 3.9 percent and 4.5 percent of gross domestic product since 2006 (**Figure 4**).

Figure 5 shows that state investments declined sharply in 2011. Adjusted for inflation, expenditures are almost back to the level they were a decade ago, in the recession.

The next set of figures show 10-year investment in major categories of the GRF budget between state fiscal year (FY) 2008, the first full year of the recession, and FY 2017.

Figure 4

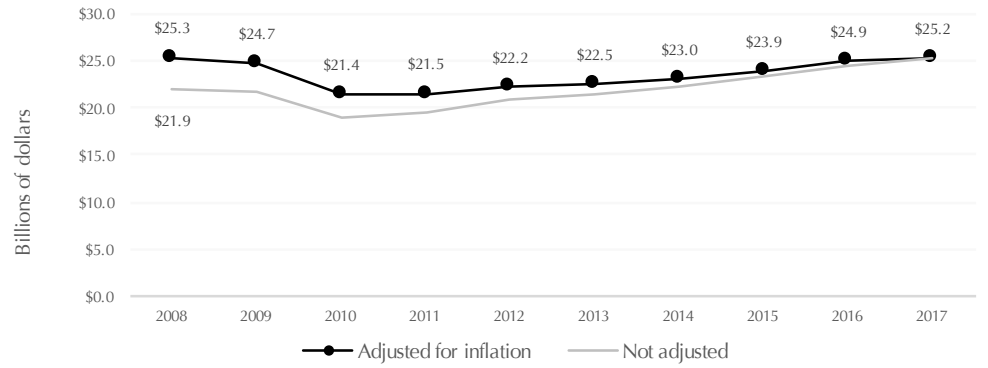
State GRF expenditures as a share of the state economy



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission historical expenditure data, Table 2, General Revenue Funds, Lottery Profits Education Fund and Local Government Funds; state gross domestic product taken from Bureau of Economic Analysis. 2015, 2016 and 2017 based on increase in state gross domestic product projected Ohio's Office of Budget & Management testimony to the conference committee on the budget, 6/19 2015.

Figure 5

Ohio's GRF expenditures in 2017 catch up to a decade ago, Matching the first year of the recession



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission historical expenditure data, Table 2, General Revenue Funds, Lottery Profits Education Fund and Local Government Funds

Early education (preschool, pre-K) & Public Childcare

Funding for preschool increased in the current budget, but we have a long way to go to catch up with other states.[3] (**Figure 6**)

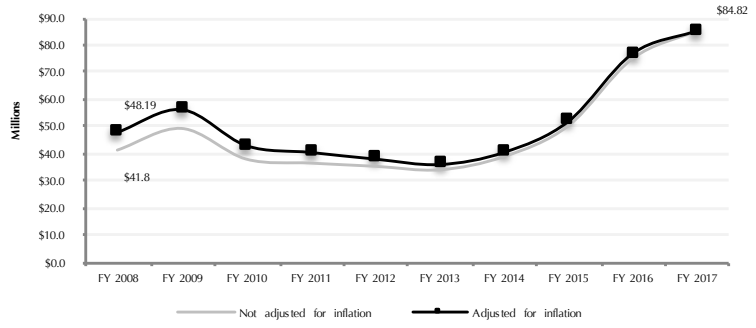
- Just 5 percent of Ohio's low-income 4-year olds and 2 percent of 3-year-olds attend pre-school. Nationally, it's 29 percent and 5 percent, respectively.[4]
- Ohio spends $4,000 on preschool per-pupil, compared to $4,521 nationally – affecting quality.
- This is part of a much longer trend: By 2012, Ohio's legislators had disinvested from early education more than any other state.

Ohio's public childcare program relies mostly on federal dollars. With more state investment, we could do better. (**Figure 7**)

- In 2010, families earning about $40,000 a year for a parent with two kids (200 percent of the federal poverty line) were eligible for childcare assistance; today it has dropped to about $26,200 (130 percent of poverty).[5]
- It is easier to get childcare aid in 44 other states than in Ohio.[6]
- Reimbursement for public childcare is very low, affecting quality.[7]

Figure 6

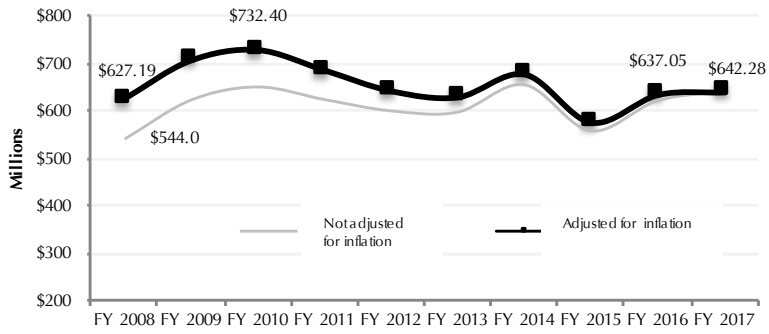
Funding for early learning rose in the current budget



Source: Policy Matters Ohio, based on LSC "Budget in Detail" and TANF spending plan (for 600689) from ODJFS Office of Communications in e-mail of 10/1/2015.

Figure 7

Ohio investment in public childcare rises, then falls



Source: Policy Matters, "Ohio's budget fails to make needed investments, at http://www.policymattersohio.org/budget-dec2015

3 Ohio is the seventh largest state, yet has far fewer pre-school slots than other large states, like California, Texas, Illinois, Pennsylvania, Michigan and Georgia. See Wendy Patton, "Ohio's Childcare Program Still Needs Improvement," Policy Matters Ohio, November 16, 2016 at http://www.policymattersohio.org/childcare-nov2016

4 State of Preschool, 2015, National Center for Early Education Research, Rutgers University at http://nieer.org/wp-content/uploads/2016/05/Ohio_2015_rev1.pdf

5 Wendy Patton, "Ohio's Childcare Program Still Needs Improvement," Policy Matters Ohio, November 16, 2016 at http://www.policymattersohio.org/childcare-nov2016

6 National Women's Law Center, "State Childcare Assistance Policies 2015" at https://nwlc.org/wp-content/uploads/2015/11/CC_RP_Building_Blocks_Assistance_Policies_2015.pdf

7 Ohio has among the largest gaps between what the state pays for infant care and the market rate, and state payment for toddler care and market rate. See appendix tables in National Women's Law Center, Op.Cit.

Secondary & Higher Education

Funding for K-12 was deeply cut in the budget for 2012-13, with restoration over the next two budgets. **Figure 8** shows core, formula funding over time, which is slightly less, adjusted for inflation, than in 2008, although overall K-12 funding has been restored.

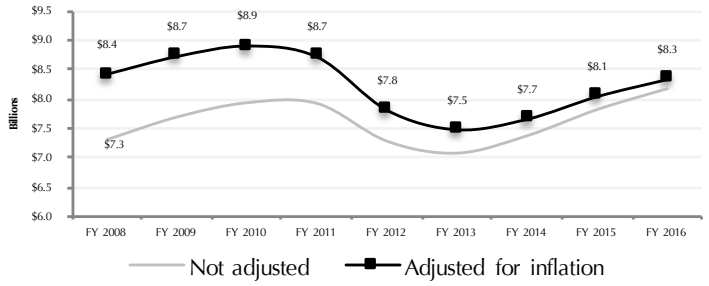
- Core funding that goes out to schools remains nearly $600 million below what is was in 2010, adjusted for inflation, although agency appropriations will be 6.9 percent above 2008 by 2017, in inflation-adjusted dollars.
- A decade of boom and bust funding at the district level has left schools cautious about rebuilding.[8]
- A legacy of harm, from pay-to-play[9] to reduction in librarians and other educators, persists.[10]

State investment in higher education fell with the recession and has not been completely restored (**Figure 9**).

- Funding remains about $500 million below what it was a decade ago (adjusted for inflation).
- Ohio's tuition at a 4-year public university is, on average, higher than in 36 other states and the District of Columbia. Tuition at 2-year campuses is pricier, on average, than in 38 other states and Washington, D.C.[11]

Figure 8

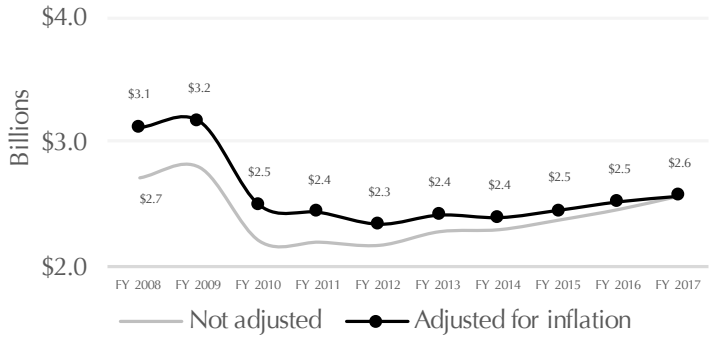
A decade of the fiscal rollercoaster for K-12 schools



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission, e-mail from Alex Vitale of August 16, 2016 (GRF, Lottery Profits, and TPP Reimbursement and Supplement Funds).

Figure 9

Funding for higher education has fallen



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission historical expenditure data, General Revenue Funds, Lottery Profits Education Fund and Local Government Funds

8 Wendy Patton, "Ohio Schools Cautiously Rebuild," Policy Matters Ohio, 4/2015 at http://www.policymattersohio.org/wp-content/uploads/2015/04/Ohio-schools-cautiously-rebuild-AH.pdf

9 Jackie Borchardt, "Ohio schools pressured to end pay-to-play fees, Clevealnd.com, 2/26/2016 at "http://www.cleveland.com/open/index.ssf/2016/02/ohio_schools_pressured_to_redu.html

10 Wendy Patton, "Ohio Schools Cautiously Rebuild," Op.Cit.

11 College Board, Tuition and fees by sector and state over time (Table 5) at https://trends.collegeboard.org/college-pricing/figures-tables/tuition-fees-sector-state-over-time

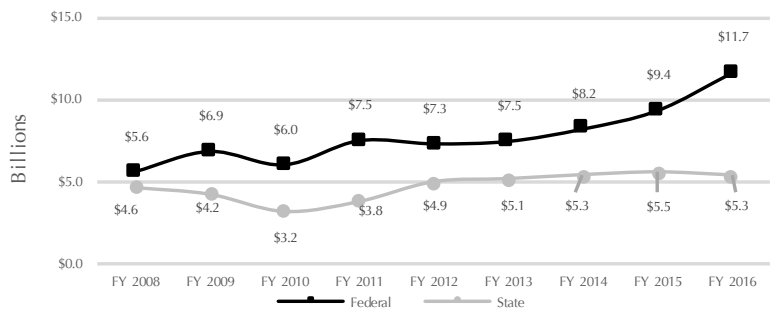
Medicaid and other (non-Medicaid) health & human services

Medicaid spending has increased, but largely through expenditure of federal dollars.Funding remains about $500 million below what it was a decade ago (adjusted for inflation).

- Medicaid, Ohio's largest insurer, covers about 3 million people, or a quarter of all residents.
- Ohio is among the states with the highest share of insured residents, in part because of Medicaid expansion. Almost 700,000 Ohioans gained coverage through Medicaid expansion.
- State spending has not grown as rapidly as caseload because the federal government has covered the cost of Medicaid expansion. This drops to 95 percent next year and levels off at 90 percent by 2020.[12]

Figure 10

Federal Medicaid dollars in the GRF increased, state investment has grown more slowly



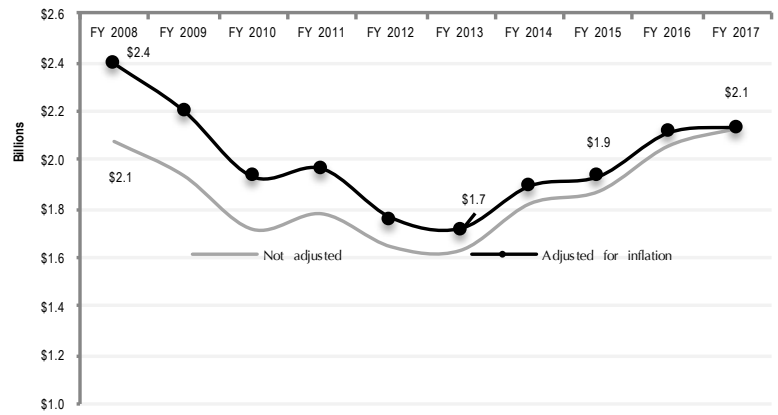
Source: Policy Matters Ohio, based on Ohio Legislative Service Commission Medicaid historical expenditure data

Non-Medicaid health and human service funding in the GRF has continued a long decline that started almost two decades ago.

- Non-Medicaid human service spending hit a low point in 2013, $680 million below inflation-adjusted funding in 2008.
- Local human service providers feel the cuts most deeply. Other local government cuts compound the harm.
- For example, state share of the Community Service Block Grant has not been restored; as a result, senior nutrition programs like "Meals on Wheels" have been curtailed in some places.[13]

Figure 11

Non-Medicaid health and human services are $264 million below a decade ago



Source: Policy Matters Ohio, from OH Legislative Service Commission historical expenditures, Table 2, GRF, Lottery Profits Education Fund, Local Gov't. Funds

12 Expanding Medicaid in Ohio: Analysis of Likely Effects, Health Policy Institute of Ohio, March 3, 2013 at http://www.healthpolicyohio.org/expanding-medicaid-in-ohio-analysis-of-likely-effects/

13 Area Agency on Aging Action Alert at http://www.ohioaging.org/Pages/Advocacy%20Advisory%20Alerts

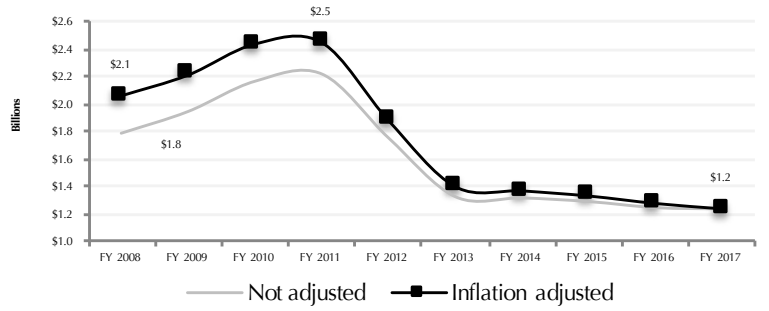
Local Government

Local governments receive about $1 billion less in inflation-adjusted funds in 2017 than a decade earlier due to cuts in revenues sharing and state-imposed changes in revenue sources.

- The Local Government Fund was cut in half, tax reimbursements phased out, and the estate tax eliminated.
- Casino revenues and other new sources have not compensated for loss in many counties and virtually all cities.[14]

Figure 12

Local governments have lost hundreds of millions annually over the decade



Source: Policy Matters Ohio, from OH Legislative Service Commission historical expenditures, Table 2, GRF, Lottery Profits Education Fund, Local Gov't. Funds

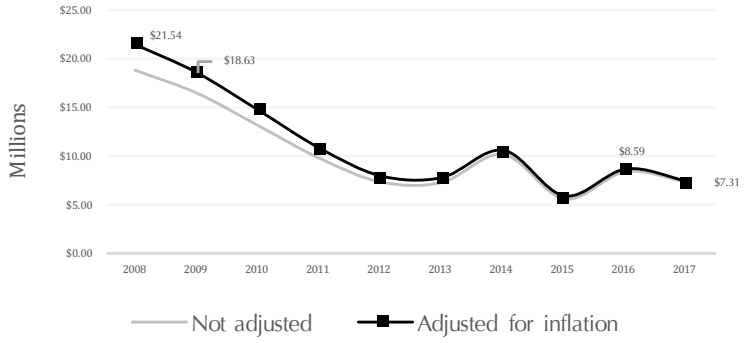
Public Transit

GRF funding for Public Transit peaked in 2000-2001 at about $40 million a year (not adjusted for inflation).[15] Since then, GRF funding for transit has trended downward, particularly in recent years.

- The Ohio Department of Transportation estimates the state should provide $120 million starting in 2015 to meet market demand for public transit.[16]
- The Governor's Workgroup to Reduce Reliance on Public Assistance identified lack of transportation as a major barrier to employment in Ohio.[17]

Figure 13

State GRF funding for public transit has been cut by 60 percent over the past decade



Source: Policy Matters Ohio, from OH Legislative Service Commission historical expenditures, Table 2, GRF, Lottery Profits Education Fund, Local Gov't. Funds

14 Wendy Patton, "State Cuts Still Hurting Local Government in Ohio," Policy Matters Ohio, December 2016 at www.policymattersohio.gov.

15 Ohio Legislative Services Commission budgets in detail, Ohio Department of Transportation annual fiscal reports.

16 Ohio Department of Transportation, Ohio Statewide Transit Needs Study, 2015 at http://www.dot.state.oh.us/Divisions/Planning/Transit/TransitNeedsStudy/Documents/FindingsSnapshotLetterSize.pdf

17 Workgroup to Reduce Reliance on Public Assistance Report to Governor John R. Kasich and the Ohio General Assembly April 15, 2015 at http://humanservices.ohio.gov/WorkArea/DownloadAsset.aspx?id=2147636202

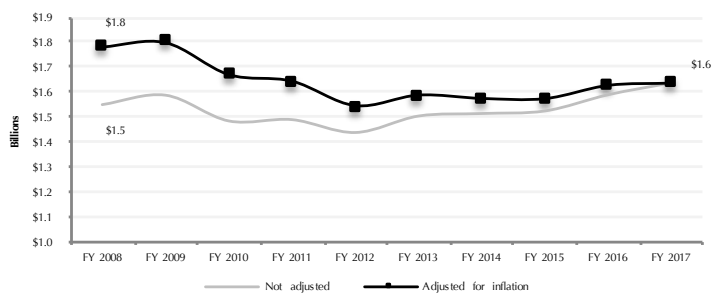
Corrections

Corrections funding has fallen by $150 million over the past decade.

- The rate of overcrowding in Ohio's state prisons increased from 114.8 percent in 2005 to 132.1 percent in 2016.[18]
- Ohio's prison population reached 51,064 in November, 2016 – down slightly from its peak at 51,273 in 2008.[19]
- The U.S. Supreme Court ordered California to reduce crowding to 137.5 percent of capacity, not much higher than where we now are in Ohio.[20]

Figure 14

Corrections spending has fallen



Source: Policy Matters Ohio, from OH Legislative Service Commission historical expenditures, Table 2, GRF, Lottery Profits Education Fund, Local Gov't. Funds

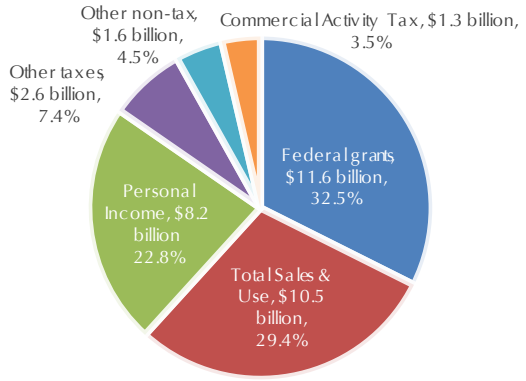
Where does the money come from: Revenue sources

In 2016, almost one-third of Ohio's GRF revenues came from federal funds. The pie chart in **Figure 15** includes the federal revenues in our budget.

- The sales tax constitutes the largest source of state funds, providing 29 percent of GRF revenues.
- Personal income tax, which used to be the largest source of Ohio's GRF funding, now generates 23 percent of revenue.
- Ohio is one of just six states without a corporate income tax. Ohio's general business tax, the Commercial Activity Tax (CAT) on gross receipts, accounts for just 3.5 percent of the GRF (some CAT revenues go to uses that are not in the GRF).

Figure 15

Major sources of revenue in the GRF



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission's historical revenues table for 2016.

18 DRC Population Correctional Institution Inspection Committee, Ohio Department of Corrections and Rehabilitation, May 2016 at http://www.ciic.state.oh.us/docs/Population%20Brief%202016.pdf

19 Current population taken from Ohio Department of Rehab ilitation and Corrections (ODRC) Weekly Population Counts, November 14, 2016 at http://www.drc.ohio.gov/Portals/0/Reentry/Reports/Weekly%20Population/11-14-16.pdf?ver=2016-11-16-135455-207. Highest ever figure taken from ODRC Monthly Fact Sheet for November at http://www.drc.ohio.gov/monthly-fact-sheets

20 Sara Mayeau, "The unconstitutional horrors of prison overcrowding," Newsweek, May 22, 2105 at http://www.newsweek.com/unconstitutional-horrors-prison-overcrowding-315640

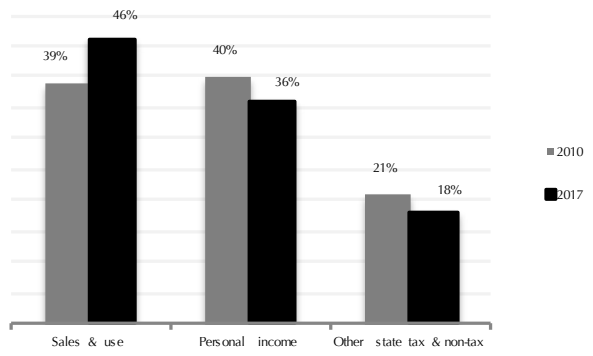
State Revenue Sources

Figure 16 shows state-only revenues.

- In 2017, the sales and use tax will make up 46 percent of state-source revenues in the GRF. Its share has grown by 7 percentage points since 2010. The personal income tax has shrunk from 40 percent in 2010 to 36 percent in 2017.
- The sales tax weighs heavier on low-income people who spend a higher proportion of their income than wealthier earners.

Figure 16

Changing revenues in Ohio's GRF



Source: Policy Matters Ohio, based on Ohio Legislative Service Commission's Budget in Brief.

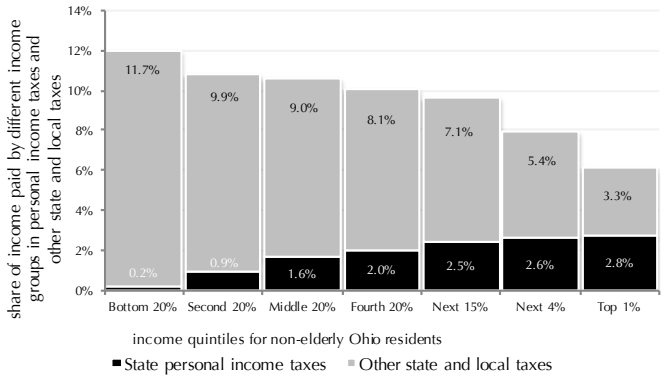
Growing Inequity

As state tax policy has changed, Ohio's taxes are becoming more inequitable. **Figure 17** shows state and local taxes as a share of income by income group.[21]

- Those making the least money – the bottom fifth of the income spectrum - pay about twice the share of income in state and local taxes compared to the richest 1 percent.
- Non-income taxes such as sales and property tax, take almost 12 percent of the income of the bottom fifth of taxpayers. The wealthiest fifth, on the other hand, pay just more than 3 percent of their income in the same taxes.
- The state personal income tax helps balance the inequity, but only partly. The bottom fifth of earners pay just 0.2 percent of their income in state personal income tax, but the wealthiest 1 percent pay 2.8 percent in state personal income tax.

Figure 17

Ohio's state and local tax structure is lightest on the rich, heaviest on the poor



Source: Institute on Taxation & Economic Policy, April 2016. Based on 2012 income levels and includes non-elderly Ohio residents. Shows permanent, fully-phased-in law in Ohio enacted through April 1, 2016 at 2012 income levels, including personal income tax rate decreases, preferential treatment of business income, means-testing of retirement credits and a cigarette tax increase. Changes made to Ohio's municipal income tax system in December 2014 are not reflected.

21 Institute on taxation and economic policy, April 2016. Based on 2012 income levels and includes non-elderly Ohio residents. Shows permanent, fully-phased in tax law in Ohio enacted through April 1, 2016 at 2012 income levels. Changes include personal income tax rate decreases, preferential treatment of business income, means testing of retirement credits and cigarette tax increase. Changes made to Ohio's municipal income tax system in December 2014 are not reflected. See http://www.policymattersohio.org/blogpost-taxes-april2016

Tax policy: cuts and breaks

In the current budget, the General Assembly reduced personal income tax rates and expanded a tax break for business owners. Together, these changes will drain billions of dollars in revenue from the state system over the next few years. The legislature paid for these tax cuts in two ways: by using revenue the state expects to be generated from projected growth over the next two years, and by raising the cigarette tax and means-testing a couple of small income-tax credits.

The net result is a further shift in who pays Ohio's taxes, so that each year affluent residents on average pay thousands of dollars less; middle-income Ohioans see tax cuts of about $20; and some of Ohio's poorest residents pay an average of $20 more than they have in the past. Even those making between $58,000 and $89,000 would receive an average annual income-tax cut of just $65.

Table 1

Impact of tax changes in the Ohio budget

	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income range	Less than $20,000	$20,000 - $37,000	$37,000 - $58,000	$58,000 - $89,000	$89,000 - $163,000	$163,000 - $388,000	$388,000 or more
Average income	$12,000	$28,000	$47,000	$72,000	$115,000	$234,000	$1,071,000
Average change	+$20	+12	-$20	-$65	-$190	-$749	-$10,236

Source: Institute on Taxation and Economic Policy, June 2015. Includes 6.3 percent income-tax rate cut, permanent increase in the business income deduction and 3 percent flat tax on business income over $250,000, the 35-cent-a-pack increase in the cigarette tax and means-testing the $50 senior credit and the retirement income credit. Does not include the means-testing of two small lump-sum retirement or senior credits or other tax changes. Covers total 2014 income and includes Ohio residents only. Figures are rounded.

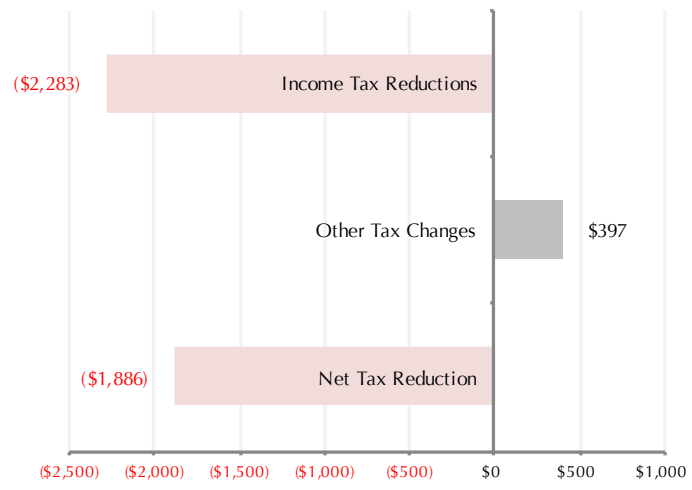
The cost of tax policy changes

Figure 18 shows the cost of the tax changes during the 2016-17 budget period: a net $1.9 billion.

- The 35-cent cigarette tax increase cuts the rate of smoking, which saves lives, but as a flat tax, it falls most heavily on the lowest-income Ohioans.
- The bottom four-fifths of Ohio residents will get just 15 percent of the value of the tax cuts.
- The top fifth gets the other 85 percent.

Figure 18

Tax Changes in the 2016-2017 Budget



Source: Policy Matters Ohio, from data provided by the Ohio Office of Budget and Management

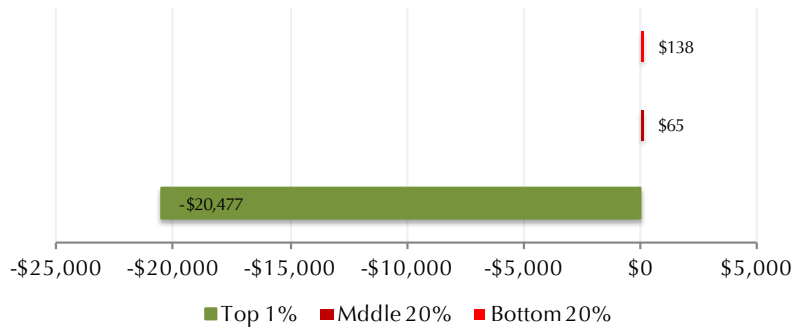
Who Benefits?

Ohio has been cutting income taxes since 2005. These and other changes have reduced revenue available to invest by more than $3 billion a year.

- Between 2005 and 2014, as rates on the income tax have been cut and other changes made, the top 1 percent saw taxes reduced, on average, by more than $20,000 per year.
- The poorest families paid more: the bottom fifth of earners paid, on average, $138 per year more in state and local taxes.
- This is a trend: in which the wealthiest see large tax cuts and the poorest pay more, has continued for more than a decade in Ohio.

Figure 19

Effect of tax changes by broad income level, 2005-2014: the richest get a huge annual tax cut, those of middle and low income pay more



Source: Policy Matters Ohio, from data provided by the Institute on Taxation & Economic Policy. Covers Ohio residents only. Based on 2013 income. See Zach Schiller, "The Great Ohio Tax Shift at http://www.policymattersohio.org/tax-shift-aug2014

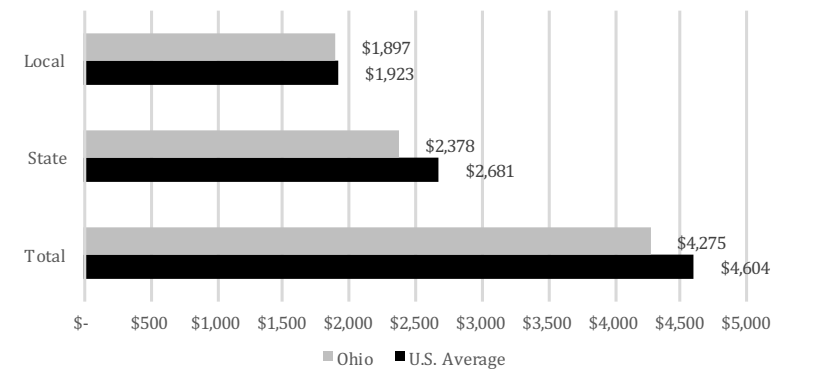
How does Ohio compare with other states?

- For all of the ongoing tax cuts at the state level, Ohio Department of Taxation's data shows Ohio's state and local taxes are in line with national averages.
- Ohio ranked 25th in state and local taxes per capita (per-person in fiscal year 2012-13, the most recent year for which the Department of Taxation has data available). At $4,275, this was slightly below the national average of $4,604.
- Ohio ranked 32nd in state and local taxes as a share of personal income. Yet at 5.9 percent, this was virtually the same as the national average of 6.1 percent.
- Most states have very similar rates, grouped around the national average.

In some budget years, state legislators have demonstrated concern about inequity in Ohio's state and local tax system. In the budget of 2014-15, legislators implemented an earned income tax credit, which reduces the weight of taxes on poor working families with children. Although the new state EITC was doubled in the course of that budget, it remains smaller than the national average; it is capped at earnings of $20,000 a year and it is not refundable, so it provides little benefit to many of the lowest-income Ohioans. Almost every other state with an EITC makes theirs refundable.

Figure 20

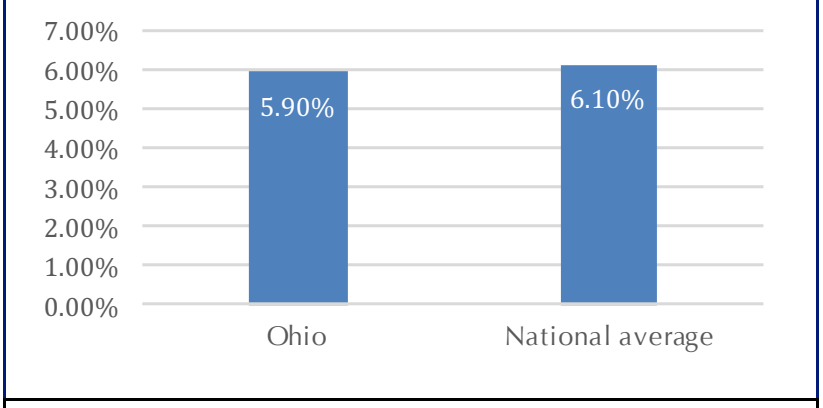
Ohio's taxes are a little lower than the national average per capita (2013)



Source: Policy Matters Ohio, Ohio Dept. of Tax, state &local tax comparisons

Figure 21

Ohio's state taxes as a share of state personal income are slightly lower than national average



Source: Policy Matters Ohio, Ohio Dept. of Tax, state & local tax comparisons. Data is for fiscal year 2012-13, the most recent year available.

Spending through the tax code

Ohio's legislature is generous with tax breaks.

Table 2
Summary of revenue foregone due to tax expenditures

FY 2014	FY 2015	FY 2016	FY 2017
$7,746,600,000	$8,272,900,000	$8,494,900,000	$8,856,700,000

Source: Ohio Department of Taxation.

- In 2017, the state will spend the same amount on tax exemptions, credits and deductions (known as "tax expenditures" because they represent spending through the tax code) as on core (formula) funding for K-12 schools.
- Some tax breaks are helpful to people of modest means: sales taxes are not imposed on groceries in Ohio. Prescription drugs are not taxed.
- Business tax breaks are intended to encourage job creation. But many of them have not been reviewed to see if they are effective. House Bill 9, passed in December of 2016, will institute a review process for the first time.

Table 3
Share of the value of tax expenditures by purpose, 2017

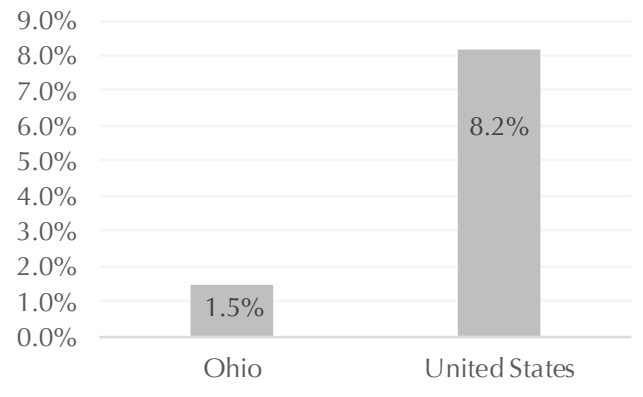
Purpose of tax expenditure	Total FY2017 *(millions)*	Share of Total Expenditures
Business & economic development	$4,915.4	55.5%
Fiscal assistance to individuals	$2,084.9	23.5%
Assistance to public & nonprofit Organizations	$1,205.5	13.6%
Health or education assistance	$650.9	7.4%

Source: Policy Matters Ohio, based on Ohio Department of Taxation tax expenditure report for 2016 and 2017

Ohio's legislature has prioritized tax breaks and tax cuts. The claimed rationale has been that the tax cuts would generate job growth.

- Ohio's job growth has been slower than the nation's. The nation's employment base has expanded by 8.2 percent between June 2005 – when a big round of Ohio tax cutting began – and October of 2016. Ohio jobs, by contrast, have grown just 1.5 percent.
- Ohio is sharing in the national economic expansion, but the state tax and budget policies that promised to boost job growth have not changed our economy's underperformance.

Figure 22
Ohio's job growth between June of 2005, when the first round of Ohio tax cuts was finalized, and October of 2016 was much slower than the nation's



Source: Policy Matters Ohio, based on U.S. Bureau of Labor Statistics

Tax cuts and tax breaks have been prioritized instead of investment and upkeep of critical public services. As a result, college tuition is too high. There are not enough pre-school slots for low-income children. Deep cuts in state aid to local governments has slowed recovery in many communities.

The budget for 2018-19 presents the opportunity to change policies and start rebuilding. Expanded public transportation can widen the labor pool for employers and lower costs for working families. Better funding for education -- from more pre-school to college -- can expand opportunity and boost competitiveness. Restoring local government funds can help communities slow the drug epidemic and restore blighted neighborhoods and property values. The state could afford to do this by eliminating tax breaks that lack economic merit, restoring top income-tax rates and modernizing tax policy to harness new and emerging sectors.

Policy Matters Ohio