



# EXECUTIVE SUMMARY

## JANUARY 2021

### Budget and Revenue

#### **A budget for everyone**

Pooling our resources to build a better Ohio

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Most Ohioans want to build a bright future for our children and communities. We paid our taxes and used those public resource to build world-class universities, a top-notch state park system and some of the nation's best libraries. These institutions and many others made Ohio a better place to live, work and raise families.

Today, years of tax cuts for the wealthy and corporations and tax breaks for special interests have undermined what we built together, just when we need our government most. We remain mired in the COVID-19 pandemic and recession. The vaccine is arriving, but the virus is surging. Thousands of Ohioans are still laid off and unsure how they'll keep food on their tables and a roof over their heads. The coming year is shaping up to be a hard one. Lawmakers working on the state budget for 2022-23 will fund public services during a difficult time.

Ohio's already insufficient tax system will bring in even less money than in past years because of the recession. The federal government sent billions to fight the virus, but it's not clear if it will provide the additional assistance needed during the long months ahead. State lawmakers must harness our collective resources to pass a budget that controls illness, helps all Ohioans meet their basic needs, ensures safe schools and workplaces and lays the groundwork for a better future. In this document, we lay out our recommendations for this challenging task.

#### **Unrigging the system**

Ohio's public policy rigs the rules against Black and brown residents and residents with low incomes. Lawmakers spend nearly \$10 billion a year on tax breaks yet have failed for more than 20 years to appropriate enough money to support a great school in every community. Ohio's schools, dependent on local property taxes, struggle in poor communities and their students start out behind the curve. Tax cuts never yielded a trickle-down of jobs and income as legislators promised. Instead, they drained state resources and eroded public services. A lack of public transit options make it harder for working Ohioans to get to their jobs or school in safe, affordable ways. High tuition and low financial aid put college and higher-paying job opportunities out of reach for many. A lack of state support means inconsistent help, county to county, for people experiencing poverty. Because the state employs too

few wage and hour inspectors, employers can short workers' paychecks without being held accountable. Without the money to upgrade Ohio's unemployment compensation system's outdated information technology, laid-off workers have to wait too long for the support that helps them make ends meet.

### **Resetting the system**

The right budget policies can reset the system for recovery in the short term and resiliency in the long term. Lawmakers can start by giving local public health agencies the resources they need to get through the current crisis and prepare for the next. They can harness all resources at hand — from the rainy day fund to the TANF surplus — to help Ohioans who need it most. It will take years to rebuild an Ohio that works for all people; doing so starts with the 2022-23 state budget.

Above all, Ohio's lawmakers must use the new budget to redress racial inequity. The pandemic has ravaged Black Ohioans and their families because many work in frontline sectors like social work, teaching, public transit, retail and warehousing: They have been over-exposed to COVID. Long-term, discriminatory governmental policies created social and economic conditions that harmed the health of Black and brown Ohioans, including lack of safe, decent and affordable housing, health care, good jobs and educational opportunities. That, combined with the toxic stress of racism, creates the underlying health conditions that make Black, brown and Indigenous Ohioans more vulnerable to the virus. Governor DeWine's Minority Health Strike Force laid out targeted policies and investments to fix long-standing inequities. Legislators of the 134<sup>th</sup> General Assembly can prioritize the strike force's blueprint to reset and rebuild an Ohio that holds a bright future for all.

### **The Recovery Budget**

In this paper, we lay out short-term policies that can be funded in the upcoming budget and long-term investments that must be done over time. Short-term priorities include strengthening local public health, increasing resources for food banks and emergency assistance and restoring cuts to programs that lower infant mortality. Longer-term, foundational investments include funding to eliminate lead poisoning from Ohio's aging housing stock, fixing the unconstitutional school funding formula, allowing more people to get a post-secondary degree or certificate and restoring revenue sharing with local governments.

It's the job of our elected leaders to drive recovery in all communities and for all Ohioans. In this budget, they can start moving Ohio toward recovery and a brighter future for everyone.