



## **Ohio budget fails to make needed investments** State budget recovers, but misplaced priorities stymie growth

The state budget has recovered since the recession, but a close look at the two-year budget finds Ohio has not yet restored important services that would broaden opportunity and strengthen the economy, a new Policy Matters Ohio analysis says.

The analysis reviews state spending trends over a decade, starting with the 2008-09 budget period and going through the end of the current budget period. Over this period, Ohio prioritized large income tax cuts that benefitted the wealthiest, but offered modest benefit to most Ohioans. The tax cuts have constrained the state's ability to make needed investments.

“More than a decade of tax cuts have not boosted job creation to the national average,” said Wendy Patton, senior project director and co-author of the report. “The state budget should create a platform that allows families and employers to build a future, but our strategies have not strengthened the economy as promised.”

Job growth and median wages have lagged the nation's, and the poverty rate is stuck above where it was before the downturn. More is needed to fix gaps in the safety net, address the damaging effects of low-wage work, help Ohioans train for better jobs and repair the damage of the recession in communities.

“Other states are investing more in the foundations of competitiveness: pre-school, K-12 education, need-based financial aid and human services,” said Patton. “We can and should do more to boost opportunity for more Ohioans.”

Needed investments include restoring funding to local governments for public safety, parks, libraries and more; raising the level of initial eligibility for child-care assistance to 200 percent of poverty; fully restoring funding for schools and public universities; boosting need-based aid for poor college students and ensuring Ohio's safety net programs are adequately funded to serve those who struggle.

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*Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute  
with offices in Cleveland and Columbus.*