

OHIO'S BUDGET PASSES THE HOUSE NOW THE DEBATE BEGINS IN THE SENATE!

The Ohio House of Representatives cut Governor Kasich's Fiscal Year 18 budget by \$1 billion and F.Y. 19 by \$1.5 billion while adding a quarter billion dollars more over the two year period to school and anti-addiction efforts. House Speaker Rosenberger citing his recent appearance with Kasich and Senate President Obhoff announced that Ohio could expect an \$800 million drop in revenues for the upcoming biennium. The substitute House budget bill includes an across the board cut of 1.5% in many line items in the budget. Rosenberger said, "I want to lead by example and so I've included a 6% cut in the House operations."

The House gave the greatest increase to drug treatment, prevention and recovery efforts with an additional \$170 million to end the Opioid Epidemic. The driving force in this budget is HOPES, which stands for Heroin, Opioid, Prevention, Education and safety. Ohio is #1 in the country with 4000 drug deaths in 2016, a 30% increase over 2015. This includes the deadly fentanyl drug. The budget targets \$130 million for treatment and child care services by grandparents, or family members caring for the children whose parents cannot. Why is Ohio leading the nation in this meaningless loss of life?

The other budget item to receive \$90 million over two years is Ohio's K-12 Education fund. The House's funding proposal would mean at least \$100,000 extra for each of 165 school districts. Under Kasich's plan it left 390 districts with less money than this year. The total is 350 under the House plan. All districts received an increase in their cap from 5% to 5.5%. This increases it from \$6000 to \$6020 for each pupil.

'Rejoice with me, for I have found my sheep that was lost.' Just so, I tell you, there will be more joy in Heaven over one sinner who repents than over ninety-nine righteous persons who need no repentance.'

(Luke 15: 6-7 NRSV)

If you are not happy with the budget, contact your representative or senator in the Ohio Statehouse and offer your concerns.

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**You are welcome to copy or quote from the Legislative Brief.
Tom Smith, Editor**

The House put more money into capacity aid for poorer districts. Over two years, Columbus would get \$3.3 million more than Kasich proposed, and the South-Western school district would get \$1.3 million more, the highest totals in the state. It was apparent to me that most legislators did not want to go home with less funding for their schools than the last 2 years budget. Ohio has a \$2 billion dollar rainy day fund.

Taxes will change somewhat based on reducing Ohio's brackets from 9 to 5. Those families under \$15,000 will pay no state income tax. Sales taxes rise from 5 $\frac{3}{4}$ to 6 $\frac{1}{4}$.

Farmers will benefit over a six year period by a gradual reduction in the current Agricultural Use Value formula to reduce the taxable value of farmland. It is being staggered over 6 years to allow schools to prepare for the gradual loss of farm taxes, shifting the property-tax burden to homeowners to make up for the loss. The Legislative Service Commission estimates the reduction will cost schools \$7 million in 2017 rising to \$14 million by 2022.

The House of Representatives continued their disagreement with Gov. Kasich over taxing the shale fracking with a severance tax. They did not approve expanded gambling to generate revenue by allowing video poker at racinos-racetracks which already have slot machines's that are estimated to generate \$43 million over two years for the Lottery Commission

that earmarks the money for Ohio Schools. Further stripping the Governor's power, the 7 member Controlling Board would have the power to block funding for Medicaid Expansion. In their initial budget they were planning on not allowing any new citizen to join Medicaid or come back if they leave. "The *Columbus Dispatch* editorialized about an amendment the GOP added to the budget to stop Ohio State Treasurer Josh Mandell from exploiting a loophole that allowed him to dodge a state oversight panel to buy self-promotional video ads with agency funds. The ads included OSU Football Coach Urban Meyer and a delightful young lady that was ostensibly to promote investment accounts for individuals with disabilities. Any agency of the state must receive approval from the Controlling Board for any amount over \$500,000. The ads cost \$1.84 million. Josh paid for the ads in 4 increments of less than 500,000 to avoid a rejection. The *Columbus Dispatch* wrote "As State Treasurer, Mandel is supposed to be safeguarding the use of Ohioans' hard-earned money, not using it to get himself elected to a higher office. Having to be reined in by his own party leadership for another case of opportunism doesn't bode well for his upcoming race against Sen. Sherrod Brown who, no matter whether one agrees with his politics, has shown a moral core."