



**LEAGUE OF WOMEN VOTERS®
OF OHIO**

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Dear Representative:

The League of Women Voters of Ohio (LWV-Ohio) believes it is the responsibility of our state government to protect basic human services, including health care for vulnerable Ohioans, and to ensure that all Ohio children have access to quality education. We recognize that the budget proposed by Governor Kasich seeks to achieve these outcomes while simultaneously addressing the \$8 billion budget shortfall and encouraging business growth to improve Ohio's economy and reduce unemployment. We respect and applaud these goals.

We also applaud the Governor's desire to increase the cost-effectiveness and quality of service delivery to Ohioans—such as providing seniors and persons with disabilities the option of receiving care in their homes rather than being forced to get care at the more expensive alternative - nursing homes. Likewise, it is commendable to ask local governments to seek ways to consolidate services and thereby reduce costs.

However, rather than create a more business-friendly climate for business, the proposed budget threatens to undermine the supports necessary for an educated workforce and a business-friendly tax environment. For example:

- An educated workforce relies on a stable educational system. Yet significant cuts in federal funding over the next two years, particularly to schools, will cause many school systems to face sizeable budget shortfalls. Schools will need to increase local revenues to cover the shortfall or reduce educational services currently provided.
- As counties, local governments and school districts seek additional local tax revenue to address their budget gaps, the governor's goal to make Ohio a more tax- and business-friendly state will be undermined.
- Finally, the proposed budget cuts are likely to contribute to increased inequity among the educational systems across the state, as wealthier school districts are likely to be able to increase taxes to maintain quality education while other districts will not. If Ohio is to have an educated workforce, we will need to provide a quality education to all Ohio children – not just those fortunate enough to live in a wealthy district.

We also believe that the needs of Ohio's vulnerable citizens and the educational needs of its children will not be addressed with a budget that relies only on cuts in funding. For example:

[Encouraging the informed and active participation of citizens in government](#)
[Working to increase understanding of major public policy issues](#)
[Influencing public policy through education and advocacy](#)

- The proposed budget reduces funding available for services to Ohio's vulnerable citizens. To illustrate: seniors and persons with disabilities will not be able to receive adequate care in their homes if the proposed cuts are made to funds available for the care they can receive and to the funds available for service providers. Thus contrary to the governor's stated goal, it is likely that more seniors will be forced to rely on more expensive nursing home care.

- Cuts to state services will force county and local governments to 1) cease providing essential services; or 2) find new sources of revenue to maintain community services – thereby increasing the tax burden on Ohioans; The problem is likely to be exacerbated because some of the state cuts in services will result in increased demand for services at the local level. For example, experience shows that following the reduction in mental health services, more mentally ill persons end up in the criminal justice system – a costly and counter-productive alternative.

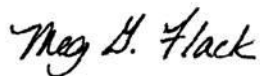
The LWV-Ohio believes there must be a balanced approach to Ohio's budget challenge. For example, Ohio provides approximately \$7 billion in tax expenditures. These must be examined to determine which serve a valid purpose and which, like the expenditure related to time shares in jet aircraft, serve primarily to benefit wealthy Ohioans. Do all of the \$7 billion in tax expenditures promote economic development or other purposes important to the welfare of Ohioans? These must be reviewed critically to determine which serve an important purpose and which can be eliminated without harming Ohio's economic development.

In addition, we would suggest that serious consideration be given to the following:

- Index the homestead exemption to income;
- Restore the income tax rate to the rate in effect in 2010.;
- Retain the estate tax. This is not the time to eliminate a tax that is of paramount importance to many localities already facing budget shortfalls.
- Expand the base of the sales tax to include more goods and services.

As the 2011-2013 Ohio budget is finalized, we urge you to consider increasing tax revenues as well as reducing expenditures. With a balanced approach that includes creative ways to reduce costs, moderate increases in taxes and the elimination some of the expenditures, we believe Ohio can both achieve the goal of an improved economic environment in which Ohioans can find employment and earn a living wage—**and** the goal of ensuring that Ohio's children and most vulnerable citizens are protected.

Sincerely,



Meg G. Flack, Ph.D.
LWVO President