



Senator Tim Schaffer
31st Ohio Senate District

GUEST COLUMN

July 18, 2011

Contact: Danielle Vandegriff
(614) 466-5838

RESTORING RESPONSIBLE GOVERNMENT: BUDGET IN REVIEW

By State Senator Tim Schaffer

COLUMBUS – I am happy to report that members of the Senate recently wrapped up work on a three-and-a-half month budget process that culminated with passage of a balanced, two-year plan that reduces spending, maintains the tax cuts I’ve fought for throughout my tenure in the general assembly, and eliminates an \$8 billion shortfall. A comprehensive effort toward bringing recovery, relief and reform to Ohio, the provisions contained in this bill will go a long way in ensuring that Ohioans keep more of their hard-earned dollars.

We made it a priority to restore the final phase-in of a 21-percent income tax cut that will allow Ohio’s families to save more than \$800 million. Also during the next biennium, homeowners will receive \$1.7 billion in annual property tax relief, and communities will be able to take advantage of new tax credits geared toward growing jobs and rebuilding our economy. Also found in the bill is a provision that will eradicate the job-crushing “Death Tax” in 2013.

Full support has also been given to two new job-creation initiatives, InvestOhio and JobsOhio. InvestOhio will allow small business investors (up to \$10 million in a business with less than \$50 million in assets or \$10 million in annual sales) to receive a 10-percent tax credit, as long as they maintain their investment for at least two years. The public-private JobsOhio initiative is an innovative new approach to generating job growth throughout our state. Small businesses employ nearly half of all working Ohioans, and it’s our responsibility to provide them with an economic environment that nurtures success and prosperity.

Education reform was also a priority in this process, and no school district will receive a cut in their current level of basic state aid (excluding federal stimulus funding) over the next two years.

In addition, we have established incentives for schools displaying excellence in the classroom and have requested that the Ohio Department of Education develop a new teacher evaluation system aimed at rewarding and retaining our best and brightest educators. Community schools will also see changes in terms of quality and operational controls, including revised criteria for opening or closing a school. Now that we will be investing in students rather than bureaucracy, Ohio's classrooms will become more competitive on the national stage and our children will have greater opportunities for success in life.

Finally, Medicaid, which currently accounts for 30 percent of the state budget, must be made more efficient. With that in mind, we have taken steps toward improving its coordination. This bill will allow more seniors to be cared for at home rather than in a nursing home, help prevent illness, and reduce costly emergency room visits. Community-based alternatives to nursing homes, including the PASSPORT program, will be provided with expanded resources. In all, an additional 12,890 Ohioans will be able to receive Medicaid home- and community-based services rather than being forced into a facility.

Innovative and necessary, these reforms will act as the building blocks of our economic recovery. Though this is a big step in the right direction, there remains a great deal of work ahead for those in the legislature. I applaud my Senate colleagues and Governor Kasich for displaying the ability to think outside-the-box and I look forward to working with them in the future.