



JOHN R. KASICH

GOVERNOR • STATE OF OHIO

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KASICH SIGNS HISTORIC BUDGET – ELIMINATES AN \$8 BILLION SHORTFALL WHILE ALSO CUTTING TAXES

Reforms Government to Transform Ohio for Growth

COLUMBUS – In a ceremony at the Ohio Statehouse this evening, Gov. John R. Kasich signed the most significant budget in recent Ohio history, restoring fiscal stability to state government, cutting taxes, reining-in spending and implementing long-overdue reforms that help put Ohio back on a track toward economic revival. Facing an \$8 billion budget shortfall created by years of budget mismanagement and a practice of avoiding tough problems, Gov. Kasich and legislative leaders vowed to protect Ohioans by closing the shortfall without tax increases and tackling serious issues that have been ignored for years. Together, they drafted a plan to do it and today it became law.

Kasich issued the following statement:

“It’s nothing short of a monumental day for Ohioans. This budget reaffirms who’s the boss—the people of this state, and the government barriers that have held us back are pushed aside so we can succeed.

“Ohioans want good job opportunities and this budget helps rebuild a jobs-friendly climate. We want better education choices and this budget delivers them by firmly reestablishing that kids come first. We want better care for our most vulnerable neighbors, and dignity and better living choices for seniors, and this bill delivers those things. We want to reduce costs and give governments new tools to reduce spending and now we’re doing it.

“Most importantly, this budget delivers hope that Ohio will improve. We stood up to the status quo and we took back our state. With courage, I joined with President Niehaus, Speaker Batchelder, Chairman Widener, Chairman Amstutz, and our fellow like-minded colleagues in the General Assembly to stand up for the future. There have been doubters and critics at every turn, who’ve attempted to discourage us from seeking the change Ohio needed, but we were not deterred. We remained unified and focused on reviving Ohio. We promised a new way and a new day and we’re delivering it.”

A Budget That Transforms Ohio for Growth

- **Renewing Fiscal Stability and Reining-In Spending:** By reining-in spending and providing overdue reforms to major programs, the FY2012-13 budget eliminates an historic \$8 billion shortfall and returns Ohio to sound fiscal ground. In fact, the budget reduces non-Medicaid spending in the General Revenue Fund by approximately \$1 billion compared to the previous biennium.
- **Making Ohio Jobs-Friendly:** The budget eliminates the Death Tax, providing more than \$300 million in tax relief annually and helping farmers and small business owners keep enterprises in

the family. It also encourages investment in the drivers of our economy—small businesses—by including a 10 percent tax credit for those investing up to \$10 million in an Ohio-based small business. Finally, the budget helps place Ohio among the nation’s leaders in economic development efforts by facilitating an ongoing, dedicated funding source for Ohio’s new private-sector job-creation initiative, JobsOhio.

- Respecting Taxpayers with Cost-Saving Reforms: Major reforms to Medicaid will provide better care to the most vulnerable Ohioans; K-12 and higher education reforms improve student learning and make education more attainable; prison and sentencing reform makes our communities safer; and shared-services among schools and local governments help them deliver services at lower costs to taxpayers.

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