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16 in Franklin County.

Jun. 10, 2013

The Ohio Senate passed the two-year, \$61.7 billion budget today along party lines, offering up tax cuts for business owners and more money for schools, including 13 of 16 in Franklin County.

The 5,371-page budget, which touches on everything from spider monkeys and dog licenses to Jell-O shots and teacher evaluations, will be rejected by the House next week so it can go to conference committee, where the two chambers will make final additions and work out differences.

Legislative leaders hope to have final passage of the budget by June 27, giving the governor a few days to review it, make line-item vetoes and sign it prior to the start of the new fiscal year on July 1.

Sen. Larry Obhof, R-Medina, said there has been a continued focus on streamlining government and lowering taxes. As a result, he said, jobs are growing and the state rainy day fund will be maxed out at \$1.9 billion.

“Is this a perfect bill? No. But this is a very good one that will keep Ohio moving in the right direction,” he said.

Democrats argued against the budget's anti-abortion provisions and funding levels for local governments, universities and schools.

“We do have the resources to fund a world-class education system, but we're squandering that opportunity” with an ill-advised tax cut, said Sen. Nina Turner, D-Cleveland.

Sen. Charleta B. Tavares, D-Columbus, called it a tale of two Ohios — the wealthy

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“We’ve proven we can improve,” he said. “We spent \$176 million (more) on this budget, and 98 percent of that is on education.”

Overall, the new budget spends \$5.1 billion more over two years than the current two-year budget.

The budget includes:

—A 50-percent state income tax deduction for business owners on up to \$375,000 worth of income, totaling \$1.4 billion over two years. “This is designed to kick-start economic growth,” Sen. Scott Oelslager, R-Canton, said.

Sen. Tom Sawyer, D-Akron, countered that 20 percent of the tax cut will go to investors outside Ohio, most people claiming business income will see a cut of only a few hundred dollars, and less than 1.5 percent of business owners would save enough to pay the yearly salary of one minimum wage worker. “This is poorly targeted and unlikely to result in significant job creation.”

—A new school funding formula that provides \$142 million more than the House-passed version, and about \$720 million more than the current biennial budget, an 11-percent increase. It also includes \$30 million for early childhood education.

Of the \$176 million in total budget spending added by the Senate, \$173 million is spent on K-12 education, Oelslager said. “Our focus was to adequately care for the educational needs of all Ohio children.”

The number of districts on the guarantee, meaning they don’t lose money even though the funding formula says they should get less, will go from 316 this year to 176 in 2015. “That means you have a robust formula,” said Sen. Chris Widener, R-Springfield.

The Senate budget also includes \$250 million in lottery money for a new innovation

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be available to 2,000 kindergarten students next year in households under 200 percent of the federal poverty level, and partial vouchers for those between 200 percent and 400 percent.

Voucher eligibility would expand to 2,000 first graders in 2015.

The expansion, Sawyer argued, goes “far beyond the original intent” and will cause “significant financial burden” on schools.

—A new formula for higher education funding that puts more emphasis on an institution’s ability to graduate students.

—An effort to cut off Planned Parenthood from federal family planning dollars and prevent abortion providers from having transfer agreements with public hospitals.

Tavarres unsuccessfully attempted to strip out the Planned Parenthood provision, saying she was offended that women’s health care was under fire and “that you would destroy facilities that are much-needed in our state.”

Sen. Peggy Lehner, R-Kettering, responded: “This is not about denying access to family planning services. This is about the state of Ohio standing up saying we’re not going to spend our limited resources on an organization that advocates for the destruction of human life.”

—A number of human services initiatives, but not an expansion of Medicaid to cover 275,000 low-income Ohioans as proposed by Kasich. Talks continue in both chambers. “We are working together in a way I believe is noble,” said Sen. Dave Burke, R-Marysville, stressing the bipartisan discussions that he thinks can “bend the cost curve.”

–An additional \$52 million in bonds for Clean Ohio, used for brownfield cleanup and

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