

Ohio Breaks Stalemate Over Budget

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COLUMBUS, Ohio – A stalemate that lasted 10 days past the deadline for formalizing a state biennial budget has ended, with a deal that includes an agreement authorizing video lottery terminals at Ohio racetracks.

Gov. Ted Strickland's office announced the agreement, reached this afternoon with Senate President Bill Harris and House Speaker Armond Budish, on the balanced budget framework, which includes income from the new lottery terminals to help address a projected \$3.2 billion shortfall in the 2010-2011 budget.

"We have reached a final agreement today on a budget that is not only balanced, but invests in education without raising taxes on Ohioans," Strickland said. The governor's press office said details of the proposed budget would be released in a day or so.

Under the agreement, Strickland will authorize the video lottery terminals by executive order, a move the Democratic governor had previously resisted. In a news release, the governor said he would issue a directive instructing the director of the Ohio Lottery to "expeditiously take all necessary actions" to implement the lottery terminals at the state's racetracks. "The General Assembly will acknowledge the Lottery's authority to implement video lottery terminals and provide for a statutory definition of video lottery terminals and other implementation requirements in House Bill 1, the operating budget bill," he said.

Harris, a Republican, in his statement, said he stated "many times" over the past few weeks that he believed Strickland had the authority to install the terminals by executive order, and that he would be willing to pass legislation to implement it. "As such, I have agreed to include language in the conference committee report that will acknowledge his authority to expand the Lottery," he said. "I look forward to completing our work on a two-year budget on Monday."

Senate Minority Leader Capri Cafao, a Hubbard Democrat, described the agreement as "testament to what can be accomplished when both parties are willing to work in the best interest of Ohioans." She was also pleased that an agreement was reached that preserves vital services without raising taxes.

"While some have expressed reservations about [video lottery terminals], I feel they are a much better alternative than raising taxes at a time when so many Ohio families are struggling to pay their bills," she said. With the statutory changes to be voted on by the legislature, the terminals will give the state a "much needed source of new revenue," she said.

The deadline for approval of a state biennial budget was July 1. Since then, the state has been operating on seven-day interim budgets, the second of which expires Tuesday.

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