

Budget critics say tough decisions still loom

By William Hershey, Staff Writer

Updated 10:33 PM Tuesday, July 14, 2009

In budget politics, there's usually at least a temporary calm after the storm.

This year's different.

There's no calm and one's not expected soon. Even backers of the \$50.5 billion budget Gov. Ted Strickland is expected to sign by next Tuesday, July 21 — the last day for the current, temporary state budget — can't be sure all the fixes they made will get the state through the next two years.

There's even more uncertainty about what happens two years from now when it's time to produce a new budget.

If the economy hasn't turned around, there won't be the \$5 billion in federal stimulus money that helped balance the current budget. Also, it'll be tougher to again come up with \$736 million in savings by delaying debt payments, a tactic Strickland and lawmakers used this time. If video slot machines don't produce the \$936 million projected by Strickland, there'll be another problem.

In two years, the state could face a shortfall of up to \$8 billion just to maintain the same level of operations, said Rick Yocum, president of the Ohio Public Expenditure Council.

Richard Sheridan, who founded the nonpartisan Legislative Budget Office back in the 1970s, said the governor and legislature this year just pushed budget problems off into the future.

"What bothers me about this budget, it denies the reality of not having enough money to continue on," said Sheridan, now a consultant for the Cleveland-based Center for Community Solutions.

The federal stimulus money should have been used for two-year projects, not continuing operations, he said.

Delaying debt payments is "bad fiscal management," said Sheridan.

Such fixes just postpone the "serious decisions" about eliminating programs or raising taxes, said Sheridan. Solving the problems likely will be tougher in two years, he said.

State Rep. Vernon Sykes, D-Akron, chairman of the House-Senate conference committee that put the final budget together, rejects such arguments.

Using the stimulus money, restructuring debt and other fixes are intended to get the state through rough times without even more drastic cuts to programs that help the poor, mentally ill and others, said Sykes.

"This seems to be a better way as opposed to panicking now and suffering drastic cuts to all of our services," said Sykes.

Amanda Wurst, Strickland's spokeswoman, said strategies in the budget have been used before.

"The governor believes this is the most fiscally responsible way to deal in a realistic way with the unprecedented nature of the challenges we face without raising taxes," said Wurst.

Raising taxes, said Sykes, is not an option.

“I think, first of all, it would be difficult to get a tax increase approved legislatively,” he said. “It’d be almost impossible.”

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