



Governor Kasich presents yearly State of the State Address

February 25, 2015

On February 24, 2015, Ohio Governor John Kasich presented his annual State of the State address before a joint session of the Ohio House of Representatives and the Ohio Senate. As has been the governor's tradition for the past three years, the speech took place outside of Columbus, with legislators, executive branch officials and others traveling to Wilmington, Ohio for the address. Wilmington is located approximately one hour southwest of Columbus and is in the 91st House District, represented by Speaker Cliff Rosenberger.

The governor started his speech by highlighting Wilmington and the economic recovery in Ohio since he took office in 2010. Wilmington, which faced a 19 percent unemployment rate in 2008, was below 6 percent unemployment at the end of 2014. Touting the efforts of his administration and the work of the Ohio General Assembly, the Gov. Kasich also discussed the economic recovery of the region and the state.

As expected, the governor's remarks focused on H.B. 64 — the recently introduced State Operating Budget for fiscal years 2016-2017. The bill, which currently mirrors the governor's proposals in his Executive Budget, is currently undergoing hearings in the House Finance Committee and subcommittees, with some sections — specifically those dealing with tax issues — delegated to the House Ways and Means Committee.

Gov. Kasich addressed several key items contained in the budget proposal — most notably, his proposed tax changes. As in past budgets, the governor has proposed a decrease in the state income tax and exemptions aimed at small businesses, stating that these changes will encourage job creation and economic growth in the state. The governor also highlighted states without an income tax, such as Texas and Florida, and stated that his proposal is necessary to keep Ohio's "best and brightest" in the state.

He discussed his proposed tax reforms as a whole package, stating his belief that Ohio needs to lean less on income tax and more on consumption taxes.

Although most time was spent touting his proposed income tax cut, Gov. Kasich also mentioned some of the other tax provisions in his budget, including the proposed increased severance tax, saying that “the current system doesn’t reflect the current reality.” In a speech that focused on economic growth, the governor attributed that growth to balanced budgets, surpluses, common sense regulations and tax cuts.

The governor also highlighted proposals aimed at creating a more holistic approach to welfare, saying that “welfare must not be a way of life, it should be a weigh station” to a better life of self-sufficiency. He reiterated his message of helping those “in the shadows,” including a proposal for increased funding for mental health services.

Education issues were also discussed, including the work of Ohio’s colleges and universities to cut costs, evaluate tuition fees and provide students with pathways to jobs. He also stated that k-12 education is a priority of his administration and proposed an additional \$700 million investment into Ohio’s education system — in addition to the \$1 billion investment in education in the first four years of the Kasich Administration. He noted education successes, such as the Third Grade Reading Guarantee and Straight A Fund programs, while also noting areas for improvement, including charter schools, which he said the state needs but must be regulated appropriately.

Before concluding, Gov. Kasich presented three courage awards. The award was created during his 2012 State of the State address and is presented annually. This year’s recipients were Jackie Fletcher, on behalf of Ohio’s nurses; Shane and Brittney Robinson, who pulled two people from a burning car in 2013; and Lauren Hill, a college student in Cincinnati who made national news when she fulfilled her dream of playing college basketball while struggling with inoperable brain cancer.

The governor concluded his speech by saying that Ohio is doing better and encouraging the legislature to continue moving the state forward, stating “we must take advantage of the progress we’re creating to go forward even further.”

The General Assembly now returns to Columbus for committee hearings and continued work on the State Operating Budget, which must be passed by the end of June.

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