

Final bill passes with wealth of grumbling

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By [Mark Niquette](#) and [Joe Hallett](#)

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After a 13-day impasse, the Ohio legislature yesterday rocketed a new state budget to the governor that Democrats say makes the best of a bad economic hand dealt to the state but Republicans say is a gamble that won't pay off.

The bill allows Gov. Ted Strickland to add electronic video slot machines at Ohio's seven horse-racing tracks, proposed to be operational by May, to help balance the budget with \$2.5 billion in spending cuts but without raising taxes.

Almost no one on either side of the partisan divide liked the finished product -- Republicans supplied just six votes, including five needed in the Senate for passage. But last night, Strickland hailed an end to the rancorous standoff.

"Our people and our businesses are struggling to stay afloat in the midst of the worst economic crisis since the Great Depression," the governor said in a statement. "This budget protects them from tax increases they simply cannot afford."

Strickland and legislative Democrats also found silver-linings in the two-year, \$50.5 billion spending plan, particularly language initiating the governor's "evidence-based" education reforms over the next 10 years.

But Republicans said the final version was rushed (and there wasn't enough time to read it), relies on billions in "one-time" money and depends on dubious returns from expanded gambling that voters have rejected four times in recent years.

"These decisions are going to plague the state for years," said Sen. Jon Husted, R-Kettering.

Critics predicted that the \$933 million in projected gambling revenue won't materialize and, considering iffy tax revenue estimates, use of one-time money and delayed spending, that tax hikes or other fixes will be needed -- in the next budget or sooner.

The House approved the budget 54-44; Rep. W. Scott Oelslager of Canton was the only Republican to support it.

The Senate debated the bill less than a half-hour before approving it 17-15, with all 12 Democrats voting yes.

The legislature adopted another interim budget, the third since the old budget expired June 30, to allow enough time to prepare the document for Strickland's signature later this week.

A disagreement over gambling delayed the budget past the June 30 deadline. Strickland issued a directive to the Lottery Commission yesterday to begin the process of adding up to 2,500 slots at each track, and the legislature added budget language authorizing them.

Each track must pay a \$65 million licensing fee, with \$13 million due Sept. 15. The state will get 50 percent of profits generated by wagering with the machines. The Ohio Lottery will own the terminals or lease them from the manufacturer.

Yesterday, the Ohio Christian Alliance condemned the state's move into casino-style gambling and said it might sue to block the move. The conservative Ohio Roundtable already has vowed to sue.

The possibility of slot machines at Scioto Downs south of Columbus also has complicated the Ohio High School Athletic Association's annual cross-country meet at the racetrack. It is scheduled for Nov. 7 and will remain there until more about the plan is known, the association said.

Democrats, meanwhile, trumpeted the "transformational" education changes in the budget, which cuts state funding to schools but has an overall increase with federal stimulus funds.

School districts will be required to offer all-day kindergarten beginning in the 2010-11 school year, although an optional half-day program would be available to parents.

That's the same year schools must begin reducing class sizes in kindergarten through third grade. Classrooms must be no larger than 19 students in the 2010-11 school year and down to 15 students by 2014-15. The budget provides no additional funding for all-day kindergarten or smaller class sizes.

The budget eliminates Ohio's graduation test and requires students to complete the ACT or another college entrance exam, pass end-of-course exams, and complete a senior thesis. A service project was dropped from the requirements.

Charter schools avoided deep cuts that had been proposed by Strickland under a compromise that continues to provide the same level of state aid as received by traditional public schools.

The budget reduced the number of calamity days schools can be closed without making them up to three in the 2010-11 school year, down from five.

But Strickland's call for extending the school year by 20 days was shelved for now; the budget calls for the state superintendent to study the issue and report back to lawmakers by Dec. 31, 2010. Corporal punishment was banned for all but parochial schools.

Republicans grumbled that the budget cuts funding for the parochial schools and is \$2.5 billion short of what Strickland determined to be adequate for public education -- leaving future governors and legislatures to pay for it.

Dispatch reporters James Nash and Catherine Candisky contributed to this story.

mniquette@dispatch.com

jhallett@dispatch.com