



December 4, 2009

## BUDGET AGREEMENT STILL ELUSIVE

Negotiations continued this week on legislation to fill an estimated \$851 million budget shortfall. Senate Republicans made a proposal to provide five of the 17 votes necessary to pass [HB 318](#), a bill that imposes a two-year delay of the last 4.2 percent of a 21 percent personal income tax cut. Under this scenario, Senate Democrats would be obliged to provide the remaining 12 votes, meaning their entire caucus would have to approve the plan.

The Republican alternative would also contain reforms of public construction and prison sentencing that would generate longer-term savings for the state's general revenue fund. Additionally, it would authorize a one-year delay in the implementation of all-day kindergarten, allocate some excess school foundation aid to chartered, non-public (parochial) schools; and require studies of state government restructuring and efficiency.

The stumbling block in the negotiations now appears to be the construction reforms, with Democrats arguing the issue is too complex to be added as a budget amendment and should be thoroughly debated as a separate bill in the committee hearing process. In response, the Senate Finance & Financial Institutions Committee has scheduled a hearing on Monday, December 7 on the proposed construction reforms. Among the witnesses expected to testify in support of the reforms are: Dr. E. Gordon Gee, president of The Ohio State University; Eric Fingerhut, chancellor of the Ohio Board of Regents; Bruce Johnson, president of the Inter-University Council; and Hugh Quill, director of the Ohio Department of Administrative Services.

To view an executive summary of the construction reforms, [click here](#).  
To view a detailed summary of the prison sentencing reforms, [click here](#).

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