



Montgomery County Republican Party

G.O.P. Dispatch

Gregory M. Gantt, Chairman

Kay Wick, Co-Chair

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Montgomery County Republican Party

November 2009

Upcoming Chairman's Reception with Special Guest Congressman Mike Turner



Wednesday, December 2, 2009

5:30 - 7:30 pm

C'est Tout Bistro
2600 Far Hills Avenue in Oakwood

\$150.00 per person, \$250.00 per couple

For further information or to reserve tickets, contact Republican Headquarters at (937) 461-1776. You can also order tickets on-line by visiting our website.

Contact Headquarters:

369 W. First Street
Suite 201
Dayton, OH 45402

Phone:
(937) 461-1776

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(937) 461-1774

Save the Date: Annual Holiday Party



Friday, December 11, 2009

7:00 pm - ?

Addition information will be sent out soon!

What's up in Columbus? Spending! State Representative Terry Blair



Well, we are only four months into the biennial budget – twenty months to go. And, where do we stand?

The current status of our state's financial and economic condition is not good. Let me give you a few quotes from Ross A. Miller, Chief Economist of the Ohio Legislative Service Commission, as stated in the Budget Footnotes October Newsletter, and you should understand my "not good" picture.

"Economic recovery may have begun nationally ... but the U.S. unemployment rate is approaching 10% and Ohio's remains near 11%. These rates are the highest they have been in 26 years."

"... state tax collections have been predictably weak. GRF (General Revenue Fund) personal income tax collections through the first quarter of FY 2010 were 14% below the comparable FY 2009 figure, while GRF sales and use tax collections were 9% lower."

"Through September 2009, GRF sources totaled \$5.83 billion: ... GRF uses totaled \$7.30 billion:..."

Let me offer my interpretation of the above quotes. A significant proportion of the citizens of our state are without jobs. Because so many in our state have had their incomes reduced, or, are without a source of income at all, and because state income taxes are not withheld from unemployment benefits, personal income tax collections have been greatly reduced. For most individuals, then, because their income has been reduced, their spending has been curtailed, so the state has seen a large decrease in sales tax collections. Faced with reduced sales, companies reduce their operations even more and the cycle worsens. Yet, in the face of these economic conditions, our state government feels that the appropriate course of action is to continue spending as though we are in a "situation normal". I'd say that pretty much sums it up.

Milton Freidman referred to the true burden of government as its spending level, not its taxing level. The taxing level is just the means by which it supports its spending, so, real, meaningful change can only be achieved by exercising control over government spending. Then, citizens can regain control of their government.

Over the course of my first year in state government, through all of the discussions on how to balance the GRF budget, as is required by Ohio's Constitution, the only focus has been on how to generate the revenue to balance the budget.

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Legislative Update

(Continued from page 2)

It started with VLT's at Ohio's race tracks – a reasonable consideration for our long term economic viability, but a rushed and poorly vetted option. The Governor and House leadership came up with another poorly vetted and counterproductive solution (HB 318) – to retroactively postpone for two years, the already implemented final stage of the 126th General Assembly's 21% personal income tax reduction.

There is even a bill in committee (HB 308) to increase the marginal income tax rate applicable to individuals, estates, and trusts with taxable income greater than \$200,000. Hey! This is a great economic development idea! Let's lease billboards in surrounding states that proclaim this great tax plan "as just another good reason to live in Ohio". Then, before you know it, Ohio's housing market will begin to take off as those high income earners see the benefits of moving to Ohio.

I must tell you that sometimes I feel like I spend a couple of days a week in an alternate reality – a reality that is totally void of any business or common sense.

If enacted before the end of this year, HB 318 will raise personal income tax rates 4.2%, retroactively to the beginning of 2009. What this will mean is that wage earners, who have had taxes withheld according to the tables established by the Department of Taxation for wages earned in 2009, will be under withheld. The same will be true for those who made estimated payments during 2009. These folks will likely be writing checks to the state for their underpayment in early 2010.

Estimates are that this change alone will raise tax revenues nearly \$900 million for the two years ending in 2010. And, this will fill the revenue void caused by the Supreme Court's decision that the Governor's VLT plan is subject to a referendum vote. You make the call: Should this be called a tax increase? Whatever you call it, we are going to be taking another \$900 million from the citizens of this state via personal income tax.

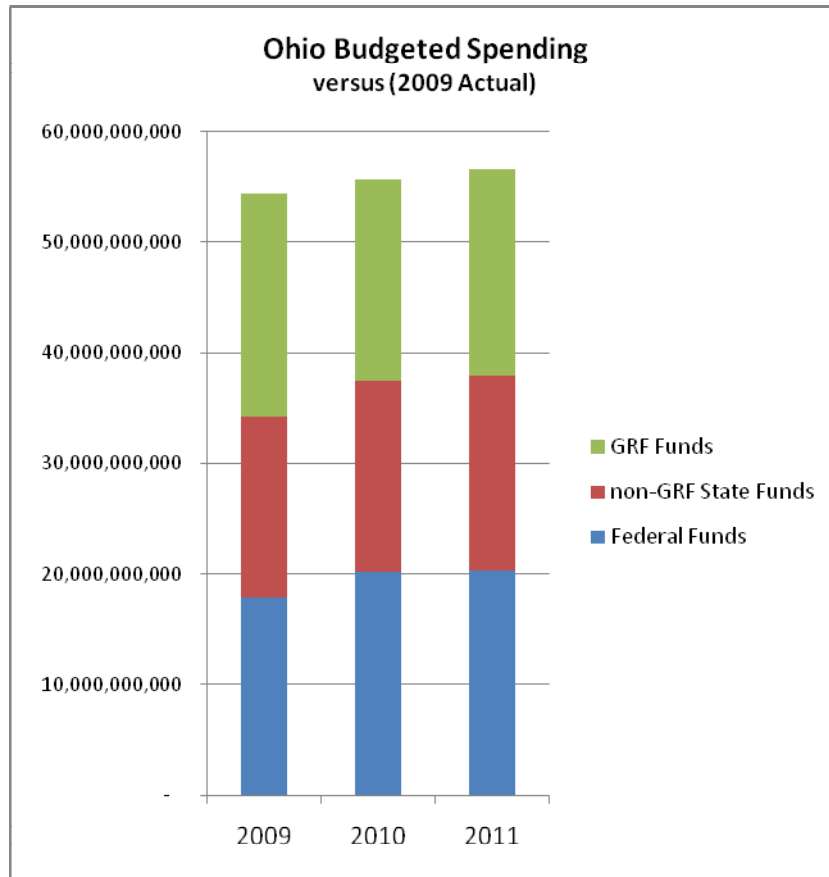
So, why is there a reluctance to cut spending \$900 million – 3.6% of the GRF budget, 1.6% of the All Funds Budget? Perhaps, because small constituent groups that benefit from government spending tend to scream loudly, and that makes most political types nervous and unsettled. It is far easier to take a small amount each week from every working Ohioan.

I joined Representatives Lehner and Morgan in voting against HB318. In all of the newspaper editorials following the vote on HB318, there seemed to be a belief that this method of raising more tax revenue was a responsible move and that government spending has already been cut to the bone. Nothing could be further from the truth. In truth, state government has not cut spending at all, at least not that I could see.

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Legislative Update (Continued from page 3)

Take a look at the chart below, those bars seem to be getting larger as they move from left to right. In fact, they are growing at a rate of about 2.5% per year – recall that our revenues are declining at rates of 9 to 14%.



My friends, we also need to join together to get the House majority back into fiscally conservative hands. Then, we will be in a position to reduce the true burden of government - its spending. I believe that the citizens of Ohio are ready to greatly lessen the intrusion of government into their lives. When we do these things, we will set Ohio apart as an example to other states that smaller government is more effective government. Of course, the other thing we need to do to get Ohio's government under control is to elect a new Governor. I like the true fiscal conservative, John Kasich.

Republican Candidates Faired Well in the 2009 General Election



Chairman Gantt Congratulates
Gary Leitzell

Republicans had a good day on Tuesday, November 3rd, both nationally and in Ohio. Here's a look at some of the results:

- In races for city council or higher, GOP candidates picked off 35 incumbent Democrats across the state and won 11 open seats previously held by a Democrat.
- Republicans turned over seats in Bowling Green, Salem, Lima, Orrville, Van Wert, Stow, Norton, Cuyahoga Falls, Alliance, Akron, Canton, Chillicothe, Zanesville, Riverside, Huber Heights, Celina, Marion, Mount Vernon, Norwood, Lancaster, Highland Heights, and the list goes on.
- Republicans held hundreds of incumbent offices across the state, in many cases winning re-election in suburbs and exurbs carried by the Democrats in 2008.
- Republicans took three seats on the Cincinnati City Council for the first time in nine years and knocked out an up-and-coming Democrat incumbent (in a city that went three-to-one for Barack Obama).
- Republicans took two seats on the Toledo City Council with more votes than nine of the 11 candidates in the race (in a city with a five-to-one Democrat registration advantage). Incumbent Democratic mayors were defeated in Dayton and Toledo.

Free Market Health Care Summit

Take It Back, in association with the Greater Dayton Area Hospital Association, the Greater Dayton Chamber of Commerce, and the Montgomery County Medical Society, present a forum about how to solve the health care dilemma using community resources and free market principles.

Speakers and panel members include Ohio State Senator John Husted, Montgomery County Commissioner Dan Foley, Montgomery County Medical Society President-Elect Dr. Evangeline Andarsio, Greater Dayton Area Hospital President Brian Bucklew, Greater Dayton Chamber of Commerce Vice President Chris Kershner, and Insurance Specialist/FP Steve Lopez. Panel will be moderated by Dr. Deepak Kumar.

When: Wednesday, November 11, 2009

Time: 7:00 - 9:00 pm

Where: Dayton Convention Center, 22 E. Fifth Street in Downtown Dayton