



## SB5 repeal would be harmful, Kasich says

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CANTON — Gov. John Kasich, in a meeting Thursday with The Repository's editorial board, said he believes that if voters reject Senate Bill 5 in November, it will hurt job creation and Ohio's economy.

"If we don't win this, the setback is how does Ohio get labeled in the minds of companies around this country. Is it a slow heavy labor state? Which tends to scare decision makers, CEOs," said Kasich, who was accompanied to The Repository's newsroom only by his press secretary, Rob Nichols. "It's just important we win this. I mean if we don't win, it'll be a setback to economic growth. But I think we're going to win."

Kasich said a defeat of Senate Bill 5, which would ban strikes by state and local government workers and require public employees to pay at least 15 percent of health insurance costs, also would hurt local governments unable to contain labor costs.

"It's not going to be my budget that gets hurt. It's going to be local governments, and then they keep putting more taxes on the ballot," he said.

Kasich said teachers are being told that Senate Bill 5 would take away their pensions. He said that's not true.

"There's been tremendous, tremendous misunderstanding on the bill," he said. "If you take a look at the opposition, it's emotional, not fact-based."

Senate Bill 5 would prohibit public employers from paying any part of the share of the pension contribution that's the responsibility of the employee, which can be 10 percent of their pay. Employers still would pay the portion they're required to cover. In the past, in lieu of raises, government agencies often agreed to pick up part of the employee's share.

"I don't think many public employees think that they shouldn't have to pay some of this, but they've been

told that this bill does far more than that and have never read the bill,” the governor said. “If I’m a teacher ... and I got a union rep who tells me this thing’s really going to get you, who am I going to believe?”

He favors the Senate Bill 5 provisions that transfer the power to decide contracts for emergency workers from third-party arbitrators to city councils and county commissioners.

“We ought to let the people that have to pay the bills figure out what the wage settlements ought to be, rather than having some wack-a-doodle from California come in and propose some wage settlement,” Kasich said. “And even if they don’t, they live in fear of a binding arbiter, so it forces decisions that aren’t in the best interests of communities.”

Kasich also said:

- On hydraulic fracturing for natural gas, or fracking: “You also cannot let fear and unfounded charges be the order of the day. And it would be a disaster for this county to not have a robust effort around Marcellus and Utica (shale, where the natural gas is). It would be an economic disaster and families would suffer. Now, we have to be aware of the environmental downside.”

- On whether the state’s offer of \$56 million of tax breaks, loans and grants to Diebold to induce it to stay was too much: “Sometimes you don’t want to mess around. You would have blown a hole in this town if you lose Diebold. ... I know one thing. Until we got deadly serious about a refundable tax credit, they were going. ... You don’t always know what the right number is. States (with competing offers) aren’t telling you and the companies aren’t telling you. ... I’m sure glad you’re asking me what we had to give them to stay, than you asking why didn’t you give them more now that they’ve left. But it’s not an exact science.”

He said the economic benefits of having Diebold here outweighed the cost in lost tax revenue.

- On eliminating the state income tax, which he said would help small businesses: “My goal would be to phase that out. Nothing’s changed on that. But it is a process.”

- On whether he would be willing to run for vice president in 2012: “No, no, under no circumstances. ... It’s not always great, OK, but I’m governor of Ohio. What the hell else would I need? I mean, my dad was a mailman. I’m governor of Ohio! And you know what, as we fix Ohio, I think we help fix the country.”

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