

## **A Political Candidate's Guest Column in the December 2 Columbus Dispatch—Economic Development Group Must Come to End Is Right On Target**

Congressman Jim Renacci, a candidate for governor, hit the nail on the head in a December 2 Dispatch column. (This is not an endorsement of the candidate in any way, shape or form.) He provides evidence that former Governor Kasich's privatization of the state's Economic Development Department has been a tax-sucking boondoggle.

The JobsOhio private corporation was to, according to Kasich, "operate at the speed of business." Its operation is mostly out of public view, which is characteristic of other tax-supported, privately-operated groups. JobsOhio was sold as being able to be more efficient and effective in economic development than the state agency—the same rhetoric used to sell charter schools and vouchers.

Mr. Kasich gave the governance of Youngstown Schools, and ultimately, Lorain and East Cleveland Schools to non- elected governance entities. Now, after years of a failed scheme, the legislature has created a path for those districts to return to democratic governance.

Government functions turned over to private entities at tax-payer expense typically result in failure.

### **OPINION | A14 | Columbus Dispatch | Thursday, December 2, 2021 | Economic development group must come to end**

'It is long past time to permanently end the failed experiment known as JobsOhio.'

#### **Jim Renacci Candidate for Ohio governor Your Turn**

Jim Renacci Guest columnist *NOTE: This is a submitted column from a candidate running for election. Its publication does not constitute the Dispatch Editorial Board's endorsement of the views expressed.*

JobsOhio claims to have created 157,000 new jobs since 2015 in its annual reports. Their annual audits show that they have spent a total of \$1.1 billion since 2015 while bringing in a total of \$1.5 billion in public revenue.

Based upon this metric, JobsOhio has spent a whopping \$7,011 for every job created and has received \$9,602 in public funding for every job created.

Meanwhile, the bureaucracy of JobsOhio has ballooned.

Based upon those same audits, annual operating expenses have increased by 313%. This includes an annual increase in salary and benefit payments to the tune of 154%.

The latest report filed by JobsOhio shows 29 employees being paid in total \$6,833,027.95, averaging \$235,621, with the highest paid executive receiving \$522,478.40 in annual salary and benefits.

Another 50 independent contractors make over \$100,000 in annual payments. Many of these same executives are appointed by the governor and are campaign donors to the governor.

JobsOhio also makes huge cash grants to companies.

Many of these companies are large, thriving operations that don't need the funds.

For example, Speedway, an Ohio-based national chain of convenience stores, has received several grants from JobsOhio, including nearly \$1.5 million, according to the latest IRS tax return.

Until this year, Speedway was a subsidiary of Marathon Petroleum, which then sold them to the Tokyo-based 7-Eleven chain for a whopping \$21 billion in cash. 7-Eleven then promptly began to lay off Ohio workers and sell off Ohio locations.

Why exactly does a company that was sold for \$21 billion in cash need a cash grant of nearly \$1.5 million from taxpayers? Especially when small businesses across Ohio are still being hammered or destroyed by the COVID-19 shutdowns?

At the same time, JobsOhio has now built up nearly a \$1 billion surplus in funds in its bank accounts.

This is money that could and should be going to Ohio's beleaguered small businesses instead of wealthy and well-connected campaign donors.

This boondoggle has not only cost Ohio taxpayers over \$2 billion over 10 years and failed our state. It has also set up one of the largest private equity firms using taxpayer money that we may never get back.

It is long past time to permanently end the failed experiment known as JobsOhio. The highly paid staff should be laid off and their duties should be returned to state government agencies. Meanwhile, these big surpluses should be spent on small businesses or returned to taxpayers.

*Jim Renacci served four terms in the U.S. Congress and was the 2018 Republican nominee for the U.S. Senate from Ohio. He is challenging Mike DeWine for Ohio governor in 2022.*