

Congress of the United States
Washington, DC 20515

April 22, 2008

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

Dear Madam Speaker:

We applaud your leadership in charting a New Direction for America and passing the Recovery Rebate and Economic Stimulus for the American People Act. As you have remarked the downturn in the economy and increase in unemployment requires Congress to act again. We applaud you for advocating for a second stimulus and we urge you to include state fiscal relief in this second package. Ohio, like half of the states, is in fiscal crisis due to the weakening economy. Years of misplaced priorities under a Republican Governor and a weakening economy that hit our state earlier, forced Governor Strickland to confront in January a nearly \$1.9 billion shortfall. Left unaddressed, the state fiscal crisis in Ohio will limit the full range of opportunities needed to bring about a change of direction in our state. Significant cuts to health care, state jobs and vital services are being proposed.


State fiscal relief, through an increase in the federal share of Medicaid is vital to get Ohio's and our national economy back on track and to speed assistance to struggling families. The recent rise in unemployment will mean state fiscal conditions will deteriorate further as the number of families without health insurance increases and demand for Medicaid rises.

Temporary state fiscal relief can enable states to minimize cuts to education, health care and jobs. Like unemployment insurance and food stamps, providing states with a temporary increase in the federal share of Medicaid helps grow the economy. Temporary fiscal relief for state governments generates economic activity of \$1.36 for each dollar of cost, because it would diminish state and local government budget cuts that become a substantial drag on the economy. Moreover, the loss of jobs often leads to the loss in employer-provided health care and increases demand on Medicaid.

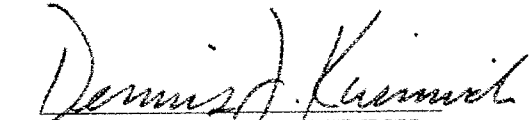
State fiscal relief through an increase in the federal share of Medicaid is a proven and essential stimulus. It helped boost the economy when Congress acted in 2003, in response to that recession. State fiscal relief serves to strengthen an ailing economy and to support state efforts to help those hardest hit by the economic downturn.

As you move forward to demonstrate again that under Democratic leadership this Congress responds to the needs of middle-class families not just millionaires, we urge you to include state fiscal relief and help states like ours that are in dire budgetary straits due to an economy.


Sincerely,



MARCY KAPTUR
Member of Congress



DENNIS J. KUCINICH
Member of Congress



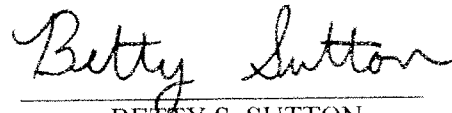
STEPHANIE TUBBS JONES
Member of Congress



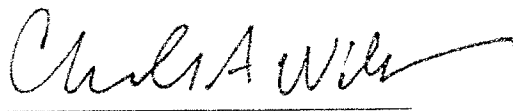
TIM RYAN
Member of Congress



ZACK SPACE
Member of Congress



BETTY S. SUTTON
Member of Congress



CHARLIE WILSON
Member of Congress