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RH RESOURCES

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Week in Review

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As a service to the clients and friends of Governmental Policy Group, Inc. and RH Resources we would like to extend the following weekly update of events happening around Capitol Square.

ADDICTION/SUBSTANCE ABUSE

Until and unless the General Assembly enacts revised penalty enhancements for super-opioid fentanyl in SB1 (LaRose), courts will have no power to impose harsher sentences on criminals who possess large amounts of the potentially fatal drug, the Ohio Supreme Court announced Thursday. The Court pointed out that the Legislature has currently chosen to increase penalties for the possession of fentanyl and other Schedule II drugs up to a 1st degree felony based on varying multiples of the "bulk amount," as determined by the maximum daily dose in the usual dosage range specified in a standard pharmaceutical reference manual like the American Hospital Formulary Service Drug Information (AHFS). Specifically, the bulk amount would be 20 grams or five times the maximum dose under the current language of R.C. 2925.01(D)(1)(d). The problem, said the Court, is that while the AHFS contains some guidance on fentanyl use, it does not specify the maximum daily dose in the usual dosage range as it does for other drugs.

ATTORNEY GENERAL

Attorney General Mike DeWine has announced a \$290 million settlement in the insider-trading lawsuit against William A. Ackman, his hedge fund Pershing Square Capital Management LP, pharmaceutical company Valeant Pharmaceuticals International, Inc. and related defendants who had allegedly violated insider trading laws and reaped illicit profits by buying up billions of dollars of shares from unsuspecting Allergan, Inc. investors unaware of Valeant's plans to acquire Allergan at a significant premium.

Ohio has joined attorneys general from 48 other states and the District of Columbia in a \$45 million settlement with New Jersey-based mortgage lender and servicer PHH Mortgage Corporation. The settlement, which also was joined by more than 40 state mortgage regulators, resolves allegations that PHH, a non-bank residential mortgage originator and servicer, improperly serviced mortgage loans between 2009 and 2012.

CORRECTIONS

Saying it is outdated and costly to operate, the Ohio Department of Rehabilitation and Correction (DRC) announced Wednesday that it would be closing the Hocking Correctional Unit, a part of the Southeastern Correctional Complex outside of Nelsonville, by the end of March.

EDUCATION

A ruling in the legal battle between Ohio's largest online charter school and the Ohio Department of Education appears to be at least several weeks away, now that the Ohio Supreme Court has scheduled oral arguments in February for the lawsuit. Justices will meet Tuesday, Feb. 13 for oral arguments in *Electronic Classroom of Tomorrow, Jeremy Aker et al v. Ohio Department of Education*.

The Ohio Department of Education is reminding schools they have little more than a week to petition the state to recognize work credentials for use in achieving high school graduation requirements. Earning an industry-recognized credential and passing the WorkKeys job skills assessment is one of the pathways Ohio high school students can use to earn a diploma. More information about the application process is available at <http://education.ohio.gov/Media/Ed-Connection/Jan-3-2018/Deadline-to-recommend-industry-recognized-credenti>.

ELECTIONS

President Donald Trump Wednesday signed an executive order that ended his Presidential Advisory Commission on Election Integrity, which included former Ohio Secretary of State Ken Blackwell as one of its members. Trump had formed the commission in May to investigate voter fraud and voting

irregularities. The president had previously claimed that millions of illegal votes had been cast in the 2016 presidential election.

ELECTIONS 2018

Sen. Joe Schiavoni (D-Boardman) said Tuesday he's naming Stephanie Dodd, District 9 representative for the State Board of Education, as his running mate for the gubernatorial election.

Justice William O'Neill said on social media Tuesday that he will be hiring staff soon for his gubernatorial campaign that will begin on Feb. 1. Although O'Neill announced his bid for the Democratic nomination governor last October, he has not officially filed to run and has not hired staff. He is resigning from the court effective Friday, Jan. 26.

With Rep. Tom Patton (R-Strongsville) deciding to run for re-election rather than pursue a congressional seat, Strongsville City Councilman Gordon Short announced that he is withdrawing from the race.

Cuyahoga County Common Pleas Judge Michael P. Donnelly announced Wednesday he will be running for the Ohio Supreme Court, becoming the first Democrat to declare his intentions for the two open seats on the Court. Both Justices William O'Neill and Terrence O'Donnell are unable to run again for their seats due to age limits.

The following endorsements were made over the week:

- The Ohio auditor campaign of Zack Space announced the endorsement of the following Democratic Party county chairs: Ashland County Chair Paula Watson; Athens County Chair John Haseley; Belmont County Chair Phil Wallace; Butler County Chair Jocelyn Bucaro; Carroll County Chair Jane Lindner; Coshocton County Chair Breanne Smith; Defiance County Chair Charles Bakle; Erie County Chair Amy Grubbe; Franklin County Chair Mike Sexton; Fulton County Chair Frank Michalkiewicz; Gallia County Chair Carole Roush; Hamilton County Chair Tim Burke; Hardin County Chair Michael Hubbell; Harrison County Chair Richard Milleson; Jefferson County Chair Frankie DiCarlantonio; Knox County Chair Adam Gilson; Lawrence County Chair Craig Allen; Mahoning County Chair David Betras; Monroe County Chair Heber Piatt; Montgomery County Chair Mark Owens; Morgan County Chair Brian McKee; Muskingum County Chair Jack Boyd; Pike County Chair David DeWitt; Ross County Chair Dustin Proehl; Sandusky County Chair Christopher Liebold; Shelby County Chair Thomas Kerrigan II; Stark County Chair Phil Giavasis; Tuscarawas County Chair Gail Garbrandt; Vinton County Chair Nick Rupert; and Washington County Chair Willa O'Neill.

- The U.S. Senate campaign of Mike Gibbons announced the endorsements of Seneca County Commissioners Mike Kerschner and Shayne Thomas, and Crawford County Commissioners Doug Weisenauer and Jenny Vermillion.

- The gubernatorial campaign of Democrat Nan Whaley announced the endorsements of South Euclid Mayor Georgine Welo, Highland Hills Councilwoman Lillian Moore and Springfield Assistant Mayor Joyce Chilton.

ENERGY

Ohio State University (OSU) engineers are developing technologies that have the potential to efficiently convert fossil fuels into useful products without emitting carbon dioxide to the atmosphere, the university announced Tuesday. In the first of two papers published in the journal *Energy & Environmental Science*, the engineers report that they've devised a process that transforms shale gas into products such as methanol and gasoline -- all while consuming carbon dioxide. This process can also be applied to coal and biomass to produce useful products.

ENVIRONMENT

The Ohio Environmental Protection Agency (Ohio) EPA issued more than \$936 million in loans to finance projects upgrading drinking water infrastructure and improving the quality of Ohio's lakes, rivers and streams last year, according to the agency. The total dollar amount for 2017 is higher than any year in the 28-year history of the state's revolving loan programs, Ohio EPA said in a news release.

GENERAL ASSEMBLY/STATEHOUSE

House Speaker Cliff Rosenberger (R-Clarksville) said Thursday he's appointing Rep. Dave Greenspan (R-Westlake) to sit on the House Finance Committee and chair the House Finance Transportation Subcommittee, following former subcommittee chair Robert McColley's appointment to the Senate.

GOVERNOR

Gov. John Kasich has received three names for his pending appointment to Justice William O'Neill's soon-to-be vacated Ohio Supreme Court post. They include one of the Ohio Republican Party's endorsed candidates for the Supreme Court, 7th District Court of Appeals Judge Mary DeGenaro. In addition to DeGenaro, Richard L. Johnson, a partner in the Toledo law firm of Eastman & Smith, and Carol M. Gottschling, an attorney currently serving as director of human resources for Lorain City School District, also have applied for the Supreme Court appointment.

Appointments made during the week include the following:

- Raymond J. Labuda of Akron (Summit County) to the TourismOhio Advisory Board for a term beginning Dec. 28, 2017, and ending Sept. 27, 2018.

- Bruce R. Saferin, DPM of Toledo (Lucas County) reappointed to the State Medical Board for a term beginning Dec. 28, 2017, and ending Dec. 27, 2022.
- Former Mayor John G. Migliore of Cadiz (Harrison County) to the Reclamation Commission for a term beginning Dec. 29, 2017, and ending June 28, 2021.
- Ronald D. Brown of Mason (Warren County) reappointed to the University of Cincinnati Board of Trustees for a term beginning Jan. 2, 2018, and ending Jan. 1, 2027.
- Bruce E. Bailey of Westerville (Franklin County) reappointed to the Ethics Commission for a term beginning Jan. 2, 2018, and ending Jan. 1, 2024.
- Alexander Bishara of Columbus (Franklin County) and Wendy Haynes-Britton of Dayton (Montgomery County) reappointed to the Chemical Dependency Professionals Board for terms beginning Jan. 3, 2018, and ending Dec. 23, 2020.
- Col. James E. Leonard of Beavercreek (Greene County) reappointed to the Ohio War Orphans Scholarship Board for a term beginning Jan. 4, 2018, and ending Dec. 31, 2021.
- Cynthia Kidd of Jackson (Jackson County) reappointed to the State Veterinary Medical Licensing Board for a term beginning Jan. 4, 2018, and ending Dec. 31, 2020.
- Jennifer E. Reams of Toledo (Lucas County) and Michael R. Perry of Westerville (Delaware County) reappointed to the Underground Technical Committee for terms beginning Jan. 4, 2018, and ending Dec. 31, 2021.

HEALTH AND HUMAN SERVICES

The Ohio Housing Finance Agency (OHFA) announced that CelebrateOne, a Franklin County-based organization created to reduce infant mortality, will receive nearly \$1 million to implement a pilot program to provide rental assistance, health care, social services and more to low-income households at risk for infant mortality.

HOUSING/HOMELESSNESS

Over the holidays, the Ohio Development Services Agency (DSA) announced the awarding of grants to 72 local organizations to support homeless prevention, emergency shelters and permanent housing initiatives. More than \$25.8 million will support shelters for the homeless and help homeless Ohioans find permanent housing.

JUDICIAL

Ohio oil and gas leases do not include an implied requirement that drillers "explore further" into untapped deposits that is separate from the requirement that they "reasonably develop" overall mineral rights, whether or not deeper shale formations remain unexplored in a given parcel, the Ohio Supreme Court ruled Wednesday. In a 6-1 ruling, the Supreme Court rejected claims by a family of Washington County property owners that an implied covenant to explore further obligated Collins-McGregor Operating Company to drill below the shallow Gordon Sand deposits that had been producing on a 74-acre piece of land for over three decades.

Ohio attorneys in active, corporate or emeritus status will be contacted by the Ohio Supreme Court early this month to voluntarily report their 2017 pro bono activities. Each attorney will receive an email with a survey link where pro bono information can be reported. The survey will be open from Monday, Jan. 8 to Thursday, Feb. 15, 2018. All information submitted will be collected anonymously.

LOCAL GOVERNMENT

State Senate candidate Gene Krebs Wednesday outlined a proposal to create a new \$110 million fund to help counties that are seeing decreased revenue that would mirror how the state helps local school districts. Krebs, a former state representative and Ohio Consumers' Counsel Governing Board chair, said he came up with the idea based on work at policy groups Greater Ohio and the Center for Community Solutions and in response to a local prosecutor who wants to help create a drug court in his county.

The American Civil Liberties Union (ACLU) of Ohio has settled a federal lawsuit challenging the city of Cleveland's panhandling ordinances, the group said this week. The group had argued that the ordinances burdened free speech because they target individual speech that asks for money and for help.

MARIJUANA

The U.S. Department of Justice (DOJ) on Thursday reversed its policy to refrain from enforcing federal marijuana laws against individuals or businesses in states where the drug is legal for medical or personal use. State officials said they would continue with the establishment of Ohio's medical marijuana program will monitoring federal policy changes.

A failed cultivator applicant's lawsuit challenging the constitutionality of Ohio's medical marijuana law will proceed to the written briefing stage, Franklin County Court of Common Pleas Judge Charles Schneider said Thursday. Schneider denied the state's motion to dismiss PharmaCann Ohio LLC's complaint, which says the company was harmed HB 523's (Huffman) requirement that the Ohio Department of Commerce (DOC) award a certain percentage of licenses to entities owned by economically disadvantaged minorities.

The Ohio Department of Commerce (DOC) has received nine applications from entities seeking to conduct laboratory testing of medical marijuana, according to the Medical Marijuana Control Program.

NATURAL RESOURCES

The Ohio Department of Natural Resources (ODNR) removed a record 1,053,042 cubic yards of dredge material from state park lakes and other state properties during 2017, according to a news release from the agency. The total breaks the previous record of 1,011,458 cubic yards of sediment removed statewide in 2016.

POLITICS

The Ohio Democratic Party Thursday announced it has hired David DeWitt as deputy communications director. DeWitt previously worked as the associate editor of the *Athens NEWS* in Athens, Ohio, which he joined in 2009.

PUBLIC SAFETY

State Fire Marshal Jeff A. Hussey recently announced the FY18 awardees for the Multi-Agency Radio Communications Systems (MARCS) grants, which include 186 fire departments in 54 counties throughout Ohio. The MARCS radio system allows first responders to seamlessly communicate, not only with each other, but with other agencies responding to an incident such as fire departments from neighboring areas and other law enforcement personnel.

STATE GOVERNMENT

The Ohio Department of Commerce (DOC) is issuing the "Last Call" on hundreds of brands of high-proof spirits that will soon be disappearing from store shelves. As part of the Division of Liquor Control's "Last Call" list, nearly 700 liquor brands will be discounted up to 40 percent in order to clear stock and make way for new products in the future. While some products have been discontinued entirely in Ohio, others have only had certain sizes of bottles eliminated.

TAXATION

Starting in 2018, state tax deductions on contributions to an Ohio college savings plan double thanks to a provision in the current biennial budget, HB 49 (R. Smith). This year, the state income tax deduction for contributions to an Ohio CollegeAdvantage 529 plan doubles from \$2,000 to \$4,000 per beneficiary per year.

LEGISLATIVE ACTIVITY:

No legislative activity to report.