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Week in Review

November 29, 2019

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

Gov. Mike DeWine, Superintendent Paolo DeMaria and several cabinet members visited three counties on Tuesday to shine a light on various school districts' drug prevention work and to learn how some of the new state funding included in the budget may be put to use. Ohio Department of Mental Health and Addiction Services (OMHAS) Director Lori Criss, Children's Initiatives Director LeeAnne Cornyn and RecoveryOhio Director Alisha Nelson joined the governor & the superintendent in visiting schools in Lawrence, Hamilton and Franklin Counties. School districts involved included Dawson-Bryant, Forrest Hills, Deer Park, Loveland, Norwood and Dublin.

AGRICULTURE

The Ohio Department of Agriculture (ODAg) announced Thursday that nine land trusts, four counties and 20 Soil and Water Conservation Districts will receive funding to help preserve farmland across the state. These organizations will receive allocations from the Clean Ohio Fund to select, close and monitor easements under the Local Agricultural Easement Purchase Program.

1

ATTORNEY GENERAL

Attorney General Dave Yost's office renewed and expanded on its claims against OptumRx, the pharmacy benefit manager (PBM) for the Ohio Bureau of Workers' Compensation, after a failed attempt at mediation to resolve the state's breach of contract allegations. The state filed an updated complaint last week describing its breach of contract claims against OptumRx, about a month after Franklin County Common Pleas Judge Michael Holbrook restored the litigation to the docket following the failed mediation.

AUDITOR OF STATE

Auditor Keith Faber is soliciting proposals for a firm to conduct a performance audit of his office. Proposals will be accepted until Wednesday, Dec. 11. The request for proposals is available at http://www.ohioauditor.gov/procurement. Questions about the bidding process should be directed to BIDQuestions@ohioauditor.gov.

BUSINESS/CORPORATE

Ohio Secretary of State Frank LaRose announced Thursday that 11,920 new entities filed to do business in Ohio in October, allowing Ohio to reach 113,272 new businesses in the first 10 months of 2019. So far this year, 5,897 more new businesses have filed in the state of Ohio as compared to the same point last year. The 11,920 new businesses in October 2019 surpass last year's October record of 10,876.

CHILDREN/FAMILIES

Groundwork Ohio recently unveiled the Early Childhood Leadership Fellowship. "Over the past several years we have engaged with early educators and early childhood health care providers across the state and have heard a consistent message: 'We want to advocate for the children and families we serve, but we don't know how," said Shannon Jones, executive director of Groundwork Ohio. "We are excited to help elevate the voices of these hardworking, passionate professionals who work with Ohio's youngest and most vulnerable children every day and to further advance our efforts to improve outcomes for children, families, communities and our state."

CRIME AND PUNISHMENT

Sens. Teresa Fedor (D-Toledo) and Stephanie Kunze (R-Hilliard) and Rep. Tavia Galonski (D-Akron) joined high school students in a press conference Friday to discuss youth human trafficking and SB13 (Fedor). The twelve students, who led the press conference, expressed their support for SB13, which they said was necessary to close the gap in current Ohio law that treats 16- and 17-year-olds as adults in sex trafficking cases.

The Governor's Working Group on Post-Release Control laid out a tight timeline for final proposals to better manage Ohio's nearly 35,000 released offenders -- 6,700 of them high-risk -- in its first meeting Monday. The group's nine members gathered at the Ohio Department of Rehabilitation and Correction (DRC) headquarters in west Franklin County, led by Co-chairs Annette Chambers-Smith, DRC director, and Reginald Wilkinson, retired DRC director under former Gov. Bob Taft. Chairman John Eklund (R-Chardon) of the Senate Judiciary Committee participated by phone.

ECONOMIC DEVELOPMENT

The Ohio Third Frontier Commission announced Thursday the approval of \$76.85 million in total grants helping entrepreneurs "develop innovative products and grow technology startup companies," according to a release from the Development Services Agency (DSA).

EDUCATION

Attorneys for Electronic Classroom of Tomorrow (ECOT) founder William Lager recently found tens of thousands of documents to turn over to the state in lawsuit discovery, prompting all lawyers involved in the case to ask for a delay of several months, which the presiding judge granted. Franklin County Common Pleas Judge Kimberly Cocroft agreed this week to an amended case schedule that will stretch discovery, originally scheduled to end Jan. 31, through June 2020. A new deadline for dispositive motions was set for Aug. 31, 2020, followed by a status conference Sept. 15.

The former head of the defunct Akron Digital Academy approved payments to a vendor that were largely passed on to herself and the vendor's owner, Auditor Keith Faber's office said in a recent report. The audit of FY18 concluded that \$167,753 paid to Individual Development and Education Achievement Services (IDEAS) constituted illegal spending, and Faber issued a finding for recovery against Danielle Lumpkin, former head of school for Akron Digital Academy, and Lashawn Terrell, owner of IDEAS.

Members of the State Board of Education Graduation Requirements and High School Redesign Task Force discussed where to set a new statutorily mandated "competency score" on state tests required for graduation at a Monday meeting, with members seeking to strike a balance between academic rigor and concerns surrounding student passage rates.

EMPLOYMENT/UNEMPLOYMENT

The Ohio Department of Job and Family Services (ODJFS) will be able to run all unemployment claims through a national data hub to better detect potential fraud by year's end, according to a Monday release. ODJFS already works with the National Association of State Workforce Agencies' Unemployment Insurance Integrity Center to screen claims under investigation, and this new step will enable them to expand that search. The association's Identity Data Hub helps states identify fictitious claims by searching for and matching data used in fraud schemes elsewhere.

ENVIRONMENT

The Ohio Environmental Council (OEC) again voiced its opposition Friday to a proposed rollback of U.S. Environmental Protection Agency (U.S. EPA) regulations concerning oil and gas wells and methane pollution. The regulatory change was announced in August, and OEC raised concerns then as well. Miranda Leppla, OEC vice president of energy policy, said methane is emitted during natural gas extraction and through several other oil and gas industry processes. This leads to more than 13 million metric tons of methane emitted nationally per year, which if contained would be enough to service 10 million homes.

Early warning systems and forecasts of the size and locations of harmful algal blooms are giving water treatment plants a high-resolution picture of what could be affecting the drinking water they draw from Lake Erie, according to Ohio Sea Grant. Researchers are working directly with water

treatment plant operators to provide practical guidance about producing safe drinking water for cities and towns dealing with algal toxins, Ohio Sea Grant said in a news release on fourth-year results from the Ohio Department of Higher Education's (ODHE) Harmful Algal Bloom Research Initiative.

GENERAL ASSEMBLY/STATEHOUSE

The House released Friday its session calendar for all of 2020, detailing meeting dates all the way through next year's lame duck session, rather than the previous practice of releasing separate first-and second-half calendars. In general, the calendar shows the House logging several sessions from late January to mid-February; a break until Tuesday, March 24 for the primary election; a three-week break in April around Easter; summer break starting after a Thursday, June 11 session; only if-needed sessions scheduled before the November general election; and a lame-duck session potentially ending after Wednesday, Dec. 9, though if-needed sessions stretch to Thursday, Dec. 17.

Hannah News' interview series with freshman lawmakers featured Sen. Terry Johnson (R-McDermott), who said his values and approach to lawmaking have remained consistent since his entrance to the legislative arena. Having served as a county coroner, a soldier and an osteopathic family physician, Johnson seeks a holistic approach to addressing the state's problems, which he says should be addressed at the root cause at a time when state legislatures nationwide are chasing symptoms.

The Capitol Square Review and Advisory Board (CSRAB) announced plans for no-load elevator testing beginning Wednesday, Nov. 27, and continuing through Monday, Dec. 2. Each test is expected to take approximately four hours to complete. Testing will be conducted on Wednesday, Nov. 27 on the South light court (House side); Friday, Nov. 29 on the North light court (Senate side); and Monday, Dec. 2 in the South Senate Building. Visitors are asked to take the stairs or use other elevators during these tests.

GOVERNOR

Appointments made during the week include the following:

- Leah R. Amstutz of Richwood (Union County) to the Ohio Peace Officer Training Commission for a term beginning Nov. 26, 2019 and ending Sept. 20, 2020.
- George R. Kral of Toledo (Lucas County) and Vernon P. Stanforth of Washington Court House (Fayette County) reappointed to the Ohio Peace Officer Training Commission for a term beginning Sept. 21, 2019 and ending Sept. 20, 2022.
- Holly S. Kastan of Columbus (Franklin County) and Megan Wanczyk of Athens (Athens County) the Children's Trust Fund Board for a term beginning Nov. 26, 2019 and ending July 2, 2022.
- William N. Morgan of Stoutsville (Pickaway County) to the Transportation Review Advisory Council for a term beginning Nov. 26, 2019 and ending June 29, 2024.
- Richard C. Hylant of Ottawa Hills (Lucas County) reappointed to the Great Lakes Protection Fund Board for a term beginning Oct. 11, 2019 and ending Oct. 10, 2021.

- Hollie A. Kozak of Willoughby (Lake County) reappointed to the Ohio Occupational Therapy, Physical Therapy and Athletic Trainers Board, term beginning Aug. 28, 2019, ending Aug. 27, 2022.

HEALTH AND HUMAN SERVICES

A poll recently released from Interact for Health's Ohio Health Issues Poll (OHIP) showed about eight in 10 Ohio adults (82%) believe children should be required to be vaccinated to attend public schools. Less than two in 10 adults (16%) responded that parents should be able to decide not to vaccinate their children. These findings are similar to results from a 2016 study by Pew Research Center, which showed 82% of adults nationally thought children should be required to be vaccinated, and 17% of adults said they thought parents should be able to choose, OHIP said.

Poll results released Tuesday from Interact for Health's Ohio Health Issues Poll (OHIP) showed 71 percent of Ohio adults favor expanding the option to buy insurance through the Medicare program to adults younger than 65.

HOUSING/HOMELESSNESS

October's 13,529 statewide home sales represented a 2.3 percent increase over sales activity the month last year, according to Ohio Realtors. For the year so far, home sales of 130,326 are about half a percent ahead of activity for the first 10 months of 2018.

LOCAL GOVERNMENT

Ohio Supreme Court Chief Justice Maureen O'Connor announced a special commission of three retired judges Monday to weigh Van Wert County Auditor Philip Baxter's suspension from office. Baxter, a Republican, and Deputy Auditors Julienne Rolsten and Juliann Zinn have been indicted on charges of breaking and entering the offices of county Treasurer Nathan Vandenbroek, who is said to have a poor relationship with Baxter and whose office is currently under special audit.

MARIJUANA/HEMP

Consumers have spent more than \$45 million on products at dispensaries operating under the Ohio Medical Marijuana Control Program (MMCP), according to the Ohio Department of Commerce.

NATURAL RESOURCES

Ohio oil production from horizontal wells rebounded to year-end figures for 2018 in the second quarter of this year but underperformed natural gas output by more than 7%. While both commodities beat 2019 Q1 production, natural gas remained soft with less than 1% growth as oil volumes climbed 14%.

NEWS MEDIA

Ohio is one of 14 states to get another Statehouse reporter through a joint effort of the Associated Press (AP) and the nonprofit Report for America project. Report for America is an initiative of the GroundTruth Project, an independent, nonprofit news outlet "dedicated to supporting the next generation of journalists in the U.S. and around the world" and focused on "under-covered corners of

the United States and the world." Report for America will help to fund and recruit for the positions, which will last 18 months starting in June 2020. Applications will be posted Monday, Dec. 2.

PEOPLE

The Ohio Public Transit Association (OPTA) has honored Rep. David Leland (D-Columbus) with the organization's legislator of the year award, the group announced this week.

Wayne Jones, a former state representative and Summit County Democratic Party chair, died over the weekend at age 65. A celebration of life is planned for 4:30 p.m. to 7:30 p.m. Friday, Nov. 29 at the Tangier, 532 W. Market St., Akron. The burial will be private.

PUBLIC SAFETY

Ohio Department of Public Safety's (DPS) of Ohio Criminal Justice Services (OCJS) announced recertification of the Mahoning County Sheriff's Office and 9 other law enforcement agencies under statewide standards adopted by Ohio Collaborative Community-Police Advisory Board.

STATE GOVERNMENT

A pilot review of the state accounting system has found 56 duplicate payments, totaling over \$117,702 from 22 different entities, according to an InnovateOhio announcement Friday, and officials are working to recover those funds. The InnovateOhio initiative began working with the Office of Budget and Management (OBM) to develop methods of better identification this spring, and OBM will repeat this process monthly to review potential duplicates and then seek recovery.

The inspector general (IG) issued a report of investigation recently after receiving an anonymous complaint alleging that Ohio Department of Public Safety (ODPS), Division of Emergency Medical Services (EMS) employee Christina Miller was flown in a private plane owned by EMS board member Herb de la Porte, to conduct a site visit at an EMS training academy owned by de la Porte. The complaint further alleged that Miller's supervisor authorized the trip, per a release from the IG.

TRANSPORTATION/INFRASTRUCTURE

AAA said the number of people on the roads or traveling by airline will be the highest since 2005 and is predicting nearly 2.3 million Ohioans will travel at least 50 miles from home between Wednesday, Nov. 27, and Sunday, Dec. 1, a 3% increase from last year. Nationally, 55.3 million Americans are expected to travel, a 2.9% increase over last year's national numbers.

UTILITIES

The Public Utilities Commission of Ohio (PUCO) reversed itself Thursday and struck down a \$9.40 per-month "distribution modernization" charge projected to cost Dayton Power & Light (DP&L) customers over \$700 million through 2022 had commissioners granted a requested increase to \$18.31 per month. The ruling follows this year's Ohio Supreme Court decision to overturn FirstEnergy's own charge and gives the Ohio Consumers' Counsel (OCC) a win in its campaign against add-on bill riders under 127-SB221.

FirstEnergy Solutions (FES) will change its name to Energy Harbor and become a fully independent company from its parent, FirstEnergy Corp., by year-end if the nuclear and coal-fired generator's bankruptcy is finalized in December, FES said Monday.

WORKERS' COMPENSATION

The Ohio Bureau of Workers' Compensation (BWC) submitted its FY19 investment report to Gov. Mike DeWine and House and Senate leaders Friday, showing annual net income of \$2.19 billion and a final portfolio value of \$27.42 billion on June 30, 2019 -- a \$464 million increase over FY18. The BWC Board of Directors voted to approve the report's submission after a final review by its Investment Committee Thursday.

The Ohio Bureau of Workers' Compensation (BWC) is continuing to review a study on managed care organizations (MCOs) as it works toward a new three-year contract effective Jan. 1, 2021. The current contract, negotiated during the Kasich administration, includes a 5% reduction in payments that will bring them down to \$161 million in 2020.

LEGISLATIVE ACTIVITY:

SENATE:

No Legislative Activity

HOUSE:

PASSED BY HOUSE

- HB81 WORKERS COMP-BODILY FLUID EXPOSURE (Rep. Rick Perales) Regarding Workers' Compensation coverage of post-exposure medical diagnostic services for a detention facility employee's exposure to another person's blood or bodily fluids. Vote 94-0
- HB226 RAILROAD CROSSINGS (Rep. Michele Lepore-Hagan, Rep. Jon Cross) To require vehicle operators to watch, listen, and stop for on-track equipment that may be approaching a railroad crossing.

 Vote 94-0
- HB17 SURVIVING SPOUSES-HOMESTEAD EXEMPTION (Rep. Tim Ginter) To allow an enhanced homestead exemption for surviving spouses of public safety personnel killed in the line of duty.

 Vote 92-0
- HB251 CONTRACT ACTION-PERIOD OF LIMITATION (Rep. George Lang, Rep. Brett Hillyer) To shorten the period of limitations for actions upon a contract. Vote 92-0
- HB312 INTRASTATE EQUITY CROWDFUNDING (Rep. Jena Powell) To permit intrastate equity crowdfunding under certain circumstances. Vote 92-0

CONSIDERATION OF SENATE AMENDMENTS

HB2 CREDENTIAL ASSISTANCE PROGRAM (Rep. Jon Cross, Rep. Michele Lepore-Hagan) To create the TechCred Program and the Individual Microcredential Assistance Program, to develop a grant program to support industry sector partnerships, and to make an appropriation.

House Does Not Concur, Vote 0-92