

GOVERNMENTAL POLICY GROUP, INC. RH RESOURCES

17 SOUTH HIGH STREET – SUITE 245 COLUMBUS, OHIO 43215-3413

PHONE: 614-461-9335 FAX: 614-461-9336



Week in Review

April 12, 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.

AFFORDABLE CARE ACT

President Donald Trump is continuing to play "political games" with the health care system, Sen. Sherrod Brown (D-OH) told reporters Monday, detailing consequences he said would occur if the Affordable Care Act (ACA) is struck down without legislation to replace it. Brown was joined by Columbus City Attorney Zach Klein, who filed a lawsuit along with Cincinnati and several other cities against the Trump administration in August alleging Trump had violated federal law and his constitutional duties through his handling of the ACA.

BALLOT ISSUES

According to Secretary of State Frank LaRose's office, the petition committee for a proposed constitutional amendment that would award Ohio's electoral votes in the presidential election based on the national popular vote has withdrawn it from consideration. The amendment was scheduled to go before the Ohio Ballot Board on Wednesday to determine whether it contained one or more

1

proposals. Because of the formal withdrawal of the proposal, the Ohio Ballot Board meeting was cancelled.

FY20-21 BUDGET

Given the short time line the Legislature is working under this year to get a biennial budget approved by July 1, the Ohio Senate will begin its hearings a couple of weeks before the House deadline of May 2 - 4 to pass its proposed version of the FY20-21 budget, HB166 (Oelslager). According to Ray DiRossi, director of finance and budget for the Senate Majority Caucus, hearings will begin in the full Senate Finance Committee the week of April 22 with the Office of Budget and Management (OBM), Legislative Service Commission (LSC), Ohio Department of Education and Ohio Department of Higher Education to testify on Wednesday, April 24. That will be followed on Thursday, April 25 with testimony from the departments of Medicaid, job and family services, mental health and addiction services and developmental disabilities. The Senate also released the agency assignments to each of the four committees/subcommittees that will be hearing the budget proposals.

At the urging of Rep. Mark Romanchuk (R-Mansfield), chair of the House Finance Health and Human Services Subcommittee, subcommittee member Rep. Scott Lipps (R-Franklin) announced following testimony from a panel representing children services that he had been charged by the chair to come up a with a solution for dealing with multisystem youth and that they are making good progress. Following the morning portion of the hearing, he told *Hannah News* that he is working with Family and Children First Councils, the Public Children Services Association (PCSAO), Rep. Sarah LaTourette (R-Chesterland) and Gayle Tenenbaum to fix the funding for the whole range of needs, including the question of relinquishment. Saying they can't stop relinquishment, they are looking for "a better road" or alternative for dealing with the multi-need youth.

CORRECTIONS

The Correctional Institution Inspection Committee (CIIC) convened Wednesday to receive a brief update on group's recent and upcoming activities, including an overview of the group's statutory requirements and responsibilities. CIIC Deputy Director Charlie Adams walked members of the legislative panel through sections of Ohio Revised Code detailing those responsibilities. Beyond conducting inspections at the state's prisons and juvenile detention facilities, CIIC is responsible for working closely with the Ohio Department of Rehabilitation and Correction (DRC) and the Ohio Department of Youth Services (DYS) Directors on matters like overcrowding and inmate abuse and neglect.

CRIME AND PUNISHMENT

The Ohio Prosecuting Attorneys Association (OPAA) says misdemeanor drug sentencing advocated by the Buckeye Institute and SB3 (Eklund) is a poorly conceived reboot of the failed drug sentencing overhaul in state Issue 1. Drawing support from former Ohio Supreme Court centrist and Ohio Judicial Conference (OJC) Executive Director Paul Pfeifer, OPAA says proposed sentencing downgrades suffer from a paucity of hard evidence and threaten to worsen Ohio's opioid epidemic.

DISASTERS

Gov. Mike DeWine announced late Monday that local governments, state agencies and certain private, nonprofit organizations in 20 southern Ohio counties affected by severe weather in February are now eligible for federal funds to help pay for damage repair and extra costs incurred as a result of severe storms, flooding, and landslides. Following a request from the governor for the federal disaster declaration, President Donald Trump made the federal funds available. Counties named in the disaster declaration are Adams, Athens, Brown, Gallia, Guernsey, Hocking, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross, Scioto, Vinton, and Washington.

EDUCATION

Members of the State Board of Education re-stated their commitment Monday to a new graduation proposal built around a major student portfolio project, rebutting criticisms about lack of rigor from some business groups. Superintendent Paolo DeMaria and Ohio Department of Education (ODE) staff prompted those comments Monday in a presentation on agency guidance for capstone projects and community/work experience, two elements of an interim graduation framework that helped to inspire the board's longer-term proposal.

The State Board of Education approved a pair of key resolutions Tuesday, one amending their policies and procedures manual to allow closed door conversations on certain items for deliberation, and another forming a workgroup to study the rules concerning Dropout Prevention and Recovery (DOPR) schools.

While the school funding plan put forward by Reps. Robert Cupp (R-Lima) and John Patterson (D-Jefferson) has many positive provisions, it leaves many questions unanswered, Thomas B. Fordham Institute Vice President for Ohio Policy and Advocacy Chad Aldis said Monday. After once again praising Gov. Mike DeWine's executive budget proposal, HB166 (Oelslager), Aldis told the House Finance Primary and Secondary Education Subcommittee that the Cupp-Patterson "Ohio Fair School Funding Plan" is on the right track by proposing to directly fund charter students although he did criticize the plan's provisions on transportation.

The state's educational service centers (ESCs), which currently receive \$26 per pupil in operating subsidies, are asking for that funding to be increased to \$42.52 over a four-year period. Speaking to the House Finance Primary and Secondary Education Subcommittee on Monday on the proposed FY20-21 budget, HB166 (Oelslager), Ohio Education Service Center Association (OESCA) Executive Director Craig Burford told Co-Chair John Patterson (D-Jefferson) that the organization's plan calls for a roughly \$4 per student increase per year.

Education organizations said Tuesday they don't think academic distress commission reforms belong in budget discussions, and the co-chairs of the House subcommittee reviewing that language said they're inclined to agree. The House Finance Primary and Secondary Education Subcommittee heard comments in the morning about the executive proposal for changes to the commission structure during a broader hearing on the education budget, while the standing education committees of the House and Senate both took testimony on bills to change the law. In an evening meeting, the House Primary and Secondary Education Committee accepted substitute bills on HB127 (K. Smith-Hambley) and HB154 (Miller-Jones), both of which aim to address local districts' unhappiness with academic distress commissions while Tuesday morning, the Senate Education Committee heard proponent testimony on SB110 (Manning), aimed specifically at the Lorain City Schools.

The Cupp-Patterson school funding plan drew general support Tuesday in budget testimony but also critiques for its projected effects on a subset of poorer districts that will receive no new money. School funding expert Howard Fleeter, representing the Ohio Education Policy Institute, said 19 of the 71 districts projected to get no increases and remain on a funding guarantee under the Cupp-Patterson plan are among the state's poorest. Also, some other high-poverty districts are estimated to see increases below the state average.

Northern Ohio school districts facing big tax revenue losses from the devaluation of nuclear power plants asked lawmakers Wednesday to freeze the continuing phase out their Tangible Personal Property Tax reimbursements to keep their budgets from sliding further. Perry Local Schools Treasurer Lew Galante and Benton-Carroll-Salem Schools Superintendent Guy Parmigian told the House Finance Primary and Secondary Education Subcommittee their districts have faced great challenges from the devaluation of the Perry and Davis-Besse nuclear plants along Lake Erie, both of which are slated to be closed by FirstEnergy Solutions. They asked the committee to support an executive budget proposal to freeze TPPT reimbursement phaseouts for the district and ensure it extends beyond FY21.

ELECTIONS

Secretary of State Frank LaRose said Wednesday that 540 voters submitted new voter registration forms to his office out of 264,516 letters that were sent to Ohio voters who had previously been sent "last chance" postcards by their local county board of elections due to inactivity. LaRose's office sent voter registration forms to the voters who had received the postcards in 2018. Ohio's supplemental process allows the state to cancel a voter registration if that voter has not cast a ballot for two consecutive federal elections and does not respond to a notification from their county board of elections.

ELECTIONS 2019

Tuesday, April 9 was the first day of in-person absentee voting and the first day of absentee voting by mail for the Tuesday, May 7, primary election. The in-person absentee schedule for early voting is as follows:

- Now-Friday, April 26, 2019 (Monday-Friday) 8 a.m. 5 p.m.
- Monday, April 29, 2019-Friday, May 3, 2019 (Monday-Friday) 8 a.m. 7 p.m.
- Saturday, May 4, 2019 8 a.m. 4 p.m.
- Sunday, May 5, 2019 1 p.m. 5 p.m.
- Monday, May 6, 2019 8 a.m. 2 p.m.

ELECTIONS 2020

Rep. Bill Reineke announced Monday that he will seek the Republican nomination for Ohio's 26th Senate District in 2020. The seat is currently held by Sen. Dave Burke (R-Marysville), who is term-limited. In his announcement, Reineke highlighted his work in workforce development.

EMPLOYMENT/UNEMPLOYMENT

The nation added 196,000 jobs in March, the U.S. Bureau of Labor Statistics (BLS) announced Friday, though the unemployment rate remained 3.8 percent, as did the number of unemployed persons at 6.2 million. BLS said there was "little or no change" among the major worker groups, including adult men (3.6 percent), adult women (3.3 percent), teenagers (12.8 percent), whites (3.4 percent), blacks (6.7 percent), Asians (3.1 percent), and Hispanics (4.7 percent). In March, the number of long-term unemployed, or those jobless for 27 weeks or more, was essentially unchanged at 1.3 million and accounted for 21.1 percent of the unemployed.

ENERGY

Draft energy legislation has surfaced on Capitol Square that would grant the Ohio Air Quality Development Authority (OAQDA) "sole discretion" in issuing payments from a newly created Ohio Clean Air Program to generation facilities making a "significant, historical contribution" to state air quality, excluding government aggregators. Subsidized power plants would be ranked according to the "greatest quantity of carbon dioxide-free electric energy" and would identify the "level of financial assistance needed from the Ohio Clean Air Program," to be funded by consumers statewide. The draft bill, which has been submitted to the Legislative Service Commission (LSC) but identifies no sponsors or cosponsors, would require customers of Ohio's four major electric utilities to pay a monthly fee capped at \$2.50 (residential), \$20 (commercial) or \$250 (industrial), and would exempt them from existing renewable energy and energy efficiency/peak demand reduction charges unless consumers opt back into those programs in a written notice to their local electric company and to the Public Utilities Commission of Ohio (PUCO).

PJM Interconnection provided House members "unbiased data and facts" Tuesday showing the state is more than replacing uncompetitive power plant baseload with new gas-fired generation and only imports energy from out of state -- not because it doesn't produce enough electricity of its own -- but because the 13-state wholesale electric market can find Ohio cheaper, more reliable sources elsewhere. Stu Bresler, senior vice president of operations and markets for the regional transmission organization (RTO), told the House Energy and Natural Resources Committee that PJM's competitive market has saved Ohioans \$1 billion over the last five years, primarily through an influx of gas-fired plants in- and outside the state, and that the RTO has embraced long-term planning as its primary task.

ENVIRONMENT

Nine Ohio organizations are receiving Ohio Environmental Protection Agency (Ohio EPA) Environmental Education mini grants for projects focused on habitat restoration, agricultural conservation, hands-on environmental learning and technology and environmental careers. Grants are being awarded statewide for a total of \$32,896.

GAMING/GAMBLING

If the General Assembly is going to pass legislation legalizing sports gambling this session, it appears the House and the Senate will have to work out quite a few details in the coming months to come to an agreement. HB194, introduced by Reps. Dave Greenspan (R-Westlake) and Brigid Kelly (D-Cincinnati), takes a much different approach than the bill proposed by Sens. John Eklund (R-Chardon) and Sean O'Brien (D-Cortland). The most significant difference is HB194's provision

allowing the Ohio Lottery Commission (OLC) to administer sports gambling in Ohio, while SB111 would authorize the Ohio Casino Control Commission (OCCC) to regulate sports gambling.

GENERAL ASSEMBLY/STATEHOUSE

Following the seating of new Rep. Haraz Ghanbari (R-Perrysburg) to fill the 3rd House District seat, Speaker Larry Householder (R-Glenford) announced the following committee changes:

- House Armed Services and Veterans Affairs Committee: appoint Reps. Ghanbari and Allison Russo (D-Columbus).
- House Energy and Natural Resources Committee: Remove Rep. Kris Jordan (R-Ostrander) and appoint Ghanbari.
- House Energy and Natural Resources Subcommittee on Energy Generation: Remove Jordan; appoint Rep. Jon Cross (R-Kenton).
- House Higher Education Committee: Remove Rep. Jay Edwards (R-Nelsonville); appoint Ghanbari.
- House Insurance: Remove Rep. Sarah LaTourette (R-Chesterland); appoint Ghanbari.

Freshman Rep. Paula Hicks-Hudson (D-Toledo) told *Hannah News* that, as the former mayor of Toledo, she is focusing her efforts in the Legislature on supporting local governments and cleaning up Lake Erie.

The Sunset Review Commission heard from the Credit Union Council, Agricultural Commodity Advisory Commission, Agricultural Commodity Marketing Programs Coordinating Committee and the Milk Sanitation Board on Tuesday.

In addition to passing the heartbeat bill, SB23 (Roegner), the Senate on Wednesday passed SB24 (Wilson), establishing the Alzheimer's Disease and Related Dementias Task Force; SB48 (Eklund), regarding speedy trial rights; SB108 (Obhof), which would repeal law directing courts to determine legislative intent when interpreting statutes; SB31 (Roegner), including emergency service telecommunicators and Ohio National Guard drone pilots among those whose residential and familial information is not public record; and SB77 (Hoagland-Williams), designating June 12 as "Women Veterans Day."

Thursday's House session included passage of SB36 (Kunze-Williams), to establish a Women's Suffrage Centennial Commission, and HB66 (Merrin), which would allow accounting costs to be included in restitution for theft cases.

Reps. Janine Boyd (D-Cleveland Heights) and Stephanie Howse (D-Cleveland) said Thursday they're forming a new Black Maternal Health Caucus to improve related health outcomes across the state, citing substantially higher maternal mortality rates among black women.

The Greater Cleveland Partnership (GCP) and its small business division, the Council of Smaller Enterprises (COSE), honored several legislators Wednesday for their work on small business issues and other matters: Sens. Matt Huffman (R-Lima) and Vernon Sykes (D-Cincinnati) for "instrumental

roles" in creating a more bipartisan, public process for redrawing U.S. Congressional; Sen. Matt Dolan (R-Chagrin Falls) for blockchain legislation 132-SB220; and Sen. Robert McColley (R-Napoleon) for occupational licensing and predatory business complaint bills.

In other action, the House Higher Education reported out HB16 (Perales), which addresses college tuition costs for active duty military and their spouses; the House Transportation and Public Safety Committee reported out HB171 (Stein-Romanchuk), a bridge naming bill; HB173 (Galonski), which designates the All-American Soap Box Derby Ohio's official state gravity racing program; and HCR8 (Schaffer) addressing the federal designation of "driver at fault"; the House Ways and Means Committee reported out HB75 (Merrin), which deals with contesting property values and HB176 (Merrin), which deals with ballot language for property tax levies; Senate Agriculture and Natural Resources Committee reported out SB45 (Hackett), designating April as "Ohio Native Plant Month"; and Senate Judiciary Committee reported out SB47 (Eklund), regarding reclassification and record sealing in some sex offense cases.

GOVERNOR

Appointments made during the week include the following:

- Beth Hansen of Bexley (Franklin County) reappointed to the Ohio State Racing Commission for a term beginning April 1, 2019 and ending March 31, 2023, and Scott Borgemenke of Dublin (Delaware County) and William Patmon of Cleveland (Cuyahoga County) appointed for terms beginning April 9, 2019 and ending March 31, 2023.

HEALTH AND HUMAN SERVICES

A panel representing Ohio's Medicaid managed care plans appeared before the House Finance Subcommittee on Health and Human Services Thursday to outline various programs they are undertaking to improve health outcomes among Ohioans, while fielding questions from the subcommittee on topics ranging from the behavioral health redesign to pharmacy benefit managers (PBM).

The Ohio Association of Foodbanks is urging lawmakers to increase emergency food funding in the budget, noting the state's above average poverty rate and the increasing trend of seniors turning to pantries and food assistance programs as the population ages. At the association's Statehouse luncheon, Executive Director Lisa Hamler-Fugitt urged member charities to press lawmakers for an increase to \$30 million per year for the Emergency Food Assistance Program, up from \$19.55 million proposed in Gov. Mike DeWine's executive budget, which is the same level provided in the previous budget. Such a funding boost would provide \$1.25 per month for every person served in the program, which provides food through pantries, soup kitchens, shelters and other sites to families earning less than 200 percent of the federal poverty rate.

MARIJUANA/HEMP

Eight Ohio cannabis companies have founded the Ohio Medical Cannabis Cultivators Association (OMCCA). Founding members of the trade group include the following: ATCPC of Ohio, doing business as Calyx Peak Companies; Buckeye Relief; Cresco Labs; Greenleaf Gardens; Grow Ohio; Ohio Patient's Choice, doing business as Firelands Scientific; Pure Ohio Wellness; and Standard Wellness.

More than 24,000 patients have been registered in the Ohio Medical Marijuana Control Program (MMCP), according to the Ohio Board of Pharmacy (OBP).

PENSIONS

Last year's shaky markets and an investment outlook that's rosier than industry standards likely mean the Ohio Police & Fire Pension Fund (OP&F) won't meet statutory funding requirements in the near future, according to a consultant who advised lawmakers on the 2012 pension reforms.

PEOPLE

Susan Lee Hubbell, a physical medicine and rehabilitation doctor in Lima, was sworn in Saturday as president at the Ohio State Medical Association's (OSMA) annual meeting in Columbus, becoming the sixth female president in the organization's 173-year history.

REDISTRICTING/REAPPORTIONMENT

Senate President Larry Obhof (R-Medina) and former state Rep. Kathleen Clyde, who mounted a competitive but unsuccessful secretary of state bid in 2018, addressed gerrymandering Friday at The Federalist Society, with Obhof defending last year's bipartisan redistricting guidelines and Clyde branding Issue 1 "incremental reform." The Republican and Democrat participated in a panel discussion with former Solicitor General Misha Tseytlin of Wisconsin, which drove last year's U.S. Supreme Court finding that partisan gerrymandering can be unconstitutional. Justices did not address the merits of *Gill v. Whitford* due to lack of standing, however, sending the case back to the lower courts.

STATE GOVERNMENT

The Ohio Department of Administrative Services (DAS), Ohio Department of Medicaid (ODM) and Ohio Department of Job and Family Services (ODJFS) said Friday that personal information in the Ohio Benefits System may have been disclosed in three recent incidents. The benefits system supports ODJFS and ODM programs and is administered through a contract with Accenture under DAS purview, according to a press release from DAS. No benefits were affected in the incidents, including two on March 20 and the third on Feb. 16. Those potentially impacted by the issue are being notified and will be offered one year of identity theft protection at no cost and will receive details of that coverage themselves.

Ohio took another step in its "strong foundation of cooperation" with Hungary, according to an Ohio Development Services Agency (DSA) press release. DSA Director Lydia Mihalik and Hungary's Minister of Foreign Affairs and Trade Peter Szijjarto recently signed a memorandum of understanding at the Statehouse pledging they would broaden economic cooperation. Two-way trade between them exceeded more than \$186 million in 2018, and they will share information and research on smart city technology and logistics.

The Controlling Board Monday approved funding for the Ohio Department of Transportation (ODOT) to upgrade its pavement management system, though some lawmakers questioned whether the state had gotten its money's worth so far. Funding for the Broadcast Educational Media Commission on behalf of the Ohio Channel to install and upgrade cameras in the House hearing rooms was approved without being held.

TAXATION

The House Ways and Means Committee passed two measures Tuesday to change property tax laws over the objections of local government officials. Rep. Derek Merrin's (R-Maumee) HB75 would put new restrictions and notice requirements on local governments' participation in property tax valuation challenges at boards of revision, while his HB76 would change how ballot language represents the potential cost of levies.

TECHNOLOGY

The Ohio Cyber Reserve proposed under SB52 (Gavarone) is a "unique approach" that has already received interest from other states, Ohio Adjutant General John Harris said recently in testimony on the operating budget, HB166 (Oelslager). "Once implemented, it will be the national model for solving a problem that is vexing our nation," Harris told the House Finance Subcommittee on Transportation. The proposal moved closer to implementation with unanimous passage of SB52 in the Senate on Wednesday, April 3.

TRANSPORTATION/INFRASTRUCTURE

The Ohio Turnpike and Infrastructure Commission (OTIC) will require several changes to state law in order to effectively implement a modern toll collection system that utilizes cameras to read license plates, OTIC Executive Director Ferzan Ahmed said Tuesday. The new system would eliminate EZ-Pass gates but would retain gates for drivers paying with cash and credit cards, Ahmed told members of the House Finance Transportation Subcommittee.

UTILITIES

The Public Utilities Commission of Ohio (PUCO) opened the 2019 application period Monday for its hazardous materials training (HAZMAT) grant program. Training awards help public safety and emergency personnel within local government subdivisions, educational institutions and state agencies learn to respond better to hazardous material incidents. The application period closes Friday, May 31. Applications may be submitted to the commission at http://tinyurl.com/y55qmenz. Questions about HAZMAT training and planning grants may be sent to the hazardous materials grants coordinator at HazMatGrants@puco.ohio.gov or 614-644-6298.

LEGISLATIVE ACTIVITY: PASSED BY SENATE

- SB24 ALZHEIMER'S AND DEMENTIAS TASK FORCE (Sen. Steve Wilson) To establish the Alzheimer's Disease and Related Dementias Task Force. Vote 31-0
- SB31 PUBLIC RECORDS LAW EXEMPTION-EMERGENCY SERVICE TELECOMMUNICATORS (Sen. Kristina Roegner) To include emergency service telecommunicators as individuals whose residential and familial information is exempt from disclosure under the Public Records Law.

 Vote 31-0
- SB48 SPEEDY TRIAL RULES (Sen. John Eklund) To narrow the scope of speedy trial rules.

 Vote 31-0

- SB77 WOMEN VETERANS' DAY (Sen. Frank Hoagland, Sen. Sandra Williams) To designate June 12 as "Women Veterans' Day."

 Vote 31-0
- SB108 ELIMINATE RULE OF CONSTRUCTION-AMBIGUOUS STATUTES (Sen. Larry Obhof) To eliminate the rule of construction regarding a court's considerations in determining the intention of the legislature when a statute is ambiguous. Vote 31-0

CONSIDERATION OF HOUSE AMENDMENTS

SB23 PROHIBIT ABORTION-DETECTABLE HEARTBEAT (Sen. Kristina Roegner) To enact the Human Rights and Heartbeat Protection Act.
Senate Does Concur, Vote 18-13

HOUSE:

PASSED BY HOUSE

- HB66 THEFT VICTIM RESTITUTION (Rep. Derek Merrin) To enact the "Theft Victims' Restitution Act" to allow restitution for the cost of accounting or auditing done to determine the extent of a victim's economic loss.

 Vote 89-3
- SB30 WOMEN'S SUFFRAGE CENTENNIAL COMMISSION (Sen. Stephanie Kunze, Sen. Sandra Williams) To create the Women's Suffrage Centennial Commission. Vote 93-0
- SB23 PROHIBIT ABORTION-DETECTABLE HEARTBEAT (Sen. Kristina Roegner) To enact the Human Rights and Heartbeat Protection Act.

 Vote 56-40