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Week in Review April 20, 2018

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

About 2,100 students marched from Genoa Park in downtown Columbus to the Statehouse as a part of an annual "We are the Majority" rally, raising awareness about drug-free students. The rally at the Statehouse lasted about half an hour as students talked about leadership and helping those in need. It also featured short speeches by Superintendent Paolo DeMaria and first lady Karen Kasich, who praised the students for their leadership and advocacy.

ATTORNEY GENERAL

Ohio Attorney General Mike DeWine and Warren Police Chief Eric Merkel announced Thursday that an undercover operation to reduce demand for sex trafficking has led to the arrests of eight men, including one suspect who investigators believe was attempting to recruit an undercover officer into the sex trade.

BUSINESS/CORPORATE

The Pulitzer Prize Board announced Monday that the *Cincinnati Enquirer* was among winners of the 2018 Pulitzer Prize. The newspaper won the Pulitzer for local reporting for "Seven Days of Heroin," a written and video account of one week's worth of events in the opioid epidemic in the Cincinnati area. Among contributors to the project were *Enquirer* Statehouse bureau reporters Chrissie Thompson and Jessie Balmert. Links to the winning submission from the Enquirer are available at <u>www.pulitzer.org/winners/cincinnati-enquirer-staff</u>.

Secretary of State Jon Husted announced Monday that 11,690 new entities filed to do business in Ohio in March. Husted said the numbers make March 2018 the second-best month for new business filings since his office began tracking them. The best month on record for new business filings remains March 2017, which saw 12,827 entities formed. The first quarter of 2018 saw 31,399 new entities register, compared to 33,084 filings received over the same period in 2017.

CIVIL RIGHTS

The Ohio business community is leaning in on support for a bill that would protect members of the LGBTQ community from housing, employment and public discrimination, saying that inclusionary practices benefit their employees and bottom lines. However, one Ohio group advocating for Christian values says the bill is trying to solve a problem that doesn't exist and may cause more harm than good. At a Wednesday forum of the Columbus Metropolitan Club, members from these groups discussed the potential effects of HB 160 (Antonio), which would add sexual orientation, gender identity and expression to the list of protected classes, alongside categories like sex, race and religious persuasion, that cannot be subject to discrimination.

DISASTERS

President Donald Trump approved Tuesday the request of Gov. John Kasich to declare a disaster in Southern and Eastern Ohio counties because of heavy rains and flooding in February, though he left two of 20 counties off the list.

EDUCATION

While awaiting justices' decision on its central claims against the state, Electronic Classroom of the Tomorrow is back in the Ohio Supreme Court in another case alleging the State Board of Education broke open meeting laws during deliberation on the school's enrollment dispute. Meanwhile, an attorney supervising the school's assets told a judge in the case recently that property of the defunct Electronic Classroom of Ohio (ECOT), including its South Columbus headquarters building, needs to be auctioned to provide money to properly meet the school's obligation.

The Ohio Department of Education (ODE) announced the schedule for statewide administration of the ACT for high school juniors next spring. Districts must administer either the ACT or SAT to all 11th grade students, per state law. The testing schedule and other information is available at <u>http://education.ohio.gov/Topics/Testing/State-Funded-ACT-Test</u>.

A vendor's technical problems snarled state testing administration Wednesday in the middle of the period when schools are offering academic assessments. American Institutes for Research (AIR) notified the Ohio Department of Education (ODE) of a login system issue Wednesday morning. It was later fixed.

Data about how students improve in their education year-over-year can be vitally important to schools, teachers and others, helping them identify where schools are exceeding statewide expectations or falling short of them. But, how that information is used, categorized and presented is largely shaped by state policy. That was the underlying message communicated by John White, senior director of SAS Institutes' education value-added assessment system (EVAAS), to the Joint Education Oversight Committee (JEOC) Thursday. SAS Institute is an education vendor contracted by the Ohio Department of Education (ODE) to track, model and report the value-added measure, an indicator on school report cards that measures student growth.

Two representatives are wading into the debate on how online charter schools should substantiate the education they're providing to students, with the introduction of a bill Thursday to require use of technology to measure attendance, class size and participation. Under HB 611, sponsored by Reps. Keith Faber (R-Celina) and Kristina Roegner (R-Hudson), payment to e-schools would be tied to their use of software that can capture such data.

ELECTIONS 2018

Democratic gubernatorial candidate Richard Cordray Friday turned to U.S. Sen. Elizabeth Warren (D-MA), who had recommended him to be chosen as the first director of the Consumer Financial Protection Bureau, to help him get out the early vote ahead of the May 8 primary. Corday made two appearances with Warren in Ohio.

Attorney General Mike DeWine said the two biggest issues facing Ohio are the opioid crisis and a skills gap for students, and said he would focus on those two issues from day one as governor "like a laser." DeWine sat down in one of six interviews conducted by the University of Akron's Bliss Institute of Applied Politics, with the major candidates for governor questioned by Tom Beres, a retired senior political correspondent for Cleveland's WKYC, and streamed live through the Bliss Institute's website and on WKYC. They fielded questions about the opioid crisis and the Trump administration.

U.S. Rep. Jim Renacci's U.S. Senate campaign said Monday it had raised \$4.5 million in the first quarter of this year and has \$4.2 million on hand. Brown's campaign recently reported it had raised \$3.3 million over the first quarter and has nearly \$12 million cash on hand. Reports were available for U.S. House races. Among the highlights, Republican Tim Kane is leading in fundraising for the open 12th Congressional District, and the top five campaign accounts were Republicans, followed by Democrat Danny O'Connor.

Democratic gubernatorial candidate Richard Cordray Monday outlined his platform to expand access to pre-kindergarten, including creating a central office in his administration. Cordray said the pre-k "hub" will partner with local schools and communities to expand access to pre-k. It will help districts seeking to implement pre-K programs by working with them to plan and execute the expansion, and by connecting them with existing resources, as well as programmatic and organizational support.

Republican Dave Yost's campaign for attorney general Monday announced that Carlo LoParo has been hired to oversee all campaign communications activities.

A week after the beginning of early voting began for the Tuesday, May 8 primary election, more Democratic ballots have been requested than Republican ballots, and slightly more ballots have been requested than in 2014. Secretary of State Jon Husted's office released updated numbers on Tuesday as Husted cast an early ballot himself at the Franklin County Board of Elections in Columbus.

Democratic gubernatorial candidates and their allies Wednesday said it is unacceptable to be affiliated with groups that support the regime of Syrian President Bashar al-Assad a day after Dennis Kucinich revealed he was paid for a speech to a pro-Syrian group.

House candidate Jim Trakas said he has filed a complaint with the Ohio Elections Commission, saying an opposition mailer made multiple false statements against him, but he also cited an Ohio Revised Code section that was ruled unconstitutional by federal courts.

Travis Faber, a Republican candidate for the 84th Ohio House District and nephew of the seat's current occupant, Rep. Keith Faber (R-Celina), said he was assaulted Tuesday after confronting a man who allegedly was removing his campaign signs from a private yard.

U.S. Senate candidate Mike Gibbons Tuesday outlined his plan to pay for a wall along the Mexican border, a centerpiece of President Donald Trump's campaign and immigration policy. Gibbons said under his proposal, entrants across the Mexican border into the U.S. would pay a border crossing toll that would fund construction and maintenance of the wall.

Rep. Larry Householder (R-Glenford) filed a lawsuit against two out-of-state super PACs this week, claiming radio, television and direct mail ads the groups are running are false and defamatory. Householder filed the lawsuit in Perry County Court of Common Pleas, his home county, against Honor and Principles Political Action Committee and the Conservative Alliance Political Action. Both groups have Alexandria, VA addresses.

The following endorsements were made over the week:

- The U.S. Senate campaign of Mike Gibbons announced the endorsement of Ohio Sen. Frank Hoagland (R-Adena).

- The Cleveland Teachers Union endorsed Kenny Yuko for Ohio Senate.

- Planned Parenthood Advocates of Ohio endorsed Issue 1.

- U.S. Sen. Ted Cruz (R-TX) endorsed Mary Taylor for governor.

- The Ohio Legislative Black Caucus endorsed Kathleen Clyde for secretary of state, Steve Dettelbach for attorney general, Rob Richardson for treasurer, Zack Space for auditor, and Richard Cordray and Betty Sutton for governor and lieutenant governor, respectively.

ENVIRONMENT

There has been "no discernable decrease in phosphorous or nutrient loading" from the Maumee River watershed into Lake Erie from 2013 to 2017, according to a new study released by the Ohio Environmental Protection Agency (Ohio EPA) on Monday.

FEDERAL

In a phone call with reporters Tuesday, U.S. Sen. Rob Portman (R-OH) touted positive economic outcomes he attributed to recent federal tax cuts and commented on other national news related to sex trafficking, the special counsel inquiry, and the health of Barbara Bush, who died later that day.

GAMING/GAMBLING

The Ohio Casino Control Commission Wednesday unanimously approved a license renewal for JACK Cleveland Casino, as well as key employee licenses for top executives in the company for another three years. Before the approval, the commission heard from the casino about investments it has made in the Cleveland property, including purchase and renovation of a nearby garage, as well as replacing all of the carpeting throughout the gaming floor.

GENERAL ASSEMBLY/STATEHOUSE

House Speaker Cliff Rosenberger (R-Clarksville) moved up his planned resignation and gave up his seat Thursday, April 12 after Speaker Pro Tem Kirk Schuring (R-Canton) said he'd come to the same conclusion as other top Republicans -- that Rosenberger should not wait until May 1 to resign. Schuring also announced Friday the appointment of Rep. Scott Ryan (R-Newark) to be Rosenberger's replacement as chair of the Ohio House Republican Organizational Committee, the caucus' campaign arm.

The Senate cancelled its Wednesday, April 25 session, making it likely neither chamber will return for session until after the May primary.

The U.S. Supreme Court rebuffed former state Rep. Peter Beck's request for a new trial Monday after the Republican served 16 months in prison for theft.

While a couple of overarching issues remain unaddressed, the Senate has largely accomplished what it wanted to get done this General Assembly, Senate President Larry Obhof (R-Medina) said Tuesday in discussing plans for bill action prior to summer break. Two initiatives he identified as unresolved could be longer-term projects that will stretch into the fall: the energy standards debate around HB114 (Blessing) and unemployment compensation reform.

Adults with terminal conditions could request and self-administer an "aid-in-dying" drug under certain conditions under a bill that received its first hearing in the Senate Health, Human Services and Medicaid Committee on Tuesday. During sponsor testimony, Sen. Charleta Tavares (D-Columbus) said SB249 would not force any physician, pharmacist or patient to engage in practices that conflict with their religious or moral beliefs.

Legislation placing new restrictions on the payday lending industry was reported out of the House Government Accountability and Oversight Committee on Wednesday. Committee members voted 9-1 to move HB 123 (Koehler-Ashford) "as introduced" after months of negotiations among interested parties led by House Speaker Pro Tempore Kirk Schuring (R-Canton). Rep. Bill Seitz (R-Cincinnati) offered an amendment that included, among other provisions, many of the compromises included in a proposal Rep. Kyle Koehler (R-Springfield) put forward for consideration last week. Seitz's amendment was tabled 9-1, and he was the only committee member to vote against the bill's passage. State agencies would need to cut 10 percent of their regulations three years in a row and would face a regulatory attrition mandate if they fail to do so under legislative plans outlined Wednesday. Sens. Bob Peterson (R-Sabina) and Robert McColley (R-Napoleon) discussed details of draft legislation on regulatory rollbacks which they plan to introduce in the next week. They were joined at a press conference by Senate President Larry Obhof (R-Medina), who announced his intention last month to pursue legislation to shrink the Ohio Administrative Code.

In other legislative action, Senate Local Government, Public Safety and Veterans Affairs Committee reported out HB202 (Thompson-Lanese), to designate the first Saturday of May as "Veterans Suicide Awareness Day," and HB229 (Romanchuk-Wiggam), to designate Feb. 3 as "Charles Follis Day"; House Government Accountability and Oversight Committee reported out HB342 (Merrin), regarding local tax issues; and Senate Transportation, Commerce and Workforce Committee reported out HB10 (Arndt), regarding intrastate equity crowdfunding; and HB159 (Riedel), designating May as "Drive Ohio Byways Month."

The Capitol Square Review and Advisory Board (CSRAB) adopted new rule language Thursday to allow for Statehouse activities "conducted purely for profit" and reviewed new capital appropriations for improvements to the Statehouse Museum Education center and upkeep of the Ohio Veterans Plaza.

GOVERNOR

Appointments made during the week include the following:

- Thomas M. Carroll of Cincinnati (Hamilton County) to the Housing Trust Fund Advisory Committee for a term beginning April 17, 2018, and ending March 18, 2020.

- James V. Stouffer, Jr. of Port Clinton (Ottawa County) to the Ohio Lake Erie Commission for a term beginning April 17, 2018, and ending Sept. 1, 2018.

- John C. Adams, CFA of Upper Arlington (Franklin County) to the Ohio Higher Educational Facility Commission for a term beginning April 12, 2018, and ending Jan. 1, 2020.

- Stephen L. Hightower II of Middletown (Butler County) to the Petroleum Underground Storage Tank Release Compensation Board for a term beginning April 12, 2018, and ending July 10, 2020.

- Michael H. Fitchet of Conneaut (Ashtabula County) to the State Emergency Response Commission for a term beginning April 18, 2018, and ending Jan. 13, 2019.

GREAT LAKES

The University of Toledo (UT) has named Tom Bridgeman director of the Lake Erie Center. The Lake Erie Center is a freshwater research and science education campus focused on finding solutions for water quality issues that face the Great Lakes, including invasive species, harmful algal blooms and other pollutants, according to a release from UT.

HEALTH AND HUMAN SERVICES

A recent compliance report from the Ohio Department of Insurance (ODI) and Ohio Department of Mental Health and Addiction Services (OhioMHAS) attests that incidences where health plans handle mental health conditions and substance abuse disorders differently than medical health conditions are rare in Ohio. That runs contrary the findings of a national actuarial study, according to the Parity@10 Compliance Campaign, which advocates for full enforcement of the federal Mental Health Parity and Addiction Equity Act in 10 states and Ohio's mental health parity laws, implemented by 126-SB116 (Spada).

The Malnutrition Prevention Commission has officially submitted its final report to Gov. John Kasich and the General Assembly, the Ohio Department of Health (ODH) announced Tuesday. The panel, created in 131-HB580 (T. Johnson), approved the findings to be included in the final report late last month.

JUDICIAL

With football spring games scheduled across the state and nation, the Ohio Supreme Court heard oral arguments in a head injury dispute that has spawned over 100 class action lawsuits at the college level and an NFL settlement process that is still paying out claims. The Ohio case focuses on the Alzheimer's and chronic traumatic encephalopathy (CTE) of a single Notre Dame football veteran whose widow is pressing for damages on behalf of the deceased former player.

Ohio Supreme Court Justice R. Patrick DeWine will not be forced to recuse himself from cases involving the office of his father, Ohio Attorney General Mike DeWine - at least not by the three-judge disciplinary panel that is hearing the rare complaint against a sitting Supreme Court justice. Chaired by Montgomery County Common Pleas Court Judge Michael Krumholtz, the panel on Tuesday dismissed recusal as an appropriate remedy to the current scenario in which Justice DeWine hears numerous appealed filed by the attorney general's office. The panel held that, under the Rules for the Government of the Bar of Ohio, Rule V, Section 12, the only sanctions available to its members include disbarment, suspension, probation or public reprimand -- not forced recusal.

LOCAL GOVERNMENT

The Ohio Supreme Court this week denied a request to reconsider its ruling against a campaign group pursuing a city charter amendment to create a ward system for Columbus City Council. Justices also rejected a case seeking to remove from the ballot a separate ward proposal backed by Columbus city leaders.

MARIJUANA

Sen. Bill Coley (R-West Chester) said Tuesday that everyone involved in the Medical Marijuana Control Program (MMCP) "should be embarrassed" about its implementation, calling for lawmakers to pass his SB264 to address the Ohio Department of Commerce's (DOC) mistakes.

Attorney General Mike DeWine Thursday rejected a ballot issue petition for the proposed "Marijuana Rights and Regulations Amendment," citing summary language that does not accurately reflect the proposal or omits information.

MEDICAID/MEDICAID REFORM

The Ohio Department of Medicaid (ODM) will submit its Section 1115 waiver imposing work requirements on some Medicaid beneficiaries by the end of April, ODM Director Barbara Sears told the Joint Medicaid Oversight Committee (JMOC) Thursday.

PENSIONS

Pew Charitable Trusts issued another update this week of its study on public pension liabilities across the U.S., finding growth in liabilities in Ohio and elsewhere. However, Pew's most recent data encompass 2015-2016 investments and earnings, which do not capture the surging markets of 2017 and the volatility of 2018.

PEOPLE

Former first lady Barbara Bush, wife to the elder President Bush and mother to the younger, died at age 92 Tuesday, prompting statements of mourning and memory from Ohio elected leaders. Gov. John Kasich ordered flags across the state to be lowered to half-staff and kept there through her burial.

POLITICS

A recent poll from the Pew Charitable Trusts showed that both Republicans and Democrats said agreement with their party's policies was the top reason why they identified with their party, but a nearly equivalent amount of partisans said disagreement with the opposing party's policies was a major reason for their party affiliation.

PUBLIC SAFETY

The Ohio Department of Public Safety's (DPS) Office of Criminal Justice Services provided a statewide update Monday on the number of law enforcement agencies having adopted the first three professional standards issued by the Ohio Collaborative Community-Police Advisory Board.

TAXATION

Tax Commissioner Joe Testa pushed back Wednesday on suggestions his agency had changed its interpretation of statutes governing the tax status of brine injection wells for horizontal fracturing in oil and gas drilling, saying only the Ohio Environmental Protection Agency (Ohio EPA) -- not the Ohio Department of Natural Resources (ODNR) -- had the legal authority to determine whether such wells are "industrial water pollution control" facilities and therefore due an exemption. Testa spoke against the expanded sales and use tax exemption for brine injection wells in HB430 (Schaffer) in testimony before the Senate Ways and Means Committee, saying tax law should be not only easy to

understand and easy to administer, but also "equitable." At the same time, he acknowledged the Byzantine nature of much tax code.

The Ohio Department of Taxation gave one extra day to those filing their state and school district income taxes at the last minute, extending the deadline from Tuesday to Wednesday. The extension matched one for federal income tax filing granted by the Internal Revenue Service, which faced technical problems with its online filing system Tuesday.

TRANSPORTATION/INFRASTRUCTURE

As Ohio recognizes distracted driving awareness month, the Ohio Turnpike and Infrastructure Commission (OTIC) is taking another step to educate drivers about roadway safety and the perils of distracted driving. At Monday's meeting of the OTIC, Executive Director Randy Cole announced a "Red Thumb" campaign aimed at spreading awareness of the dangers of distract driving.

UTILITIES

The Public Utilities Commission of Ohio (PUCO) placed several of its proposed landline rules into "to be refiled" (TBR) status two hours ahead of Monday's Joint Committee on Agency Rule Review (JCARR) meeting. The TBR rules include a new rule that would implement procedures for phone and cable companies to use when abandoning basic local exchange services (BLES) or voice services.

WORKERS' COMPENSATION

Thirty-seven Ohio fire departments will share \$369,678 in grants from the Ohio Bureau of Workers' Compensation (BWC) under a program to protect firefighters from carcinogens and other harmful elements encountered during a fire fight.

The Supreme Court of Ohio reaffirmed the subrogation rights of the Ohio Bureau of Workers' Compensation (BWC) to recoup money paid to injured workers from third-party insurance settlements Thursday. The bureau ruled unanimously that, for the purposes of subrogation, a "claimant" is any injured worker who has not received a final denial of benefits by the state.

LEGISLATIVE ACTIVITY:

SENATE: No legislative activity to report.

HOUSE:

No legislative activity to report.