

GOVERNMENTAL POLICY GROUP, INC. RH RESOURCES

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Week in Review April 25, 2016

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.

ATTORNEY GENERAL

Ohio is joining government jurisdictions around the country in the probe of alleged bid-rigging involving chemicals used to treat municipal drinking water and waste water. The Ohio Attorney General's Office has opened an investigation into sales of aluminum sulfate, or "alum," between 1997 and 2010. Three executives of chemical manufacturing companies have been indicted in federal court in New Jersey for their alleged roles in a scheme to curb price competition for alum. They are accused of agreeing among themselves which company would win a bid or submit the lowest bid to sell alum to purchasers, including municipalities around Ohio and the U.S.

BALLOT ISSUES

U.S. District Court Judge Michael Watson dismissed a federal lawsuit filed by Ohio proponents of

an initiated statute aimed at lowering drug prices by limiting what the state pays for them, saying his court lacks jurisdiction and that plaintiffs do not have standing at this point.

FY17-18 CAPITAL APPROPRIATIONS

The capital budget, SB 310 (Oelslager), increases the types of projects that are eligible for grants under the Ohio Public Works Commission's (PWC) Clean Ohio Green Space Initiative. The bill modifies the language so that grants can be provided to acquire green space or develop green space separately. The bill provides \$75 million for this initiative, which aims to preserve open spaces, sensitive ecological areas and river and stream corridors, Office of Budget and Management (OBM) Director Tim Keen had said in testimony.

Local school districts could forego additional voted bond funding to secure state facilities assistance and instead use lease-purchase agreements to generate their share of the money under language included in the new capital construction budget. Budget Director Tim Keen recommended including the financing method in SB 310 after the Ohio School Facilities Commission (OSFC) undertook a study of the idea and voted to endorse it last month. Another provision of SB 310 expands districts' ability to split their OSFC projects into segments by lifting a current law requirement that each segment be worth at least 2 percent of a district's tax valuation.

The state's move toward community-based corrections is scheduled for another infusion in the latest capital bill. The Ohio Department of Rehabilitation and Correction (DRC) and Department of Youth Services (DYS) receive several line items for decentralized detention and reentry programs around the state in SB 310. Of the \$151 million total designated for DRC construction and renovation, community-based correctional facilities are earmarked for just over \$20 million. Counties and districts will apply for project funding based on department guidelines.

EMPLOYMENT/UNEMPLOYMENT

Ohio's unemployment rate ticked up to 5.1 percent in March after it was 5.0 percent in February, but the state also added 18,300 jobs over the month, according to the Ohio Department of Job and Family Services (ODJFS).

ENVIRONMENT

The Ohio Diesel Emissions Reduction Grant (DERG) program has awarded 26 grants totaling more than \$15 million for refurbishing or replacing aging diesel engines with newer, cleaner diesel technology or alternative fuel technology, the Ohio Environmental Protection Agency (Ohio EPA) announced last week.

The Ohio Air Quality Development Authority (OAQDA) has approved a Cincinnati-area preschool to receive \$750,000 in air-quality revenue bonds from the Clean Air Resource Center.

FEDERAL

U.S. Sen. Rob Portman's (R-OH) view that his chamber shouldn't hold a hearing or vote on U.S. Supreme Court (SCOTUS) nominee Merrick Garland is out of step with Ohio voters, according to a new poll from Hart Research Associates (HRA).

U.S. Treasury Secretary Jacob Lew on Wednesday announced that Harriet Tubman will be featured on the front of the new \$20 currency note, replacing former President Andrew Jackson -- a move applauded by Ohio Legislative Black Caucus President Rep. Alicia Reece (D-Cincinnati).

GENERAL ASSEMBLY/STATEHOUSE

Without comment, the Ohio Supreme Court dismissed a lawsuit filed by former Rep. Steve Kraus (R-Marblehead), who had challenged his automatic removal from the Ohio House after his conviction on felony charges.

GOVERNOR

The governor made the following appointments during the week:

- Robin M. Kilbride of Wadsworth (Medina County) to the Kent State University Board of Trustees for a term beginning April 18, 2016 and ending May 16, 2024.

- Todd D. Willis of Millersport (Fairfield County) to the Underground Technical Committee.

- Richard Seaman of Wooster (Wayne County) reappointed to the Third Frontier Commission for a term beginning April 21, 2016 and ending April 1, 2017.

- Bruce A. Langos of Dayton (Montgomery County) reappointed to the Third Frontier Commission for a term beginning April 21, 2016 and ending April 1, 2019.

- Donald L. Mason of Zanesville (Muskingum County) to the Oil and Gas Commission for a term beginning April 21, 2016 and ending Oct. 14, 2019.

HEALTH & HUMAN SERVICES

In an uncharacteristically short meeting, the Joint Medicaid Oversight Committee (JMOC) heard an update from Ohio Department of Medicaid (ODM) Director John McCarthy concerning where the department stands in implementing the disability determination redesign, the behavioral health redesign and the next phase of the Ohio Benefits implementation. McCarthy told the group that the disability redetermination redesign -- better known as the "1634 transition" -- is on track for July of this year. The committee also approved the contract with the actuarial firm Optumas.

MARIJUANA

The House kicked off its legislative committee process to legalize medical marijuana last Tuesday, but advocates of a proposed constitutional amendment on the topic aren't planning to back off. Rep. Stephen Huffman (R-Tipp City) discussed various provisions of HB 523 for members of the House Select Committee on Medical Marijuana during sponsor testimony. However, Aaron Marshall, communications director for Ohioans for Medical Marijuana (OMM), told reporters outside the hearing that his organization has started collecting signatures and aims to place its measure on the ballot this fall. He said he is unsure whether OMM will testify on HB 523.

MEDICAID EXPANSION/REFORM

The Ohio Department of Medicaid (ODM) is now taking comments on the Healthy Ohio 1115 Demonstration Waiver program mandated by the Ohio Legislature in the FY16-17 budget, HB 64 (R. Smith). The comment period runs through Monday, May 16. According to ODM, the goals of the Healthy Ohio Program include the following: 1. Promoting member engagement in health and personal responsibility, including the appropriate use of health care services. 2. Increase the use of preventive services by members. 3. Increase provider engagement in member healthy behaviors. 4. Increase the number of commercially insured individuals.

TRANSPORTATION

The Ohio Turnpike and Infrastructure Commission (OTIC) approved \$200 million in bond funding for the following four Ohio Department of Transportation (ODOT) infrastructure projects: I-77 widening from the turnpike to State Route 82 in Cuyahoga County (\$24 million); I-271 widening from the I-271/480 east interchange to the Miles Road interchange in Cuyahoga County (\$90 million); I-76/I-77 reconstruction of interchanges in Summit County (\$80 million); and I-680/State Route 164 construction of a new interchange in Mahoning County (\$6 million).

LEGISLATIVE ACTIVITY

HOUSE

PASSED BY HOUSE

- HB173 VETERAN ID CARDS (Rep. Marlene Anielski, Rep. Louis Terhar) To authorize county recorders to issue Ohio veterans identification cards. *Vote 95-0*
- **HB277** 9-1-1 SYSTEM LEVY (Rep. Andrew Brenner) To authorize a county, township, or municipal corporation to impose a 9-1-1 system levy in only the portion of the subdivision that would be served by the 9-1-1 system. *Vote 95-0*

HB351 LIQUOR PERMIT (Rep. Rick Perales, Rep. Anthony DeVitis) To increase the amount of spirituous liquor that an A-3a liquor permit holder may annually manufacture and to allow an A-3a permit holder to obtain an A-1-A liquor permit. *Vote* 94-2

HB413 TOWNSHIP LAWS (Rep. Tom Brinkman) To add to the purposes for which a board of township trustees may go into executive session, to permit a township to charge for recycling services, to reduce the population threshold for a township to adopt a limited home rule form of government, to make other changes to the township laws.

Vote 96-0

CONSIDERATION OF SENATE AMENDMENTS

HB151 STALKING-TELECOMMUNICATIONS HARASSMENT (Rep. Marlene Anielski) To expand the offenses of menacing by stalking and telecommunications

harassment, to prohibit a person from knowingly causing another person to believe that the offender will cause physical harm or mental distress to a family or household member of the other person, to increase the penalty for assault when the victim is a volunteer firefighter, and to correct a cross reference in the theft statute to special purchase articles.

House Does Concur, Vote 96-0

HB233 REDEVELOPMENT DISTRICTS (Rep. Kirk Schuring) To authorize municipal corporations to create downtown redevelopment districts and innovation districts for the purposes of promoting the rehabilitation of historic buildings, creating jobs, encouraging economic development in commercial and mixed-use areas, and supporting grants and loans to technology-oriented and other businesses. *House Does Concur, Vote 96-0*

INFORMALLY PASSED

HB429 AUTOMOTIVE TECHNICIANS-TRAINING (Rep. Niraj Antani, Rep. William Reineke) Regarding employers of automotive technicians and motor vehicle technicians participating in the Incumbent Workforce Training Voucher Program.

ADOPTED BY HOUSE

HR380 TRAVEL ALLOWANCE (Rep. Cliff Rosenberger, Rep. Fred Strahorn) Relative to travel allowance.

Vote 96-0

SENATE

PASSED BY SENATE

HB243 ARCHITECT TRAINING (Rep. Tim Schaffer) To make changes governing the architects board and the landscape architects board regarding continuing education requirements.

Vote 33-0

- **SB171** UNIFORM INTERSTATE DEPOSITIONS-DISCOVERY ACT (Sen. Bill Seitz) To enact the Uniform Interstate Depositions and Discovery Act. *Vote 33-0*
- **SB175** OHIO FAMILY TRUST COMPANY ACT (Sen. John Eklund) To create the Ohio Family Trust Company Act.

Vote 30-2

SB310 CAPITAL APPROPRIATIONS (Sen. Scott Oelslager) To make capital appropriations and changes to the law governing capital projects for the biennium ending June 30, 2018.

Vote 32-1