



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

July 26, 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.

ATTORNEY GENERAL

The U.S. Food and Drug Administration (FDA) should conduct further research into the benefits and risks of products containing cannabis or cannabis-derived compounds, including cannabidiol (CBD), according to Ohio Attorney General Dave Yost and 36 other attorneys general. In a public comment filed with the FDA, the attorneys general said more information is needed for consumers to be informed. They also encouraged the FDA to continue working with state consumer protection authorities as it considers guidelines for the emerging market.

Attorney General Dave Yost Monday announced a \$600 million settlement in the 2017 Equifax data breach, of which the state Ohio is due \$7.14 million and Ohio consumers perhaps twice that if they all opt in to the \$425 million in total restitution. Led partly by Ohio, the investigation into the nation's largest-ever data hack found more than 147 million U.S. consumers' information was compromised by Equifax's "failure to maintain reasonable security systems," according to the AG.

BALLOT ISSUES

The Ohio Ballot Board Monday unanimously certified a proposed initiated statute that would expand background checks for firearms sales. The issue went to the board after Attorney General Dave Yost certified the petition summary on Friday as a "fair and truthful statement of the proposed statute." Yost had rejected an earlier version of the proposal. On Monday, Ben Wallace, an attorney representing Ohioans for Gun Safety, the petition group, told the ballot board that the issue was pretty straightforward and clearly is one issue. After his short testimony, the board moved and approved the proposed "Act to Close Loopholes in Background Checks on Gun Sales."

FY20-21 BUDGET

Education funding and policy changes are again a major component of the new state budget, even as the DeWine administration and lawmakers declined this cycle to revise the core formula, though some had tried as part of the Cupp-Patterson workgroup. The biggest new infusion of state funding for schools in the upcoming biennium will come from a new Student Wellness and Success Fund for wraparound services, supported with \$675 million over the biennium as the House preferred, higher than the \$550 million proposed by Gov. Mike DeWine and the Senate.

The budget signed by Gov. Mike DeWine Thursday, July 18 includes many of the broad proposals included in his initial executive budget aimed at supporting disadvantaged students seeking higher education and supporting students seeking industry credentials, but also features significant tweaks that were added by the House and Senate. DeWine achieved many of his higher education priorities in the budget, including expanded Ohio College Opportunity Grant (OCOG) funding of over \$50 million over the biennium, a mandatory tuition guarantee program for public universities and expansion of the Choose Ohio First scholarship to \$12 million per year for students seeking STEM degrees.

Lawmakers gave more homework assignments to themselves, state agencies and other groups for issues needing further study in the new biennium. Some studies included in HB166 (Oelslager) are continuations of earlier efforts. Among them are studies of e-school funding, student poverty measures, the future of public health and Northwest Ohio's groundwater.

Lawmakers did the right thing by increasing funding for amusement ride inspections and meat inspections in the state operating budget, Ohio Department of Agriculture (ODA)g Director Dorothy Pelanda told *Hannah News* Monday. The final HB166 (Oelslager) conference report retained the DeWine administration's proposed amusement ride permit fee hike of \$75, from \$150 to \$225. Lawmakers didn't keep the proposed inspection fee increases, but instead provided \$400,000 in General Revenue Funds (GRF) in each year of the biennium to support ride inspections.

The State Board of Education workgroup on dropout recovery and prevention (DRP) schools discussed implications of the recently passed state budget, HB166 (Oelslager), at its Monday meeting, with Chairman John Hagan saying the group will be required to reorganize and add new members appointed by the Legislature and the governor. In addition, the budget enumerates "specific members of the education community" to serve on the committee. Hagan told members he hoped to maintain all of their positions on the new committee, and he later told *Hannah News* he has asked for a legal opinion on whether or not existing members would fulfill statutory requirements.

Gov. Mike DeWine didn't include much tax policy in his executive budget proposal, but lawmakers spent substantial time debating it this spring. Aside from across-the-board income tax cuts and the battle over the state's small business income tax deduction, budget deliberations also included numerous changes to the state's assortment of tax expenditures -- laws whereby the state foregoes taxing otherwise taxable activities or items to achieve some policy end. The House drove a number of the changes, using its version of the budget to propose axing several expenditures, only some of which survived in the final reckoning.

The Ohio Arts Council approved \$14.7 million in grants to support Ohio artists, organizations, students, educators and public arts programming during the initial FY20 funding round.

CENSUS

The U.S. Census Bureau wants teachers to become "Statistics in Schools" ambassadors to promote the bureau's program to use census statistics in learning and teaching. The Statistics in Schools initiative offers more than 200 activities for pre-K-12 across disciplines. Interested teachers can apply by emailing CLMSO.SISambassador@census.gov. The application process closes Saturday, Aug. 31.

DISASTERS

The Federal Emergency Management Agency (FEMA) has opened its public assistance program to four counties affected by the severe storms that occurred in late May 2019. The four counties are Columbiana, Greene, Mercer, and Montgomery. Local governments, state agencies and certain nonprofit organizations in the four counties are now eligible for federal funds. The money can be used for eligible storm-related response and recovery efforts, including debris removal, emergency protective measures and damaged infrastructure.

Gov. Mike DeWine Monday declared a state of emergency in 63 Ohio counties where severe weather caused serious highway damage last month. The 63 counties covered by the emergency declaration have suffered damage to roads and/or bridges from significant weather events in June that began with mild temperatures and significant rains which thoroughly saturated the ground causing dangerous roadway damage. Some roadways still have lane restrictions or are closed completely.

EDUCATION

After two and a half hours in executive session Monday afternoon, the State Board of Education's Executive Committee deferred action on Superintendent Paolo DeMaria's annual evaluation and pay recommendation and set two additional summer meetings to finish the work. Board President Laura Kohler said delay reflected members' desire to be "very thorough" and "deliberate." She said the committee had general discussion about the superintendent's strengths and weaknesses and a preliminary discussion about goal-setting for the upcoming year.

Ohio awarded a combined \$1.4 million this month to four schools in the latest round of subgrants from the state's 2015 federal Charter Schools Program grant. After efforts by the Ohio Department of Education (ODE) to expand the eligibility pool, the grant program so far has reached seven schools and awarded about \$3.5 million in the first three years of the five-year grant, using less than a tenth of the \$49 million available.

Ohio meets requirements of the Individuals with Disabilities Education Act (IDEA), the federal government said this month in its annual assessment of legal compliance and student data. The annual determination from the U.S. Department of Education (USDOE) is the second in a row to show Ohio meeting requirements. States can be placed in four categories in the determination: meets requirements; needs assistance; needs intervention; or needs substantial intervention.

ELECTIONS

The 1851 Center for Constitutional Law filed a federal lawsuit this week on behalf of conservative group Project Veritas challenging an Ohio law that they said will prevent them from conducting undercover journalism on politicians and their campaigns. The legal action was filed in the U.S. District Court for the Southern District of Ohio by the 1851 Center on behalf of James O'Keefe and his Project Veritas, which has investigated politicians, businesses, journalists and groups like Planned Parenthood by placing undercover individuals in those organizations and obtaining secretly recorded video that Project Veritas later publishes.

ELECTIONS 2020

The first Quinnipiac University Poll of Ohio voters for the 2020 presidential election shows former Vice President Joe Biden in the best shape of all of the Democratic candidates, leading President Donald Trump in a one-on-one matchup and on top of the field of potential nominees. Biden is the only one of the Democratic presidential candidates to lead Trump straight up, with others in a virtual tie with

the incumbent. Biden holds a 50 percent to 42 percent lead, while Trump holds a one point lead over U.S. Sens. Bernie Sanders (I-VT), Elizabeth Warren (D-MA) and Cory Booker (D-NJ); and is tied at 44 percent with U.S. Sen. Kamala Harris (D-CA) and South Bend Mayor Pete Buttigieg.

EMPLOYMENT/UNEMPLOYMENT

Ohio's June unemployment rate fell another 0.1 percent down to an even 4 percent, the lowest it has been since June 2001, according to statistics released Friday by the Ohio Department of Job and Family Services (ODJFS). There were 6,000 fewer workers without jobs in June compared to May.

ENERGY

The House narrowly concurred Tuesday with Senate changes to the energy policy overhaul in HB6 (Callender-Wilkin), sending the bill to Gov. Mike DeWine, who quickly signed it later that day. The 51-38 vote tally was not as close as it might have been had more dissenters shown up from the House's previous vote on the bill. Major Senate amendments changed few minds, with Rep. Richard Brown (D-Canal Winchester) being the only Democrat to switch from "yea" to "nay" and no Republicans switching from no to yes. A referendum campaign effort quickly emerged to seek repeal of the law via the ballot box, with the formation of Ohioans Against Corporate Bailouts.

FEDERAL

The U.S. Department of Agriculture's (USDA) newly-proposed restriction on Supplemental Nutrition Assistance Program (SNAP) benefits would hurt children and families, according to Ohio anti-poverty advocates. The proposed rule seeks to block states from making participants receiving

minimal Temporary Assistance for Needy Families (TANF) benefits automatically eligible to participate in SNAP, USDA said.

U.S. Sen. Sherrod Brown (D-OH) reintroduced legislation Wednesday that would target the use of drugs to facilitate human trafficking and would also offer legal immunities to victims, he told reporters on a conference call. The Protecting Rights of Those Exploited by Coercive Trafficking (PROTECT) Act would amend existing human trafficking law to specify that the use of drugs or illegal substances to cause a person to engage in a commercial sex act or forced labor constitutes a form of coercion. It would also include a provision to protect trafficking victims from prosecution, recognizing that victims are often forced to commit crimes by virtue of their own victimization, Brown said.

GAMING/GAMBLING

Ten community organizations have been awarded FY20 funding of \$200,000 to prevent problem gambling and expand the state's infrastructure to more effectively confront the issue, the Ohio Department of Mental Health and Addiction Services (OhioMHAS) announced Monday. The new program, "Education and Skill Building to Prevent Problem Gambling: A Community Coalitions Project," provides the Prevention Action Alliance (PAA) (formerly the Drug Free Action Alliance) with \$50,000 in FY20 to manage the grants and coordinate the program, OhioMHAS Problem Gambling Services Administrator Stacey Frohnafel-Hasson told *Hannah News*.

GENERAL ASSEMBLY/STATEHOUSE

Despite being only 31, the year 2019 marks 13 years in the political sphere for Cincinnati Democrat Rep. Sedrick Denson, who began his work in politics on the campaign of former Cincinnati City Councilman Wendell Young. Denson is the latest person featured in *Hannah News*' interview series with freshman legislators.

Freshman legislator Rep. Jenna Powell (R-Arcanum) told *Hannah News* her largely conservative community has not always been impressed with Columbus's political establishment citing former Gov. John Kasich's veto of the "heartbeat bill" and expansion of Medicaid.

GOVERNOR

Following the lead of President Donald Trump, Gov. Mike DeWine ordered that all U.S. and Ohio flags at public buildings and grounds be lowered to half-staff in honor of the life and legacy of U.S. Supreme Court Justice John Paul Stevens, who died last week.

Appointments made during the week include the following:

- Juan P. Cespedes of Columbus (Franklin County) and Richard F. Hillis of Powell (Delaware County) reappointed to the Capitol Square Review and Advisory Board for terms beginning April 23, 2019 and ending April 22, 2022.

HOUSING/HOMELESSNESS

Home sales slumped in June compared to last year's activity but overall the market is nearly tracking last year's performance, according to Ohio Realtors. The 14,987 sales in June marked a 5.6 percent

decline from the same month in 2018. For the first half of 2019, though, sales are just 0.7 percent behind the January-June sales of 2018, while dollar volume of sales was up 5.3 percent for the period.

JUDICIAL

An Ohio Supreme Court Task Force examining bail conditions, risk assessment tools, bond schedules and other pretrial systems in Ohio released a report this week with nine recommendations aimed at improving the state's justice system for those who have been charged but not convicted of a crime. The report cites Ohio Department of Rehabilitation and Correction statistics that show 57 percent of Ohio jail inmates are

not serving a sentence, but rather awaiting trial. It also cites a survey from the National Center for State Courts indicating that the majority of voters support cash bail reform and providing judges more discretion in pretrial release decisions. The task force said its recommendations would ultimately save taxpayer dollars otherwise spent on holding individuals in jail.

LIBRARIES

The Controlling Board Monday approved a request from the State Library Board that would renew a contract with a Utah company for an integrated library system used across the state. Sen. Jay Hottinger (R-Newark) had the item held, the only one of the 81 items before the board, asking the library board why the contract for the system has not been rebid since 1995.

MARIJUANA/HEMP

There are now 22 dispensaries legally allowed to operate under the Ohio Medical Marijuana Control Program. The Ohio Board of Pharmacy recently awarded certificates of operation to Terrasana Labs at 183 Raydo Circle in Springfield, and to Pure Ohio Wellness, located at 1711 W. Main St. in Springfield.

As Columbus joins Cincinnati, Dayton, Toledo and several other Ohio localities in passing measures to reduce penalties for marijuana possession, Attorney General Dave Yost said he's concerned about local laws conflicting with state laws. "A city ordinance cannot trump state law. This is political theater -- symbolic," Yost told *Hannah News* on Tuesday. "Possession of marijuana is not an arrestable offense even under state law unless you possess more than 100 grams -- a month's supply."

A proposed Ohio Department of Commerce (DOC) administrative code change removing confidentiality language from its "scope of enforcement" rules under the Ohio Medical Marijuana Control Program (MMCP) drew opponent testimony on Tuesday. The department held a public hearing on its MMCP rules package, which includes six proposed amendments and one new rule. The rules have cleared the Common Sense Initiative (CSI) process and its next step is consideration by the Joint Committee on Agency Rule Review (JCARR).

NATURAL RESOURCES

The Ohio Department of Natural Resources (ODNR) will distribute more than \$485,000 in federal funding to 18 counties, the department announced Wednesday. The dollars will primarily go toward

improving schools and roads, ODNR said. "Sensible management of Ohio's natural resources continues to pay dividends across the state," ODNR Director Mary Mertz said. "This is a great opportunity to invest in infrastructure and services that residents value."

Cuyahoga Valley National Park (CVNP) will no longer sell senior annual passes or senior lifetime passes onsite, the park announced recently. "Most sites that charge an entrance fee have them available. Those interested in purchasing a senior pass in person are advised to purchase at the first park visited with an entrance fee, or at James A. Garfield National Historic Site in Mentor, OH. They may also be purchased online or by phone," CVNP said.

ODNR has announced lotteries will be held to award more than 280 permits to hunters wishing to construct a blind to hunt ducks and geese on select state park lakes this waterfowl hunting season. All but one of the drawings will be held the morning of Saturday, Aug. 17, at 18 state parks. Portage Lakes State Park will hold its lottery on Thursday, Aug. 15. At all parks, applications will be taken locally, with the lottery drawings following registration.

ODNR Division of Parks and Watercraft is seeking to hire 20 natural resources officers. Applications to participate in the next natural resources officer training academy are being accepted through Sunday, Aug. 4, ODNR said. Top scoring candidates will undergo interviews and pre-employment evaluations. Those selected as cadets will attend the officer training academy for about five months. Following completion of the Ohio Peace Officer Basic Training course, cadets will complete an additional training program related to ODNR operations and their officer specialty.

OHIO STATE FAIR

The Ohio State Fair includes three new programs to ensure more visitors are able to enjoy the annual event. This year's fair will have wheelchair/mobility charging stations, technology to connect people who are blind or have low vision to an agent who can help with navigation, and a dedicated sensory-friendly morning for individuals with autism on Wednesday, July 31 from 10 a.m. to 1 p.m.

Gov. Mike DeWine was in high spirits at his first Ohio State Fair opening, reminiscing on his children's 34 straight years in 4-H programs -- including occasional state fair appearances -- and saying the yearly event represents a chance to "showcase Ohio and the great things about Ohio."

One ride has been disqualified from operating at the Ohio State Fair after inspectors discovered corrosion, Ohio Department of Agriculture (ODAg) Communications Director Shelby Croft told *Hannah Newson* Thursday. The problem with "Kissel's Military Base" -- which never operated at the fair -- was found during an inspector's initial visual check of the ride, according to ODAg. Four other rides are still moving through the inspection process and have yet to open, ODAg added.

PEOPLE

Former Sen. William "Bill" Ress, a Republican from New Philadelphia, died Saturday. Ress was elected to the Senate in 1980. In 1982 he ran a write-in campaign for U.S. Senate after Republican nominee John Ashbrook died unexpectedly. He also served as Tuscarawas County commissioner and New Philadelphia city councilman.

The Ohio State Bar Foundation (OSBF) announced Tuesday that Cynthia Kincaid is its new director of development and public relations. Kincaid comes to OSBF from the Ohio State Bar Association,

where she was chief marketing officer. In that capacity, she led the design development, marketing strategy and operational processes for the marketing and communications department.

POLITICS

While President Donald Trump is the "worst president in [his] lifetime," it's important for everyone to remember that "this is not the worst time in our nation's history," U.S. Sen. Sherrod Brown (D-OH) said Friday. "The McCarthy era was worse. The Depression was worse. The Civil War, to be sure, was worse. We will get through this. The question is how do we heal as a nation and as a society after this divisiveness?" Brown said during a Columbus Metropolitan Club (CMC) panel with his daughter, Columbus City Councilwoman Elizabeth Brown. WBNS 10TV anchor Scott Light moderated the event, during which a range of topics were discussed including the Browns' family life and politics.

PUBLIC SAFETY

The Ohio State Highway Patrol (OSHP) and other members of the Six-State Trooper Project are currently collaborating to focus on education and enforcement of the Move Over law. This initiative, which began on Sunday, July 21, runs through Saturday, July 27. Besides OSHP, this "high-visibility enforcement" includes the Indiana State Police, Kentucky State Police, Michigan State Police, Pennsylvania State Police and the West Virginia State Police.

TAXATION

Senate President Larry Obhof (R-Medina) would not state explicitly Monday whether he is among legislators who oppose the small business income tax deduction (BID) exclusion for attorneys and lobbyists or whether a lawsuit is in the offing to challenge the measure on constitutional grounds. "There are processes in place to air their grievances," Obhof said cryptically after the non-voting Senate session. "I think there are a number of members who agree with Sen. [Matt] Huffman's [R-Lima] floor speech about singling out a particular profession. I think people are concerned about that provision."

TRANSPORTATION/INFRASTRUCTURE

The Ohio Department of Transportation (ODOT) and Gov. Mike DeWine Tuesday announced that a new system to detect and deter wrong-way drivers is being installed along an 18-mile stretch of Interstate 71 in Hamilton County. Describing it as a "first-of-its-kind system" aimed at stopping wrong-way drivers, ODOT said the system will include 92 electronic signs and 82 detection devices at 23 locations from downtown Cincinnati to Fields-Ertel Road.

WORKERS' COMPENSATION

Gov. Mike DeWine signed HB80 (Oelslager), the Ohio Bureau of Workers' Compensation (BWC) budget, into law Monday after the House and Senate agreed to a stripped-down version that took out many of the policy initiatives added by the House. In signing the bill, DeWine did not issue any line-item vetoes.

The Ohio Bureau of Workers' Compensation (BWC) is considering reducing premium rates for public employers by an average of 10 percent next year, following a 20 percent reduction for private

employer rates that took effect on July 1, and a \$1.5 billion refund going to Ohio employers as well. The reduction is backed by Gov. Mike DeWine, and if approved by the board on Aug. 23, it would be the 11th reduction for public employers since 2009 and equal to the third-largest since 1986. BWC Chief Actuarial Officer Chris Carlson said the reduction would save public employers \$17.8 million over their 2019 premiums.

LEGISLATIVE ACTIVITY:

SENATE:

No legislative activity to report.

HOUSE:

CONSIDERATION OF SENATE AMENDMENTS

HB6 CLEAN AIR PROGRAM (Rep. Jamie Callender, Rep. Shane Wilkin) To create the Ohio Clean Air Program, to facilitate and encourage electricity production and use from clean air resources, and to proactively engage the buying power of consumers in this state for the purpose of improving air quality in this state.
House Does Concur, Vote 51-38