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Week in Review

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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.

BUSINESS/CORPORATE

Ohioans will spend 3.2 percent more on holiday shopping this year over 2017, with total projected retail sales of \$24.9 billion, according to a new report from the University of Cincinnati (UC) Economics Center.

The majority of the spending -- 54.3 percent -- will occur in the metropolitan areas of Cincinnati, Columbus and Cleveland, said UC research associate David Weiss, the author of the study prepared for the Ohio Council of Retail Merchants' research arm, Focus on Ohio's Future.

CRIME AND PUNISHMENT

State Auditor and Attorney General-elect Dave Yost and Senate President Pro Tempore Bob Peterson (R-Sabina) added to possible legislation to be taken up in the lame duck session Monday by launching an urgent proposal for general revenue funding (GRF) of capital crime litigation involving multiple victims and/or suspects, as in the Wagner family indictments now underway in Pike

County. Yost and Peterson gathered at the Statehouse with Rep. Shane Wilkin (R-Hillsboro) of the 91st District, which encompasses Pike County. They said a county's limited resources could compromise justice in complex capital cases without an infusion of GRF.

EDUCATION

Auditor Dave Yost's office found weak internal policies and a failure to follow the law in the Ohio Department of Education's (ODE) 2015 scandal over charter school sponsor ratings, but said lack of documentation and "inconsistent" accounts of events from agency staff left him unable to determine if the missteps were intentional. The special audit report, sent to ODE and the State Board of Education last week and published by Yost's office Tuesday, focused on the botched rollout of initial sponsor ratings, and use of the flawed rating system in securing a large federal grant to support expansion of charter schools.

Strong relationships among teachers, parents and students at schools have more impact on improving student learning than does financial support, new research shows. "Social capital" is the name scientists give to the network of relationships among school officials, teachers, parents and the community that builds trust and norms promoting academic achievement. The study found that social capital had a three- to five-times larger effect than financial capital on reading and math scores in Michigan schools.

A county court shouldn't consider or even grant a hearing on East Cleveland Schools' challenge to a state takeover because higher courts have already staked out the ground on issues raised, attorneys for the state argued in a filing. Two of three arguments raised by East Cleveland are identical to those heard and rejected by the 10th District Court of Appeals and now under review by the Ohio Supreme Court, wrote Douglas Cole, special counsel for the state. The other argument, in which East Cleveland questions the validity of past report card grades that triggered the state takeover, is contradicted by the plain language of HB70. And the district can't substantiate its challenge to the latest grades on the 2017-2018 report card, the state argued.

The Ohio Department of Education is seeking volunteers for working groups to assist in the upcoming revision of state academic content standards for fine arts and world languages. The working groups will meet in person and virtually in 2019 to assist with revision of the standards. The deadline to volunteer is Sunday, Dec. 16.

ELECTIONS

Attorney General Mike DeWine's office responded to an inquiry by Secretary of State Jon Husted on how Ohio law applies to new "hybrid" voting machines, finding many of the current laws don't apply to the machines that are a cross between a touch screen and an optical scan machine. Earlier this month, Husted's office had asked for an opinion from the AG on the new machines. Currently, Ohio voters can cast an in-person ballot on either a precinct county optical scan system or a direct recording electronic (DRE) machine that uses a touch screen, depending on which option a county chooses.

Secretary of State Jon Husted Tuesday issued a new directive telling county boards of elections to resume the supplemental process that was upheld by the U.S. Supreme Court this year after an appeals court ordered the state to allow purged voters to cast ballots in the Nov. 6 general election. Husted's new directive gives county boards of elections guidance on cleaning up the voter rolls after

the U.S. Supreme Court ruled in favor of the state's supplemental process in *Husted v. A. Philip Randolph Institute*. Under the process, the state can cancel voter registrations of Ohio residents who do not cast ballots in two subsequent federal elections and do not respond to a confirmation notice sent by county boards of elections. Plaintiffs in the case are pushing forward on a separate challenge based on the confirmation notice.

EMPLOYMENT/UNEMPLOYMENT

Ohio's unemployment rate remained 4.6 percent in October, the Ohio Department of Job and Family Services (ODJFS) reported Friday, unchanged since July. The state added 10,900 jobs over the month, following a record high in September, and now has 5,647,200 jobs. The number of unemployed workers remained at September's level of 266,000. The number of unemployed Ohioans has decreased by 16,000 in the past 12 months, however, and the October 2017 unemployment rate was 4.9 percent.

Gov. John Kasich Monday summoned reporters to outside his Statehouse ceremonial office to highlight the recent job numbers released last Friday. Kasich said the numbers show more Ohioans with a private sector job than at any time in the state's history, surpassing the previous high-water mark set in 2000.

He also noted national indicators that ranked Ohio fifth in the nation for its growth rate. Overall, he said "things are good here" in Ohio, and he believes voters rewarded that on Election Day.

ENERGY

The Ohio Consumers' Counsel (OCC) Governing Board addressed legislative priorities for the lame duck session, with Consumers' Counsel Bruce Weston telling the board that OCC has continued to participate in closed-door talks on a possible resolution of submetering legislation SB157 (Bacon). It was last heard just before the summer break, when Weston voiced unqualified support for that version of the bill.

FEDERAL

U.S. Environmental Protection Agency (USEPA) Acting Administrator Andrew Wheeler will be nominated to fill the top spot in the agency permanently, President Donald Trump said during a recent Presidential Medal of Freedom ceremony. Wheeler, a Hamilton, OH native, worked as an energy company lobbyist before being confirmed by the U.S. Senate as USEPA deputy director in April. In July, he took over leadership of the agency after former Administrator Scott Pruitt resigned amid a number of ethics scandals.

GENERAL ASSEMBLY/STATEHOUSE

The person succeeding Troy Balderson as chair of the Senate Energy and Natural Resources Committee will be in the position next week, Senate President Larry Obhof (R-Medina) said Monday.

A total of nine individuals have applied to represent the vacant 20th Senate District, formerly occupied by now U.S. Rep. Troy Balderson (R-Zanesville). Among them are all three of the House

members that are part of the Senate district: Reps. Brian Hill (R-Zanesville), Ron Hood (R-Ashville) and Tim Schaffer (R-Lancaster).

GOVERNOR

Gov. John Kasich told reporters that his position on two controversial bills that cleared the Ohio House last week has not changed and indicated he would likely veto the "stand your ground" and heartbeat bills if they reach his desk. Kasich has previously threatened to veto HB228 (LaTourette-Johnson), which would remove an individual's duty to retreat in a self-defense situation, calling for the passage of other gun legislation first, such as his proposed "red flag" law that would prevent individuals who are deemed a threat to the community from obtaining a weapon. He also vetoed a previous version of HB258 (Hagan-Hood), which would ban abortions when a fetal heartbeat can be detected.

Kasich said he is not done as governor, joking that he has a bag as large as Santa's but it is filled with executive orders. Among topics he hinted those executive orders would address were unemployment compensation, health care and Second Amendment issues. He predicted ballot measures to address gun issues to take it out of the hands of politicians and put it in the hands of the people.

Appointments made during the week include the following:

- Pamela Green of Cincinnati (Hamilton County) to the Ohio Developmental Disabilities Council for a term beginning Nov. 16, 2018 and ending Dec. 31, 2019.
- Patrick R. Ferguson of West Jefferson (Madison County) to the State Board of Emergency Medical, Fire, and Transportation Services for a term beginning Nov. 19, 2018 and ending Nov. 12, 2020.
- Roger L. Osborne of Fleming (Washington County) to the Reclamation Commission for a term beginning Nov. 19, 2018 and ending June 28, 2023.

GREAT LAKES

The Ohio Department of Agriculture's (ODAg) proposed rule amendments for nutrient management in "watersheds in distress" attracted wide-ranging opponent testimony during a public hearing in Reynoldsburg Tuesday. Representatives of some of the state's top agricultural organizations focused their testimony on their opinion that ODAg lacks the statutory authority to regulate fertilizer in the manner proposed, while individuals from the Grand Lake St. Marys area asked the department to reconsider its proposed removal of the prohibition on applying manure between Dec. 15 and March 1 without special state approval.

HEALTH AND HUMAN SERVICES

The Mid-Ohio Foodbank offered the results of its "Produce Connect" partnership with community health center PrimaryOne Health Friday, saying that about 10,000 individuals have participated in the program within the 20 counties served by the foodbank, with individuals who made multiple visits experiencing significant improvements in health outcomes. Matt Habash, CEO and president of Mid-Ohio Foodbank, explained on a conference call with reporters that about 10 to 14 billion pounds of produce is harvested and not sold every year in the United States, but foodbanks,

including Mid-Ohio, have secured about 1.5 billion pounds of the produce to distribute as a part of their programs.

A "first-of-its-kind" study examining the transition to adulthood for foster care youth showed that Ohio foster care youth are lagging far behind national averages in educational attainment and employment rates among similar individuals. Only six percent of Ohio foster youth participated in employment programs or vocational training after leaving foster care, compared to 23 percent of foster youth nationally. Similarly, only 43 percent of Ohio foster youth received a high school diploma or GED by age 21, compared to 76 percent of foster youth nationally and 92 percent of all Ohioans.

A new release from the 2018 Ohio Health Issues Poll (OHIP) found that only 4 percent of Ohio adults have used telemedicine services, though six in 10 said they would be open to using the option in the future. The finding was the latest of the poll sponsored by Interact for Health May 22 through June 19 and conducted by the Institute for Policy Research at the University of Cincinnati among 816 Ohio adults.

HOUSING/HOMELESSNESS

The Ohio Development Services Agency (DSA) announced that it has awarded more than \$27 million to 41 communities to rehabilitate, repair, and construct affordable housing for low-income Ohioans as well as provide homeownership and rental assistance. The Community Housing Impact and Preservation Program grants are funded by the Ohio Housing Trust Fund, federal Community Development Block Grant (CDBG) and HOME programs.

JUDICIAL

A billion-dollar-plus industry employing nearly 4,000 Ohioans in 80 counties is once again asking the Ohio Supreme Court to intervene in a dispute with local governments over zoning ordinances that the industry says threaten economic and infrastructure development statewide and violate the General Assembly's policy goal of shielding surface mining from overregulation. Considered Ohio's largest surface mining company, Shelly Materials Inc. has been scheduled for oral arguments in a zoning battle with the Cleveland-area suburb of Streetsboro and has appealed a second dispute with Harrison Township in Pickaway County to the Supreme Court.

MARIJUANA

Franklin County Common Pleas Court Judge Charles Schneider ruled Friday that minority set-aside provisions in the law governing the state's medical marijuana program are unconstitutional. Provisions struck down require that at least 15 percent of the cultivators' licenses be awarded to economically-disadvantaged groups including blacks, Hispanics, American Indians and Asians. The suit was originally brought by PharmaCann Ohio LLC when it failed to receive a medical marijuana cultivator's license, losing out to lower-ranked minority firms. However, PharmaCann, which did eventually receive a license after the scoring was reviewed, withdrew from the suit, which was then taken over by Greenleaf Gardens LLC.

NATURAL RESOURCES

Ohio's mineral resources produced more than \$1.5 billion worth of geologic commodities in 2017, according to a report from the Ohio Department of Natural Resources (ODNR). The total value of all non-fuel industrial minerals exceeded \$1 billion for the fourth straight year, the department said.

Ohio's young hunters checked 6,563 white-tailed deer during the two-day youth gun season over the weekend, according to ODNR. That number is significantly higher than last year, when 4,958 white-tailed deer were checked.

PEOPLE

Advocates for Ohio's Future (AOF) recently elected a new leadership team as it prepares to work with the 133rd General Assembly, and Tara Britton and Steve Wagner will serve as co-chairs of the health and human services coalition, which has nearly 500 members. Britton is director of public policy and advocacy at the Center for Community Solutions, and Wagner is executive director of the Universal Health Care Action Network (UCHAN) Ohio. The two will succeed Ohio Provider Resource Association President Mark Davis and Ohio Association of Foodbanks Executive Director Lisa Hamler-Fugitt as co-chairs.

Andy Devine, a three-term House member and the first juvenile judge in Lucas County, died Friday at age 96, the *Blade* reported. Visitation will be from 2 p.m. to 8 p.m. Friday, Nov. 23 at Coyle Funeral Home. Funeral services will be at 10:30 a.m. Saturday, Nov. 24, in Our Lady, Queen of the Most Holy Rosary Cathedral.

STATE GOVERNMENT

The Controlling Board dispensed with business swiftly Monday, with no items held or questioned by any member. Rep. Jack Cera (D-Bellaire), called upon last, simply said "Happy Thanksgiving" in place of formally declining to hold any items.

TRANSITION

Ohio Gov.-Elect Mike DeWine unveiled the website for his transition team, www.GovElect.Ohio.gov. The site features a link that allows users to apply for positions within the DeWine-Husted administration.

Auditor Dave Yost, the attorney general-elect, announced former Attorney General Betty Montgomery will chair his transition team, while his communications director, former *Columbus Dispatch* Editor Benjamin Marrison, will direct day-today operations. Montgomery, who served as state auditor as well, is also a co-chair of Auditor-elect Keith Faber's transition team. Other transition team members include Carol O'Brien, Delaware County prosecutor; Kurt Tunnell, former Bricker & Eckler managing partner; Mary Amos Augsburg, Ohio State Bar Association CEO; Brenda Rinehart, auditor of state chief of staff; and Lindsay Ford Ellis, OhioHealth assistant general counsel.

Attorney General and Gov.-elect Mike DeWine had no new announcements for his cabinet and leadership team Tuesday but said he will be meeting with Superintendent of Public Instruction Paolo DeMaria in the coming days to discuss the State Board of Education and Ohio Department of

Education (ODE), which is not a cabinet office. The outgoing attorney general spoke to *Hannah News* outside 2018's final meeting of the Ohio Consumers' Counsel (OCC) Governing Board, which is appointed by the AG and which received parting words from DeWine as he transitions to the governor's office.

TRANSPORTATION/INFRASTRUCTURE

The Ohio Turnpike Commission at its Monday meeting approved a resolution that addresses commission bond debt that a commission spokesman said will result in a savings of \$350,000. The resolution authorizes the optional redemption of certain outstanding 2009 Series A Bonds in the aggregate principal amount of \$20.7 million.

WORKERS' COMPENSATION

The Ohio Bureau of Workers' Compensation (BWC) had investment income approaching \$1.4 billion in FY18 for an average net return of 5.1 percent on bonds, stocks, real estate and cash, the Investment Committee told the BWC Board of Directors Friday. The bureau's investment portfolio last fiscal year was 47.6 percent bonds, 35.1 percent stocks, 13.2 percent real estate and 4.1 percent cash. Stocks were its highest performer with a 12.8 percent return. In other business, the board approved formal qualifications for a chief internal auditor and received an agency update from Barb Ingram, chief of fiscal planning, in Administrator/CEO Sarah Morrison's absence.

LEGISLATIVE ACTIVITY:

SENATE:

No legislative activity to report.

HOUSE:

No legislative activity to report.