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**Week in Review**  
Monday, December 21, 2015

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.

**CORRECTIONS**

Toledo Correctional Institution (ToCI) has made "tremendous progress" since a sobering report in 2013, when the Correctional Institution Inspection Committee (CIIC) described a violent, overcrowded prison with high staff turnover and active drug trafficking, the agency says in its latest inspection. Since then, the high-security facility has gotten a new warden, more security staff and fewer prisoners, significantly reducing the inmate-to-guard ratio.

**ECONOMIC DEVELOPMENT**

JobsOhio President and Chief Investment Officer John Minor says the nonprofit agency will build on its robust financing and growing regional partnerships in 2016 with a new workforce initiative and redevelopment program for sites with promising job potential. Minor told his Board of

Directors that those plans are taking shape in the final days of 2015. "Our focus will include the acceleration of redeveloping sites that we believe can support job opportunities for Ohioans. We will also build a workforce team to focus on workforce issues important to companies here as well as companies outside Ohio looking to invest here," he said. He also expanded on the new ad campaign unveiled by his director of marketing and communications, Scott Hanley.

The Third Frontier Program announced plans to increase funding outcomes by 50 percent in 2016, when the commission will have \$31 million to spend on high-tech development in Ohio. It finished the year in the black by awarding all remaining funds from the \$70 million targeted for 2015.

## **ECONOMY**

A new report released by the Buckeye Institute for Public Policy Solutions and the Fraser Institute of Canada ranked Ohio only 40th out of 50 states for "economic freedom," saying the state is being held back by high government spending on public employee pensions, workers' compensation and social programs.

## **EDUCATION**

The State Board of Education (SBOE) voted 17-0 to elect Lonny Rivera as Ohio's interim superintendent of public instruction. Rivera, currently associate superintendent at the Ohio Department of Education (ODE), will officially replace the retiring Richard Ross on Friday, Jan. 1, 2016. Rivera was the only person nominated to take the job.

## **ELECTIONS 2016**

Wednesday's filing deadline led to a few surprises, including Reps. Mike Curtin (D-Columbus) and Kevin Boyce (D-Columbus) not running for re-election and Rep. Wes Retherford (R-Hamilton) moving forward with a re-election bid despite not having the backing of his county party. Other expected moves included the filing of former House Speaker Larry Householder for his old seat, which could give House Speaker Cliff Rosenberger (R-Clarksville) two former legislative leaders in his caucus next General Assembly along with Senate President Keith Faber (R-Celina), who filed to succeed Rep. Jim Buchy (R-Greenville).

Rep. Christie Bryant Kuhns (D-Cincinnati) is not running for re-election in 2016. Kuhns told supporters earlier this month that she has accepted a job at University of Cincinnati Health leading strategic community relations, according to the *Cincinnati Enquirer*. She plans to finish her term in the Ohio House, but is not seeking re-election.

Rep. Kevin Boyce (D-Columbus) is among those who have pulled petitions to run for Franklin County commissioner in 2016. The seat is currently held by Democrat Paula Brooks, who is expected to run for re-election.

## **ENERGY**

The state's freeze of its energy-efficiency standards reduced electric utility home-weatherization efforts for low-income households by 26 percent, according to a new report from Policy Matters

Ohio (PMO) and NextGen Climate America (NGCA). Weatherization services reduce need for struggling families to seek utility payment assistance plans, reduce costs of ratepayer-funded assistance programs and create job opportunities in Ohio's energy economy, says the study, "Weatherization Works."

## **FEDERAL**

Ohio's U.S. Sens. Sherrod Brown (D) and Rob Portman (R) have praised numerous priority projects for their home state that were included in the \$1.1 trillion federal spending bill on which congressional Democrats and Republicans struck a deal late Tuesday.

Reviewing federal legislation action, U.S. Sen. Rob Portman (R-OH) told Ohio reporters Friday he's pleased with the inclusion of his own provisions in the Every Student Succeeds Act (ESSA) focusing on students' career readiness and ability to earn college credits in high school, along with drug addiction recovery. Portman's amendments that he co-authored with several Senate Democrats include a career readiness piece that bolsters school counseling programs and has states keep track of their school districts' career readiness factors.

## **GAMING**

The Ohio Casino Control Commission on Wednesday approved Rock Ohio Caesars LLC's refinancing proposal under certain conditions, deeming it "commercially reasonable." Jessica Franks, commission spokesperson, said the move is the "next step" in the transition as Rock Gaming LLC takes over management of the Horseshoe casinos in Cleveland and Cincinnati as well as Thistledown Racino.

## **GENERAL ASSEMBLY/STATEHOUSE**

Speaker of the House Cliff Rosenberger (R-Clarksville) and Senate President Keith Faber (R-Celina) released the tentative legislative schedule for the first six months of 2016 on Thursday. Sessions begin in both chambers on Wednesday, Jan. 20 and tentatively wrap-up with "if needed" sessions on Wednesday, June 15.

Controlling Board requests scheduled Monday ran the gamut from teeth whitening to low-income housing to increased security at the Governor's Residence. The latter proposal was a fraction of the \$136 million which the Development Services Agency (DSA) and Ohio Housing Finance Agency (OHFA) want to spend on 1,100 rental units -- a per-unit cost President Pro Tem Chris Widener (R-Springfield) said was higher than new hotels.

The Sunset Review Committee Monday voted to abolish 13 committees created in statute that Chairman Tim Brown (R-Bowling Green) said had completed their mission and therefore are no longer needed. The committees on the chopping block because their work is done are the Compact with Ohio Cities Task Force; Direct Care Worker Advisory Workgroup; Ohio Legislative Commission on the Education and Preservation of State History; Foreign Language Advisory Council; Governor's Policy Information Working Group; Legislative Task Force to Study Anaerobic Digesters for Agricultural Use and Application in the State; Ohio Housing Study Committee; Ohio Military Reserve Homeland Security Study Commission; Privacy/Public Record

Access Study Committee; Public-Private Collaborative Commission Select Committee on Telecommunications Regulatory Reform; Service Coordination Workgroup; and the Committee to Evaluate the Implementation of TANF Youth Diversion Programs.

In Rep. Mike Duffey's (R-Worthington) last meeting as chairman of the Joint Committee on Agency Rule Review (JCARR), all agenda items cleared the panel without public comment or discussion. Duffey said Sen. Joe Uecker (R-Loveland), current vice chair, would lead the committee in 2016, while he becomes the vice chair in the new year. The chairmanship switches each year between the Ohio House of Representatives and the Senate, with a senator chairing the committee in even-numbered years.

## **GOVERNOR**

The governor made the following appointments during the week:

- Marilyn A. Eisele of Shaker Heights (Cuyahoga County) to the Bowling Green State University Board of Trustees for a term beginning Dec. 14, 2015, and ending May 17, 2023.
- Tonya L. Rider of Sylvania (Lucas County) to the Owens State Community College Board of Trustees for a term beginning Dec. 14, 2015, and ending Sept. 21, 2018.
- Michael P. McAlear of Perrysburg (Wood County) to the Owens State Community College Board of Trustees for a term beginning Dec. 14, 2015, and ending Sept. 21, 2020.
- Tamara A. Daulton of Batavia (Clermont County) reappointed to the State Board of Orthotics, Prosthetics and Pedorthics for a term beginning Dec. 14, 2015, and ending Dec. 6, 2018.
- Diana Starkey of Findlay (Hancock County) to the Children's Trust Fund Board for a term beginning Dec. 16, 2015 and ending July 2, 2016.
- Carol L. Garner of Mt. Vernon (Knox County) to the Board of Trustees of the Martha Kinney Cooper Ohioana Library Association for a term beginning Dec. 17, 2015 and ending Sept. 15, 2018.

## **HEALTH & HUMAN SERVICES**

The Ohio Department of Medicaid (ODM) offered lawmakers another update on its behavioral health redesign plan on Thursday, focusing on its draft rates recently handed out to health care providers. ODM Director John McCarthy stressed to members of the Joint Medicaid Oversight Committee (JMOC) that these draft rates are just a starting point. Lawmakers voiced concerns that rates could be cut, reducing access to services.

An Infant Mortality Commission subcommittee on social determinants centered its meeting Thursday on how state agencies must work together to bring issues such as access to housing and transportation into the discussion of infant mortality. Members said finding solutions doesn't just lie on the back of the health care system.

## **HIGHER EDUCATION**

Cincinnati State announced Tuesday that it has signed an agreement with Pearson Education to lead the college's efforts in marketing, recruiting, admission, and retention through spring semester, 2026.

Students from 12 different Ohio universities are looking for business hosts as part of the Ohio Export Internship Program, the Ohio Development Services Agency (DSA) announced Thursday. Companies interested in global growth are eligible for 50 percent reimbursement of intern wages.

## **JUDICIAL**

A Cuyahoga County juvenile court was wrong to hold a county social worker and assistant county prosecutor in contempt for failing to remove a child from a home in a manner that is not allowed by law, an Ohio appeals court ruled recently.

## **PENSION FUNDS**

The Ohio Public Employees Retirement System (OPERS) announced Thursday that its Board of Trustees received a resolution Wednesday acknowledging the system's providing the treasurer's office "the data necessary for the treasurer to include OPERS in his online checkbook project."

## **PEOPLE**

The Ohio Restaurant Association (ORA) Board of Directors announced that John D. Barker will join the association as president and chief executive officer (CEO), effective Tuesday, Jan. 5, 2016.

## **POVERTY**

Two reports from the Ohio Association of Community Action Agencies (OACAA), in conjunction with the University of Washington's School of Social Work, were released Tuesday and are meant to help Ohioans chart a "realistic" course out of poverty -- and then stay there.

## **SECRETARY OF STATE**

Secretary of State Jon Husted announced Tuesday that 7,231 new entities filed to do business in Ohio during November 2015. This is 865 more businesses than filed during November 2014 when 6,366 entities were formed.

Secretary of State Jon Husted said Thursday that nearly 80,000 provisional ballots were cast in the 2015 general election, and 12,208 were rejected for an 84.63 percent count rate.

## **TAXATION**

JobsOhio President and CEO John Minor told the Ohio 2020 Tax Policy Study Commission that companies looking to locate in Ohio consider the corporate tax structure, although the type of taxes a state has is not as important. Minor said that a state's corporate tax is an indicator of how business friendly a state is. He said the Commercial Activities Tax (CAT) is a very competitive tax due to its low rate and exemptions on products sold outside of Ohio. When it comes to luring companies, Minor said it is all about being competitive with other states. At the request of Commission Chair Sen. Bob Peterson (R-Sabine), Minor also addressed an increase in the severance tax, saying the biggest driver to development in that industry tends to be commodity prices, and in his opinion a

modest increase would not hurt Ohio's competitive advantage. He noted there are other taxes that could benefit from oil and gas industry growth such as sales taxes on new equipment.

## **TRANSPORTATION**

The Joint Legislative Task Force on Department of Transportation Issues released its report, recommending the state should do the following: maintain the current 70 miles per hour speed limit; retain the two license plate requirement; and pursue limited driving privilege licenses in stand-alone legislation.

The Ohio Turnpike and Infrastructure Commission approved its preliminary capital budget requests during a meeting Monday. The proposal has a recommended preliminary list of 2016 capital projects totaling nearly \$134 million, and nearly \$10 million in uncommitted funds, which may be used for currently unidentified capital projects that may be needed in 2016. The commission said it was the largest capital budget in 15 years. It includes resources for numerous roadway improvements, such as base pavement replacement, bridge rehabilitation and repairs and resurfacing.

## **UTILITIES**

Public Utilities Commission of Ohio (PUCO) staff followed this month's precedent-setting recommendation for a FirstEnergy power purchase agreement (PPA) with Tuesday's second commission proposal to reregulate aging power plants struggling to compete in a generation market deregulated by the General Assembly. Staff signed off on a settlement of American Electric Power (AEP) of Ohio's PPA, which the Ohio Consumers' Counsel and AARP say would cost consumers \$2 billion more than market prices.

## **WORKERS' COMPENSATION**

One of the lesser known facts about the Public Utilities Commission of Ohio (PUCO) is its regulatory power over commercial transportation, an arcane facet of state government that put Robert Aleshire on a collision course with the Ohio Bureau of Workers' Compensation (BWC). He pleaded guilty in the Franklin County Court of Common Pleas to fifth-degree felony theft for working while receiving benefits.

## **LEGISLATIVE ACTIVITY**

*No legislative activity to report.*