



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

March 9, 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

Opioids prescribed to Ohio patients declined for the fifth consecutive year in 2017, according to a newly released report from the State Board of Pharmacy's Ohio Automated Rx Reporting System (OARRS). Between 2012 and 2017, the total number of opioids dispensed to Ohio patients decreased by 225 million doses or 28.4 percent, explained the pharmacy board. That meant that doses of opioids dispensed went from a high of 793 million in 2012 to 568 million in 2017.

AGING

Commenting that, "We know the person that will live to be 125 has already been born," AARP State Director Barbara Sykes opened her organization's presentation Wednesday to the House Aging and Long Term Care Committee. Referencing Ohio's aging population, she and AARP's Vice President of State Advocacy and Strategy Elaine Ryan discussed some proposals they said can help the state to shift its focus to help its citizens not age, but live.

AFFORDABLE CARE ACT

Steve Wagner of the Universal Health Care Action Network of Ohio (UHCAN) was the sole witness Wednesday to weigh in at a public hearing on the state's request to waive the Affordable Care Act's (ACA) requirement that everyone obtain health care coverage. This hearing was one of two scheduled for the Ohio Department of Insurance's (ODI) waiver request, which the agency was required to submit per the state budget, HB49 (R. Smith). Wagner said ODI fails to meet a basic requirement for the U.S. Department of Health and Human Services (HHS) to grant a 1332 waiver -- demonstrating that comparable numbers of people will be covered with the waiver versus without.

AGRICULTURE

A new state sensitive crop registry will enhance communication between pesticide applicators and specialty crop producers, the Ohio Department of Agriculture (ODAg) has announced. The department developed the system with its new partner, FieldWatch Inc., a not-for-profit company with existing registries currently used by multiple states and private companies across the country.

The deadline for Ohio farmers to purchase or modify certain insurance coverage for most spring-planted crops is Thursday, March 15, Ohio Department of Insurance (ODI) Director Jillian Froment said Thursday.

ARTS, SPORTS AND ENTERTAINMENT

Attorney General Mike DeWine Monday joined the city of Columbus to file a lawsuit seeking to block the move of the Columbus Crew SC to Austin, TX, claiming the owner/operator of the team has not followed the proper procedures put into state law after the Cleveland Browns moved to Baltimore in 1996. DeWine filed the lawsuit in Franklin County against Anthony Precourt, the operator/investor of the Crew and the chief executive officer of Precourt Sports Ventures LLC, as well as Don Garber, the commissioner of Major League Soccer (MLS).

The state would be authorized to award \$100 million -- up from \$40 million -- in motion picture tax credits every fiscal year under new legislation from House Speaker Pro Tempore Kirk Schuring (R-Canton). During sponsor testimony on HB525, Schuring told the House Government Accountability and Oversight Committee that the bill would also expand the credit to include certain live theater productions, such as those scheduled for presentation in New York City's Broadway Theater District after it is performed in Ohio. The tax credits would be awarded in two rounds -- one in July and one in January -- each fiscal year beginning in FY19.

ATTORNEY GENERAL

Attorney General Mike DeWine released a tool designed to help law enforcement agencies inform crime victims about their rights under the new Marsy's Law, passed by voters last November as state Issue 1. The palm-sized card was created by the attorney general's office to be an accessible resource for law enforcement agencies and an easily understood tool for victims to help them understand their rights according to the new law.

Attorney General Mike DeWine has joined a bipartisan coalition of 54 state and territorial attorneys general in calling on Congress to pass legislation establishing guidelines for "timely and meaningful" restitution to victims of child pornography. The coalition, which includes the National

Association of Attorneys General, sent U.S. House leaders a letter supporting S2152 (Hatch), the Amy, Vicky and Andy Child Pornography Victim Assistance Act.

BALLOT ISSUES

Gov. John Kasich brought former California Gov. Arnold Schwarzenegger to the Statehouse Friday to help celebrate the legislative passage of congressional redistricting reform, and Schwarzenegger brought the schnapps. The governors and legislators gathered in the State Room of the Statehouse to toast the passage of SJR5 (Huffman-Sykes), which changes the way the state draws congressional lines. It is now up to Ohio voters to approve of it as Issue 1 on the May primary ballot.

FY19-20 CAPITAL APPROPRIATIONS

Total community project funding of \$147 million represents between 5 percent and 6 percent of the total capital budget appropriations proposed in SB266 (Oelslager) and HB529 (Ryan). Among Ohio's three largest counties, Cuyahoga County stands out for the number of community projects, though its share of funding is not significantly higher than those for Franklin and Hamilton counties.

The committee approved HB529 (Ryan) unanimously at its Tuesday hearing with no changes. The Senate version, SB266 (Oelslager), also was up for a hearing Tuesday, but the House measure is expected to be the primary vehicle. It was passed by the full House on Wednesday.

The Buckeye Institute released its report on the "Top 10 Worst Capital Budget Requests of 2018", which total more than \$18 million in spending. The institute also said its review of the capital budget found more than \$85 million in pork barrel or highly localized projects "that should be paid for with private donations or through local efforts."

FY18-19 BUDGET

Ohio's revenues continue running above estimates for the year-to-date by over \$200 million, but February revenues came in nearly \$20 million below estimates. A total of nearly \$1.6 billion was collected in February -- \$10.6 million more than was collected in February 2017. The total so far for FY18 is nearly \$14.7 billion, nearly \$222 million more than had been collected at this time last year.

EDUCATION

Great River Connections Academy (GRCA), a full-time public virtual charter school, has been authorized by the Ohio Council of Community Schools (OCCS) to serve students in grades K-12 throughout the state beginning in the 2018-19 school year. Enrollment opened Thursday, March 1, and interested families can attend an information session to learn more about the program. Great River Connections Academy is permitted by state law to serve 1,000 students in its first year.

Opponents of legislation that would consolidate several education-related agencies into the Ohio Department of Learning and Achievement (DLA) packed the Statehouse Wednesday, telling lawmakers HB512 (Reineke) wouldn't improve the state's education system and would likely damage it.

The Senate Education Committee Wednesday passed Sen. Matt Huffman's (R-Lima) SB216, a school deregulation measure which addresses topics from teacher licensure to testing to College

Credit Plus and beyond, after a series of changes which included an exemption to textbook cost-sharing between families and schools for students at or below 200 percent of the federal poverty level; a replacement of teacher evaluation language in SB216 with language from SB240, which is sponsored by committee Chair Sen. Peggy Lehner (R-Kettering); and creation of a provisional license for teaching in early college high schools.

The Senate Education Committee also passed HB98 (Duffey-Boggs), which deals with giving groups access to schools to present career information, after adding four amendments on un-related topics. Among them was an amendment from Sen. Randy Gardner (R-Bowling Green) to provide funding to partially offset massive tax revenues losses in Benton-Carroll-Salem schools from devaluation of the Davis-Besse nuclear power plant in Ottawa County. Gardner also attached an amendment that he said would restore the Ohio College Opportunity Grant (OCOG) funding model used for the past 10 years, in response to a re-interpretation of the OCOG funding statute by the Ohio Department of Higher Education. The committee also accepted two amendments from Sen. Gayle Manning (R-North Ridgeville) regarding career-technical education licensure.

The State Board of Education is developing a new evaluation for the state superintendent that aims to provide helpful feedback and would be aligned closer to the board-approved goals for the education chief. What form that evaluation will take is still under discussion, as evidenced in a meeting of the board's executive committee Thursday.

The Ohio Department of Education has released a revised draft of its proposed strategic plan for education ahead of a series of public meetings that start soon to gather feedback and suggestions for additional changes to the plan. Recent edits were made after several State Board of Education members suggested changes at the February board meeting. The most recent version is available at <http://tinyurl.com/y7138g9n> .

ELECTIONS 2018

Democratic candidates for secretary of state and attorney general, Rep. Kathleen Clyde (D-Kent) and Steve Dettelbach respectively, released their plan for the state to implement congressional redistricting reform should voters adopt Issue 1 in May. Calling it the "Keep it Open, Keep it Honest" plan, they said it will force redistricting out of the shadows of backroom deal-making and into the sunshine of open and transparent map-drawing.

Technically, Wednesday's Democratic gubernatorial debate was the fourth since the 2018 campaign began. But the debate, hosted by the Ohio Democratic Party in partnership with WTOL, which moderated and broadcast it, was very different from the first three. Only Sen. Joe Schiavoni (D-Boardman) returned after the first three debates. Gone were former U.S. Rep. Betty Sutton, now the running mate of Richard Cordray, as well as former Rep. Connie Pillich and Dayton Mayor Nan Whaley. It was the first debate that saw Cordray, former U.S. Rep. Dennis Kucinich, and former Justice William O'Neill, on the debate stage. And it was less cordial.

Secretary of State Jon Husted Thursday broke a tie vote in Summit County that will allow Democrat Casey Weinstein to appear on the ballot despite problems with his petitions.

Lt. Gov. Mary Taylor launched the first video advertisement of her gubernatorial campaign Thursday.

The following endorsements were made over the week:

- Democratic Progressives of Ohio endorsed Shawna Roberts for the Sixth Congressional District.
- U.S. Sen. Steve Daines (R-MT) endorsed Mary Taylor for Ohio governor.
- Republican Melanie Leneghan announced the endorsement of U.S. Rep. Jim Jordan (R-Urbana) for the 12th Congressional District.
- The League of Conservation Voters (LCV) Action Fund and the NRDC Action Fund endorsed Sherrod Brown for U.S. Senate.
- According to the Cordray-Sutton gubernatorial campaign, they were endorsed by the Ohio AFL-CIO.
- According to her campaign, Mary Taylor was endorsed for governor by U.S. Sen. Mike Lee (R-UT).
- The re-election campaign of Rep. Dave Greenspan announced the endorsement of the Ohio-Kentucky Administrative District Council of Bricklayers & Allied Craftworkers.

ENVIRONMENT

Attorney General Mike DeWine Monday filed a lawsuit against Monsanto, claiming the agrochemical company had produced and sold polychlorinated biphenyls (PCBs) for decades while knowing of the environmental hazards they posed. The lawsuit was filed in Hamilton County Common Pleas Court and seeks compensation and damages for Ohio, including funding for a statewide plan to investigate and remove PCBs from the state's natural resources.

FEDERAL

President Donald Trump officially imposed a 25 percent tariff on steel imports and a 10 percent tariff on aluminum imports, earning praise from Ohio's top Democrat, disapproval from the state's top Republican and a more middle-of-the-road response from Ohio's Republican junior U.S. Senator.

GAMING/GAMBLING

Ohio's casino revenues were up month-to-month in February while also slightly exceeding statewide totals from the same time last year, and racino revenues remain up as well. The Ohio Casino Control Commission reported the state's four casinos earned \$67.6 million in February, up from \$67.2 million in February 2017 and \$63 million in January 2018.

GENERAL ASSEMBLY/STATEHOUSE

The Ohio House passed six bills plus agreed to Senate amendments to another on Wednesday, including sending the capital budget bill on to the Senate. Besides HB529 (Ryan), the House also approved HB366 (Gavarone); HB87 (Roegner) addressing public money returned to the state as a result of a finding for recovery issued pursuant to an audit of a community school; HB347 (Kelly-Dever) designating a portion of Interstate 71 in Hamilton County as the "Sonny L. Kim Memorial Highway"; HB438 (Hambley-Kick) addressing educational service centers; and HB453 (Greenspan) addressing charter county hospital rights. The House informally passed HB345 (Butler) adopting the Solemn Covenant of the States.

The Ohio House agreed to Senate amendments to HB194 (Johnson-Craig) establishing a program for the issuance of specialized license plates, thus sending the bill on to the governor for his signature.

Sen. Charleta Tavares (D-Columbus), who was joined by Sens. Sandra Williams (D-Cleveland) and Cecil Thomas (D-Cincinnati) at a Wednesday news conference, announced the introduction of SB270 to reform the culture on Capitol Square by revising sexual harassment policy and training standards for House and Senate staff, troopers, agencies and lobbyists and by laying out a process for reporting incidents.

In other action, the House Government Accountability and Oversight Committee reported out HB189 (Roegner-Reece) which revises the state's cosmetology licensing law; and the House Transportation and Public Safety Committee reported out license plate bills SB170 (LaRose), HB357 (Miller-Boggs) and HB521 (Boggs).

GOVERNOR

Appointments made during the week include the following:

- Roger M. Synenberg of Cleveland (Cuyahoga County) reappointed to the Ohio Public Defender Commission for a term beginning March 2, 2018, and ending Jan. 12, 2022.
- R. Robert Umholtz of Kirtland (Lake County) to the Ohio Public Defender Commission for a term beginning March 2, 2018, and ending Jan. 12, 2022.
- Sandra L. Beidelschies of Upper Sandusky (Wyandot County) to the Board of Nursing for a term beginning March 6, 2018, and ending Dec. 31, 2021.

HEALTH AND HUMAN SERVICES

The Ohio Department of Job and Family Services (ODJFS) will refile an administrative rule regarding children services intake procedures after a lengthy debate was held among county administrators, department officials and legislators at Monday's meeting of the Joint Committee on Agency Rule Review (JCARR). The rule concerns what information is allowed to be accessed by public children services agencies (PCSAs) prior to "screening in" a case, thus opening an official investigation, or "screening out" a case after a referral is made to an agency.

Opportunities for Ohioans with Disabilities (OOD) is searching for representatives of disability advocacy groups, business representatives, individuals with disabilities and others to fill the seats on the newly created OOD Council, according to OOD. The OOD Council is the result of the recently passed SB144 (Burke), which merged the OOD commissioners, Consumer Advisory Committee and the Governor's Council on People with Disabilities into a single OOD Council that will meet quarterly to examine and advise OOD regarding specific aspects of the vocational rehabilitation program as outlined in the federal regulations.

HIGHER EDUCATION

Ohio technical centers would be recognized as institutions of higher education under a change made to a workforce development bill Wednesday, though some legislators had concerns. The House Higher Education and Workforce Development Committee accepted a substitute version of HB166 (Reineke-Cupp), which had focused on various changes to Ohio's workforce development system. Rep. Bill Reineke (R-Tiffin) told the committee that the substitute version of the bill contains new language that addresses Ohio technical centers, which he said provide labor market-driven post-secondary training to adults. He said they are the adult education component at career centers, with

students often taking classes at night and on the weekends, and the centers are highly responsive in meeting the needs of employers.

In response to research misconduct allegations, an independent review of Ohio State University's (OSU) Office of Research found the university's policies and activities comply with applicable laws and federal requirements, but could improve by implementing additional procedures, practices and processes.

LOCAL GOVERNMENT

Cities and villages were rejected in their bid to block enforcement of new state laws on municipal taxes, though their legal challenge continues in appellate court. Judge David Cain of Franklin County Common Pleas Court previously ruled against the municipalities in their lawsuit claiming municipal tax language in the budget, HB49 (R. Smith) and an earlier law, 130-HB5 (Grossman) is unconstitutional. On Monday, he rejected a request to stay his ruling pending the outcome of the communities' appeal to the 10th District Court of Appeals.

MARIJUANA

Companies that have received provisional licenses to grow medical marijuana in Ohio have formed a nonprofit trade association. The Ohio Medical Marijuana License Holder Coalition (OMMLHC) will be composed exclusively of members that have been awarded licenses by the state of Ohio, according to the group.

NATURAL RESOURCES

Fishing enthusiasts who enter and win a special Ohio Department of Natural Resources (ODNR) lottery will enjoy "exceptional" trout fishing opportunities on Cold Creek, one of Ohio's most unique streams, the department has announced. A half-mile section of the creek, located at the Castalia State Fish Hatchery in Erie County, will again be open to a limited number of anglers on selected dates between Saturday, April 14 and Friday, Nov. 30, ODNR said.

PENSIONS

Bethany Rhodes, director of the Ohio Retirement Study Council (ORSC), said Thursday she'd advocate sticking with the current practice of checking pension system investment return assumptions against actual market results every five years, responding to questions raised by Auditor Dave Yost. Directors of Ohio's five public employee pension funds said they'd received similar letters earlier in 2017 to the one Yost sent to ORSC in late November on rates of return. The council did not publicly address the letter more quickly because it has not met since November.

PEOPLE

The Ohio Chamber of Commerce has announced that Kevin Boehner has joined its governmental affairs staff as the director of small business and workforce policy. Boehner, a native of West Chester and graduate of Ohio State University, previously worked as a legislative aide in the Ohio

House for Rep. Jeff Rezabek (R-Dayton). He was also a campaign manager for the Ohio House Republican Organizational Committee.

Children's Defense Fund-Ohio (CDF-Ohio) announced that Tracy Najera has been selected as the organization's new executive director.

'STATE OF THE STATE'

Gov. John Kasich delivered his final "State of the State" address Tuesday evening in Westerville, his adopted hometown. In the speech, he turned philosophic, focusing on values rather than accomplishments or policy issues. He did announce the creation of new state park to be named for Olympic great Jesse Owens and the proposed rebuilding of the Central Ohio hospital for the mentally ill that is in the proposed FY19-20 capital appropriations bill.

Kasich also hinted at the future, saying he is not slowing down in this, his final year in office, but "the race is not over. The finish line is so far in the future," he added, saying that with family, friends and the team who have surrounded him through the years, "we have a world to change."

Leaders of the House and Senate Democrats reacted to Gov. John Kasich's final "State of the State" speech by saying Ohioans should strive to do many of the things the governor said to do, including love one another and forgive. But as policymakers in the state, they said they need to do more.

Republicans in the House and Senate will push for policies that build on progress made over the past seven years under Gov. John Kasich's leadership, legislative leaders said following the governor's "State of the State" address Tuesday night. "If you listen to the governor's speech, he really talked about big picture philosophical issues and what we've tried to do collectively across the state of Ohio since he began his term and many of us began serving together in the Legislature. If you look back at that time period, I don't think there's any question that there's been a sea change from the four years that preceded that," Senate President Larry Obhof (R-Medina) told reporters.

Members of the Kasich administration participated in a number of morning and afternoon events around Central Ohio during the lead-up to the governor's final "State of the State" address in Westerville on Tuesday night.

Ohio Department of Public Safety (ODPS) Director John Born had some parting words for members of the Governor's Ohio Human Trafficking Task Force as the Kasich administration draws to an end. "The momentum cannot stop," Born told members during a meeting at the Westerville Public Library. He told members that if they believe their work is valuable, then it is incumbent on them to be present as the next governor prepares to give his or her first "State of the State" address next year.

The Ohio Department of Taxation's (ODT) tax amnesty program is unlikely to bring in what lawmakers were expecting when they inserted the measure into the budget, ODT Commissioner Joe

Testa said Tuesday. The program, which ran from Jan. 1 to Feb. 15, will probably only secure \$13 million to \$15 million of the \$20 million legislators were seeking, Testa told attendees of a state business roundtable discussion with other administration leaders and local business owners. The event, held at Otterbein University, was one of a number of meetings that took place ahead of the "State of the State" address.

There are plenty of options for higher education institutions to explore to bring down the cost of textbooks for students, but all have their drawbacks, and implementing a program to bring down costs can take time, a panel on textbook affordability said Tuesday. The panel discussion was held on the campus of Otterbein University by OhioLINK and the Ohio Department of Higher Education as part of "State of the State" events around the Otterbein campus in Westerville.

Even though there are 1,869 horizontal shale wells reported as "producing" in the state, closer to 1,400 are actually turning out oil and natural gas, Ohio Department of Natural Resources (ODNR) Division of Oil and Gas Resources Chief Rick Simmers said Tuesday. Simmers told those attending an event at the ODNR Division of Geological Survey's H.R. Collins Laboratory and Core Repository in Delaware. The event was one of several Central Ohio meetings held ahead of the governor's "State of the State" address.

STUDIES/POLLS

Ohio has the 11th best state capital to live in, according to a recent report from personal finance blog WalletHub, which compared them across "51 key indicators of affordability, quality of education and health, economic strength and overall living standards." Columbus also led neighboring states' capitals, with Lansing ranked 35th; Indianapolis, 38th; Frankfort, 39th; Harrisburg, 40th; and Charleston, 43rd.

TAXATION

Both President Donald Trump's administration and Ohio Attorney General Mike DeWine weighed in this week in favor of overturning court precedent that bars states from collecting sales taxes for online purchases. The U.S. Department of Justice filed an amicus brief Monday with the U.S. Supreme Court in *South Dakota v. Wayfair*, as did a coalition of 41 states, led by Colorado and joined by DeWine on Ohio's behalf. The case is an attempt at overturning the Supreme Court's previous ruling in *Quill Corp. v. North Dakota*, which found online sales tax to be Congress' responsibility to regulate as a matter of interstate commerce, and held states cannot require collection of sales taxes for businesses that do not have a physical presence in the state.

UTILITIES

Public Utilities Commission of Ohio (PUCO) Chairman Asim Haque launched the third phase of PowerForward Tuesday, introducing a panel discussion on the central goal of his grid modernization initiative: enhancing the customer experience.

The third day of the Public Utilities Commission of Ohio's (PUCO) PowerForward colloquium addressed the evolving role of traditional utilities and regulatory bodies in grid modernization -- a move toward more consumer-centric business models that are being increasingly "disrupted" by new and emerging players in the energy market -- something commissioners and guest speakers generally agreed on during the day's opening panel.

WORKERS' COMPENSATION

The Ohio Bureau of Workers' Compensation (BWC) announced Tuesday that, due to "heavy demand," it will more than double grant funding to protect firefighters from carcinogens and other toxins causing long-term health problems.

LEGISLATIVE ACTIVITY:

SENATE:

No legislative activity to report.

HOUSE:

PASSED BY HOUSE

- HB87 COMMUNITY SCHOOL PUBLIC MONEYS (Rep. Kristina Roegner) Regarding public moneys returned to the state as a result of a finding for recovery issued pursuant to an audit of a community school.
Vote 94-2
- HB347 HIGHWAY DESIGNATION-SONNY L KIM (Rep. Brigid Kelly, Rep. Jonathan Dever) To designate a portion of I-71 in Hamilton County as the "Sonny L. Kim Memorial Highway."
Vote 96-0
- HB366 CHILD SUPPORT LAW (Rep. Theresa Gavarone) To make changes to the laws governing child support.
Vote 96-0
- HB438 ESC ANNEXATION (Rep. Steve Hambley, Rep. Darrell Kick) To permit the addition of appointed members to educational service center boards and to permit a local school district to sever its territory from one educational service center and annex that territory to an adjacent service center under specified conditions.
Vote 96-0
- HB453 CHARTER COUNTY HOSPITAL RIGHTS (Rep. Dave Greenspan) To require that all rights and interests in discoveries, inventions, or patents made by employees using charter county hospital facilities are the property of that charter county hospital.
Vote 94-2
- HB529 CAPITAL APPROPRIATIONS (Rep. Scott Ryan) To make capital appropriations and changes to the law governing capital projects and to make reappropriations for the biennium ending June 30,2020.
Vote 92-3

CONSIDERATION OF SENATE AMENDMENTS

HB194 MILITARY SERVICE PLATES-VETS MEMORIAL (Rep. Terry Johnson, Rep. Hearcel Craig) To establish a program for the issuance of special license plates related to military service and awards and to modify the law that governs the nonprofit corporation organized to operate the Veterans Memorial and Museum in Columbus.
House Does Concur, Vote 95-1