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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.

AGRICULTURE

Fairgoers will have the opportunity to check out the Beach Boys, Reba McEntire and comedian Trevor Noah, among other acts, at the 2018 Ohio State Fair.

The Ohio Department of Agriculture (ODA) announced honors for Ohio's top wines Thursday, selecting four vintages out of field of nearly 20 wines. Recipients of the 2018's Director's Choice award are as follows: Best White Wine: 2016 Riesling Reserve Debonne Vineyards, Lake County; Best Red Wine: 2015 Estate Cabernet Sauvignon Meranda-Nixon Winery, Brown County, and 2014 Vin de Rouge Henke Winery, Hamilton County; and Best Dessert Wine: 2016 Cabernet Sauvignon Ice Wine Kosicek Vineyards, Ashtabula County.

BUSINESS/CORPORATE

Secretary of State Jon Husted announced Tuesday that 12,874 new entities filed to do business in Ohio last month, making April 2018 the best month for new business filings in state history. The

second-best month on record for new business filings is March 2017, which saw a total of 12,827 entities formed.

ECONOMIC DEVELOPMENT

The Ohio Development Services Agency (DSA) announced Monday that it will join with three other states and the National Aeronautics and Space Administration (NASA) to create new contracting opportunities for small businesses. The partnership between Ohio, Kentucky, Pennsylvania and West Virginia is the first time NASA has joined Procurement Technical Assistance Centers in the four states to offer this opportunity, a one-time event.

Saying they want to be a part of the conversation as the gubernatorial election plays out over the next few months, Policy Matters Ohio and Innovation Ohio released their "Winning Economic Agenda for Working Families," outlining four areas they said will address the challenges the state faces in the coming years. Speaking at a luncheon Wednesday in Columbus, Keary McCarthy of Innovation Ohio and Amy Hanauer of Policy Matters Ohio outlined the policy paper for the public and a few Democratic candidates running for the General Assembly.

EDUCATION

Attorney General Mike DeWine's office said Friday he filed a consumer protection lawsuit in Cuyahoga County Common Pleas Court over allegations against Discovery Tours that the company took money for services it didn't provide. The company recently shut down, leaving many schools and families scrambling in the wake of cancelled trips. DeWine's office said an investigation revealed the company kept taking money even when it knew it wouldn't be able to deliver. In the past several days, the attorney general has received more than 700 complaints.

After consecutive meetings full of questions on the mechanics and validity of using artificial intelligence to grade student essays on state English tests, Superintendent of Education Paolo DeMaria invited a testing expert who advises Ohio to brief State Board of Education members on the topic Monday. Gregory Cizek, professor of educational measurement and evaluation at the University of North Carolina-Chapel Hill, emphasized the benefits of machine scoring -- consistency, objectivity, cost -- while repeatedly assuring the board that humans exert great control over the process and have multiple chances to double-check the computer's results.

Seeing an opportunity to weigh in on current legislation while continuing to develop long-term recommendations, the State Board of Education's report card workgroup gave general approval for the state superintendent and the Ohio Department of Education to provide potential testimony on HB591 (Duffey). Faced with rumors that the bill could be moving quickly -- perhaps even receiving a floor vote in the House before the Legislature breaks for summer -- members of the workgroup covered several topics related to the report card that would be changed by HB591, providing Superintendent Paolo DeMaria some context, should he be asked to weigh in on the bill.

After two hours of discussion Tuesday, the State Board of Education approved the measurement of absenteeism as an indicator on school report cards. Members in support of the resolution stressed that the board needed to authorize absenteeism as a school report card indicator to comply with the federal Every Student Succeeds Act (ESSA), and if the resolution was not approved, Ohio could face repercussions from the federal government, including the loss of \$750 million in Title I funding.

Three Ohio school districts Tuesday presented their programs for ensuring students are ready for life after high school to the State Board of Education, which is in the midst of a long debate on alternatives to test-based graduation standards. Officials from Butler Technology and Career Development Schools, Fairview Park City Schools and Reynoldsburg City Schools shared their approaches to embedding exploration of career and higher education interests throughout their curriculum.

Following Auditor of State Dave Yost's release of findings that the Electronic Classroom of Tomorrow (ECOT) may have willfully inflated enrollment numbers to get state funding, U.S. Sen. Sherrod Brown (D-OH) is calling on the U.S. Department of Education inspector general to initiate a federal investigation.

Opened recently and running for nearly a month longer, the public auction of Electronic Classroom of Tomorrow (ECOT) assets offers everything from its headquarters building to furniture, garbage cans and cars. All items available for bid are listed at www.ecotauction.com. The sale is being organized by Gryphon USA. It closes Tuesday, June 12.

ELECTIONS

All of the witnesses on SB135, legislation that provides funding for new voting machines throughout the state, delivered the same message to the House Finance Committee Wednesday: this legislation can't be passed soon enough. Chief sponsor Sen. Frank LaRose (R-Copley) -- the Republican candidate for secretary of state in the fall -- laid out a timetable that had counties getting the new machines no later than early 2019 so they can be used in the 2019 "lower demand" elections and ahead of the 2020 presidential election.

ELECTIONS 2018

Beyond the main headlines about who won and lost, the recent primary election reflected a number of tidbits about Ohio's electorate and political climate, including the fact that Republicans saw higher turnout in the high-profile gubernatorial primaries, that this year's congressional redistricting ballot issue got more support than 2015's General Assembly redistricting issue, and that most incumbents prevailed in legislative races despite lots of "outsider" rhetoric.

Sen. Joe Schiavoni (D-Boardman) and his lieutenant governor pick, Stephanie Dodd, officially endorsed Democratic gubernatorial nominee Richard Cordray and his running mate, Betty Sutton. Schiavoni and Dodd came in third in the Democratic primary with about 9 percent of the vote, according to unofficial results.

Attorney General Mike DeWine's campaign announced Monday that it had raised over \$1 million in the 72-hour period following his victory in the gubernatorial primary.

A poll released this week shows Sen. Troy Balderson (R-Zanesville) with a 2-percentage point lead over Franklin County Recorder Danny O'Connor in the August special election.

The following endorsements were made over the week:

- The Human Rights Campaign endorsed Aftab Pureval for the 1st Congressional District.
- End Citizens United endorsed Danny O'Connor for the 12th Congressional District.

- The gubernatorial campaign of Richard Cordray announced the endorsement of former Vice President Joe Biden.
- The gubernatorial campaign of Richard Cordray announced the endorsement of the Ohio Association of Professional Firefighters.
- The gubernatorial campaign of Mike DeWine announced the endorsement of members of the Sportsmen Coalition, made up of leaders in the sportsmen community throughout Ohio.

ENERGY

While a substitute bill for HB114 (Blessing) was accepted in the Senate Energy and Natural Resources Committee Wednesday, Chair Troy Balderson (R-Zanesville) stressed beforehand that there is no intention of reporting it out next week for swift passage. Balderson said he wanted to be "very, very, very clear" on that as he said there was "apparently" word going around about it. He said that the changes were part of an ongoing "conversation." Sen. Bill Beagle (R-Tipp City), who introduced the sub bill, said it stemmed from many interested party meetings where opinions and suggestions were offered about the direction of the bill.

GAMING/GAMBLING

Attorney General Mike DeWine Friday issued an opinion to Cuyahoga County Prosecutor Michael O'Malley, saying so-called "Queen of Hearts" games would not violate Ohio law if the games have a meticulous and defined set of rules, all of the money collected from participants was distributed to the winners by the game's final round and the proprietor did not take a cut of the prize pool. He also urged lawmakers to step in to review the games.

The National Conference of State Legislatures (NCSL) praised the U.S. Supreme Court's decision Monday in *Murphy v. National Collegiate Athletic Association*, where it declared the federal ban on sports betting to be unconstitutional: "NCSL applauds today's U.S. Supreme Court decision striking down PASPA [the Professional and Amateur Sports Protection Act] as unconstitutional and violative of the 10th Amendment. NCSL supports every state's right to regulate gaming and sports betting, including both legalization and prohibition, without unwarranted federal preemption and interference. This landmark ruling provides states another tool with which they can continue to craft smart, tailored policies during a time of congressional gridlock in Washington."

Days after the U.S. Supreme Court struck down a federal law banning sports betting, one of the members of a group behind a failed statewide issue to put a casino in Clinton County in 2008 announced he was exploring a statewide ballot issue that would allow sports betting in hundreds of establishments in Ohio.

GENERAL ASSEMBLY/STATEHOUSE

Rep. Ryan Smith (R-Gallipolis) had a majority of members in the House Republican caucus backing his bid for the speaker's office, but was still working Tuesday evening to reach the key 50-vote threshold needed to be elected without assistance from Democrats. Speaker Pro Tem Kirk Schuring (R-Canton), acting as speaker in the wake of Cliff Rosenberger's resignation amid FBI scrutiny, said Smith was "a handful" of votes shy of 50 votes among the 65-member caucus after hours of debate Tuesday afternoon. He wouldn't predict when the matter will be resolved, and a caucus spokesman said no plans had yet been set for additional caucus meetings.

Wednesday's Senate session included passage of HB366 (Gavarone), regarding child support; SB220 (Hackett-Bacon), regarding cybersecurity; SB246 (Lehner-Manning), limiting suspensions and expulsions for young children; SB268 (Wilson), regarding theft in office penalties; HB213 (Dever), regarding real estate appraisers; HB229 (Romanchuk-Wiggam), designating Feb. 3 as "Charles Follis Day"; SB171 (Hottinger), regarding protection order violations; HB159 (Riedel), designating May as "Drive Ohio Byways Month"; and HB133 (Ryan), exempting out-of-state disaster businesses from certain taxes and laws.

Legislative Inspector General Tony Bledsoe this week released former Speaker Cliff Rosenberger's 2017 financial disclosure form, which documents tens of thousands of dollars in travel costs. The former speaker's overseas trips are reportedly of interest to the FBI, whose scrutiny of Rosenberger prompted him to resign to avoid being a distraction to the House, though he maintains his innocence.

GOVERNOR

Appointments made during the week include the following:

- Andrew W. Zucker of Sandusky (Erie County) reappointed, and Canise Y. Bean of Columbus (Franklin County) and Faisal A. Qureshy of Richfield (Summit County) appointed to the State Dental Board for terms beginning May 10, 2018, and ending April 6, 2022.
- Cindy P. Crotty of Cleveland Heights (Cuyahoga County) to the University of Akron Board of Trustees for a term beginning May 10, 2018, and ending July 1, 2026.
- Lisa McClure of Grover Hill (Paulding County) to the Northwest State Community College Board of Trustees for a term beginning May 11, 2018, and ending June 9, 2023.
- Kynetta L. McFarlane of Westerville (Franklin County) to the Children's Trust Fund Board for a term beginning May 11, 2018, and ending July 2, 2019.
- Carolyn Peters of Dayton (Montgomery County) to the Ohio Civil Rights Commission for a term beginning May 11, 2018, and ending July 28, 2021.
- Jessica S. Voltolini of Columbus (Franklin County) to the State Chiropractic Board for a term beginning May 15, 2018 and ending Nov. 1, 2021.

HEALTH AND HUMAN SERVICES

State health officials and Cincinnati Children's Hospital Dr. James Greenberg described efforts to identify causes of, and predict, infant mortality in specific communities before the Commission on Infant Mortality Wednesday. Ohio Department of Medicaid (ODM) representatives shared their efforts to look at specific communities and use predictive analytics to calculate mortality percentages, while Greenberg discussed the factors, both social and genetic, that can cause preterm birth.

HOUSING/HOMELESSNESS

Using a method of data collection previously unseen in Ohio, the Ohio Housing Finance Agency (OHFA) has modeled a new perspective on homelessness throughout the state in its inaugural "Confronting Homelessness" report. According to the report, 58,484 unique individuals received housing services in 2016, which included emergency shelter, permanent supportive housing, rapid re-housing, safe haven and transitional housing.

IMMIGRATION

Seeking to make it easier for immigrants to find jobs and assimilate into American life in Ohio, Gov. John Kasich signed an executive order Tuesday to create a new "Office for Opportunities for New Americans" that will coordinate the efforts of multiple state agencies. The office, housed within the Ohio Development Services Agency (DSA) and headed up by DSA Business Services Division Chief Padmini Roy-Dixon, will be made up of 12 members and will work to break down barriers that legal immigrants face when attempting to find employment opportunities, education and other services.

MARIJUANA

Ohio Department of Commerce (DOC) employees were subjected to an onslaught of questions about their roles in the beleaguered Medical Marijuana Control Program's (MMCP) cultivator application scoring process during two days of hearings in the Franklin Court of Common Pleas. Attorneys for the state and failed level one cultivator applicant Ohio Releaf questioned witnesses for hours on Friday afternoon and Monday morning, with Judge Richard Frye saying afterward that he wouldn't decide on whether to grant Ohio Releaf's requested preliminary injunction until later this week or next week.

The Ohio Department of Commerce (DOC) has awarded PharmaCann Ohio LLC the state's 13th provisional level-one medical marijuana cultivator license after verifying the company would've placed in the top 10 if not for a departmental application scoring error. "As one of the top scoring applicants in a highly-competitive process, we look forward to working with you toward the goal of creating a functional and compliant Medical Marijuana Control Program (MMCP) that serves the needs of the patient population in the state of Ohio," DOC Director Jacqueline Williams wrote to the company in a letter, which was provided to *Hannah News* by DOC spokesperson Stephanie Gostomski. DOC attorney Heather Stutz told Franklin County Court of Common Pleas Judge Charles Schneider that this outcome was likely.

Late Thursday, Franklin County Court of Common Pleas Judge Kim Brown denied a request for a preliminary injunction in the CannAscend Ohio LLC lawsuit against the Department of Commerce, et al and dismissed four of six counts of the complaint. This action negated the need for the hearing that had been scheduled for Friday, May 18. Essentially, Brown found that the plaintiffs had failed to exhaust the administrative remedy process. Brown noted, "Plaintiffs' claims all rest on issues that would be addressed in the Chapter 119 [administrative] process, specifically whether the DOC [Department of Commerce] and/or defendants complied with the MMCP [Medical Marijuana Control Program] statutes and regulations." The judge asserts that "DOC can refuse, revoke or grant a license" and that the Chapter 119 process "is not futile or a vain act."

A campaign to legalize pot for Ohioans age 21 and older plans to place the "Marijuana Rights and Regulations" constitutional amendment on the 2019 ballot following the Ohio Ballot Board's certification of the proposal as a single issue Thursday.

PEOPLE

A Columbus long-term care executive, David B. Parker, has been elected president of the Ohio Health Care Association (OHCA) for 2018-2019.

Recently, Gov. John Kasich appointed Joanna Spargo of North Canton as the new chairperson to the Ohio Developmental Disabilities Council (Ohio DD Council). She succeeded Mark Seifarth.

Eleana Drakatos has been elected president of the Ohio State Bar Association (OSBA). As president-elect, she will serve as an officer of the OSBA beginning on July 1 of this year and will take over as president in July 2019.

Mark Hill of the Worthington Education Association has been elected secretary-treasurer of the Ohio Education Association (OEA) by the OEA's Representative Assembly. Hill will serve a three-year term beginning July 15. He replaces outgoing Secretary-Treasurer Tim Myers, who is term-limited.

The Matriots, a nonpartisan Ohio political action committee focused on electing more women to Ohio public office, announced that Elissa Schneider has been selected as the organization's executive director. She will lead the PAC as the group's first full-time employee.

POLITICS

In conjunction with a national effort, the Ohio Poor People's Campaign kicked off six-weeks of non-violent direct action Monday at the Ohio Statehouse. They are demanding a massive overhaul of the nation's voting rights laws, new programs to lift up the 140 million Americans living in poverty, immediate attention to ecological devastation, and measures to curb militarism and the war economy.

POVERTY

Religious leaders and other activists spoke out for a minimum wage increase Thursday afternoon, saying it was past time for a living wage to be offered to all workers, particularly women and minorities. They specifically called for the Legislature to support HB576 (Kelly) which would raise the minimum wage to \$15 an hour by 2025.

STATE GOVERNMENT

Seventeen rules filed by the Ohio State Board of Pharmacy on prescription and storage of schedule II drugs were moved to the "to be re-filed" section before Monday's Joint Committee on Agency Rule Review (JCARR) hearing. The rules had been the subject of JCARR's pre-meeting memo, which predicted no testimony and found no prong issues with any rules.

TRANSPORTATION/INFRASTRUCTURE

Business, government and community leaders talked about the challenges of building and maintaining infrastructure in the region with U.S. Reps. Joyce Beatty (D-Columbus) and Steve Stivers (R-Columbus) as National Infrastructure Week got underway Monday.

UNIONS

Members of the Ohio Civil Service Employees Association (OCSEA) Monday overwhelmingly ratified a three-year contract with the state of Ohio that calls for an 8.5 percent general wage increase, the maintenance of a 15/85 premium health care split, a first-time vacation cash-out for eligible employees and an increase in shift differential for second and third shift employees from \$.35 to \$.60 per hour. According to OCSEA, 90 percent of the members supported the new contract.

UTILITIES

A federal judge says bankrupt FirstEnergy Solutions should not have to pay its \$268 million obligation to the Ohio Valley Electric Corporation (OVEC), despite opposition from the Ohio Consumers' Counsel (OCC), Federal Energy Regulatory Commission (FERC) and other intervening parties. The preliminary injunction granted Friday sets up a conflict with the federal agency, which says OVEC participants cannot unilaterally withdraw from operation of the aging coal plants and thereby shift FirstEnergy's debts to customers of American Electric Power (AEP) of Ohio, Duke Energy and Dayton Power & Light.

The Ohio Consumers' Counsel (OCC) Governing Board targeted utility subsidies for special attention Tuesday, passing a resolution supporting passage of the electric security plan (ESP)-busting HB247 (Romanchuk) and doubling down on warnings of a massive consumer cost shift in the FirstEnergy Solutions bankruptcy. The board granted official support to HB247 among two resolutions, also approving formal opposition to basic telephone service changes in HB402 (Hill).

LEGISLATIVE ACTIVITY:

SENATE:

PASSED BY SENATE

HB133 DISASTER RELIEF ACT (Rep. Scott Ryan) To create the Disaster Relief Act to exempt out-of-state disaster businesses and qualifying out-of-state employees from certain taxes and laws with respect to disaster work on critical infrastructure performed in this state during a declared disaster.

Vote 31-0

HB159 MONTH DESIGNATION-DRIVE OHIO BYWAYS (Rep. Craig Riedel) To designate May as "Drive Ohio Byways Month."

Vote 31-0

HB213 REAL ESTATE APPRAISER LICENSING CHANGES (Rep. Jonathan Dever) To change the definition of "appraisal" for purposes of the Real Estate Appraiser Licensing Law, to make changes to certain procedures and the exceptions to licensure under that law, to regulate appraisal management companies, and to declare an emergency.

Vote 31-1, Emergency Clause Passed 31-1

HB229 DAY DESIGNATION-CHARLES FOLLIS (Rep. Mark Romanchuk, Rep. Scott Wiggam) To designate February 3 as "Charles Follis Day."

Vote 32-0

- HB366 CHILD SUPPORT LAW (Rep. Theresa Gavarone) To make changes to the laws governing child support.
Vote 30-2
- SB171 PROTECTION ORDER VIOLATION PENALTIES (Sen. Jay Hottinger) To increase the penalty that applies to the offense of violating a protection order under certain circumstances and to require electronic monitoring of those convicted of violating certain protection orders to be carried out by probation agencies.
Vote 32-0
- SB220 SAFE HARBOR-CYBERSECURITY PROGRAMS (Sen. Robert Hackett, Sen. Kevin Bacon) To provide a legal safe harbor to covered entities that implement a specified cybersecurity program.
Vote 24-8
- SB246 STUDENT SAFETY ACT (Sen. Peggy Lehner, Sen. Gayle Manning) To enact the "SAFE Act" to revise the procedures for emergency removal of a student, to prohibit certain suspensions and expulsions of students in grades pre-kindergarten through three, to require each public school to implement a positive behavior intervention and supports framework in accordance with state standards, and to make an appropriation.
Vote 32-0
- SB268 THEFT IN OFFICE PENALTIES (Sen. Steve Wilson) To expand the increased penalties for theft in office based on the amount of property or services stolen and to include as restitution certain audit costs of the entity that suffered the loss involved in the offense.
Vote 32-0

HOUSE:

No legislative activity to report.