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Week in Review
May 2, 2016

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

Farmers continued their push for updates to the Current Agricultural Use Valuation (CAUV) formula in light of property tax spikes caused by a convergence of economic conditions, but some local elected officials urged caution about the effects on other property owners. The Senate Ways and Means Committee's fourth hearing on SB 246 (Hite) saw agricultural witnesses focus on the CAUV's use of the capitalization rate.

CORRECTIONS

Education in the state's adult and juvenile correctional institutions was the focus of last Thursday's meeting of the Correctional Institution Inspection Committee (CIIC). The committee, composed of eight legislators, heard from Denise Justice, superintendent of the Ohio Central School System of the Department of Rehabilitation and Correction; Jennifer Sanders, superintendent of the Buckeye United School District, the school district within the Ohio Department of Youth Services; and Steve

Gratz, senior executive director of the Center for Student Support and Education Options in the Ohio Department of Education.

CRIMINAL JUSTICE

Ohio Department of Rehabilitation and Correction (DRC) Director Gary Mohr led the presentation of a proposed overhaul of state drug laws, which would soften penalties for smaller amounts of heroin and other substances possessed or trafficked by offenders, but retain existing statutory teeth for those possessing or dealing much larger amounts. Addressing the Ohio Criminal Justice Recodification Committee (OCJRC), Mohr launched recommendations from the committee's Drug Work Group by discussing the impact of low-level, non-violent drug offenders on the prison system. He said 12.4 percent of DRC's male population -- over 6,300 inmates -- are incarcerated for offenses no more serious than drug possession. The number for female inmates rises to 21.5 percent.

EDUCATION

The House Education Committee began a review last Tuesday of the value-added progress measure used on state report cards and as part of teacher evaluations, hearing a presentation on its origins and mechanics from the Ohio Department of Education and launching hearings on a bill regarding the measure. Reps. Bob Cupp (R-Lima) and Ryan Smith (R-Bidwell) said their HB 524 is a placeholder to encourage discussions on the measure and provide more clarity on how and how well it is working.

Members of the State Board of Education voted to add three additional people to its list of state superintendent candidates they will interview, bringing the total to eight. Following an executive session, members added David Estrop, Michael Sentance and Thomas Jandris to the list of the top five candidates identified by the board's search firm, Ray and Associates, who had already been selected for consideration.

The Joint Education Oversight Committee agreed to quickly post the opening for its executive director position and to allow a five-member screening panel to interview candidates. Sen. Cliff Hite (R-Findlay), chairman of the committee, said he will be on the screening panel along with Sens. Peggy Lehner (R-Kettering) and Tom Sawyer (D-Akron) and Reps. Bob Cupp (R-Lima) and John Patterson (D-Jefferson).

ENERGY

Sen. Bill Seitz (R-Cincinnati) introduced his bill to extend the current renewable energy "freeze" another three years, promising a definite end date rather than the indefinite freeze recommended by the majority caucus but opposed by the governor's office. Language in SB 320, co-sponsored by Sens. Troy Balderson (Zanesville) and Shannon Jones (R-Springboro), would retain the current 2.5 percent state portfolio standard for renewable energy and 0.12 percent standard for solar energy through Saturday, Dec. 31, 2019.

ENVIRONMENT

The House Energy and Natural Resources Committee heard sponsor and proponent testimony on HB 512, regarding lead testing in public drinking water systems. The bill was prompted by lead level

exceedances in Flint, MI and Sebring, OH. In sponsor testimony, Rep. Tim Ginter (R-Salem) said HB 512 would "proactively protect Ohioans from lead contamination in drinking water by updating state requirements for water quality testing."

GENERAL ASSEMBLY/STATEHOUSE

The Ohio House officially ratified the GOP caucus changes in leadership, which included Rep. Kirk Schuring (R-Canton) as the new majority floor leader, replacing term-limited Rep. Barbara Sears (R-Sylvania), and Rep. Sarah LaTourette (R-Chesterland) as the new assistant majority whip. She replaced Rep. Dorothy Pelanda (R-Marysville), who moved up to majority whip, replacing Rep. Mike Dovilla (R-Berea), who resigned from leadership. He, too, is leaving the chamber at the end of the year. The other two majority leadership posts remain unchanged: Rep. Ron Amstutz (R-Wooster) as speaker pro tem and Rep. JimBuchy (R-Greenville) as assistant majority floor leader.

In addition, Speaker of the House Cliff Rosenberger (R-Clarksville) announced a series of changes among the leadership of the various House committees. The following are the new committee chairs: Rep. Tim Ginter (R-Salem) of the House Community and Family Advancement Committee; Rep. Mark Romanchuk (R-Mansfield) of the House Economic and Workforce Development Committee; Rep. Mike Dovilla (R-Berea) of the House Public Utilities Committee; Rep. Tim Schaffer (R-Lancaster) of the House Ways and Means Committee; Rep. Barbara Sears (R-Sylvania) to the House Insurance Committee; Rep. Jonathan Dever (R-Cincinnati) of the House Financial Institutions, Housing and Urban Development Committee; and Rep. Robert McColley (R-Napoleon) of the House Finance Transportation Subcommittee. Changes were also made to a number of vice chair assignments.

The Sunset Review Committee approved 36 entities for renewal during its meeting last Tuesday. Chairman Sen. Kris Jordan (R-Powell) said the approval of the list does not mean other entities that have come before the committee will not be recommended for renewal, but noted the committee may need more time to review their request.

GOVERNOR

The governor made the following appointments during the week:

- Mike Hooven of West Chester (Butler County) reappointed to the Third Frontier Advisory Board for a term beginning April 22, 2016 and ending March 14, 2019.
- Sheila N. Fox of Worthington (Franklin County) and Brenda Stier-Anstine of Delaware (Delaware County) reappointed to the Ohio Commission on Service and Volunteerism for terms beginning April 26, 2016 and ending April 21, 2019.
- Richard F. Hillis of Powell (Delaware County) and Juan P. Cespedes of Columbus (Franklin County) reappointed to the Capitol Square Review and Advisory Board for terms beginning April 26, 2016 and ending April 22, 2019.
- Judith E. Turner of Dayton (Montgomery County) reappointed to the Ohio Commission on Service and Volunteerism for a term beginning April 27, 2016 and ending April 21, 2019.
- Michael C. Aquillo of Powell (Delaware County) to the Ohio Respiratory Care Board for a term beginning April 28, 2016 and ending March 14, 2018.
- Michael R. Pratt of Perrysburg (Wood County) to the Hearing Aid Dealers and Fitters Licensing Board for a term beginning April 28, 2016 and ending Jan. 25, 2018.

JUDICIAL

The Ohio Supreme Court's latest decision in American Electric Power (AEP) of Ohio's ongoing ratemaking battles could result in a multi-million-dollar rebate to consumers. The ruling stopped short of an actual refund of revenues previously awarded by the Public Utilities Commission of Ohio (PUCO), though it could well signal the Court's mood in the legal dispute over AEP and FirstEnergy's PUCO-approved power purchase agreements (PPA), the Ohio Consumers' Counsel (OCC) announced.

MARIJUANA

The House Select Committee on Medical Marijuana wasn't ready to move a bill by week's end as previously hoped. Chairman Rep. Kirk Schuring (R-Canton) said last Tuesday he hoped for action early next week.

MEDICAID EXPANSION/REFORM

The Center for Community Solutions (CCS) submitted its comments to the Ohio Department of Medicaid (ODM) regarding its proposed Healthy Ohio 1115 Demonstration Waiver. Saying the proposal is "expensive, harmful and leaves many questions unanswered," CCS' comments highlight what it says are the potentially costly and harmful effects the waiver may have on Ohio's Medicaid program and its enrollees, outlining a number of outstanding problems and questions that should be answered before final submission to the federal Centers for Medicare and Medicaid Services (CMS).

POVERTY

The *2015 State of Poverty* report with the subtitle, Understanding Economic Hardship across Generations, was released last Wednesday by the Ohio Association of Community Action Agencies (OACAA) in cooperation with Community Research Partners (CRP), a nonprofit data and research organization that supports human services and community development.

TAXATION

State legislators should not modify the Ohio Historic Preservation Tax Credit (OHPTC) program unless they are seeking to provide more funding, local organizations and architects told the 2020 Tax Policy Study Commission last Thursday.

UTILITIES

Public Utilities Commission of Ohio Chairman Andre Porter is preparing to leave his post for an out-of-state job, according to media reports, though the commission could not confirm or deny that fact.

The Federal Energy Regulatory Commission (FERC) last Wednesday blocked consumer-subsidized power purchase agreements (PPA) granted American Electric Power of Ohio and FirstEnergy by the Public Utilities Commission of Ohio (PUCO), ordering the utilities to submit the PPAs to FERC for a full review should they still wish to proceed.

LEGISLATIVE ACTIVITY

HOUSE

PASSED BY HOUSE

HB361 LOCAL BOARDS-COMMUNITY EVENTS (Rep. Andrew Brenner) To authorize boards of township trustees and boards of park commissioners to expend funds for the public purpose of presenting community events in their parks and at other recreational facilities.

Vote 96-0

SB239 DAY DESIGNATION (Sen. Jim Hughes) To enact section 5.46 of the Revised Code to designate August 7 as Ohio Purple Heart Day.

Vote 96-0

SB264 SALES TAX HOLIDAY (Sen. Kevin Bacon) To provide for a three-day sales tax "holiday" in August 2016 during which sales of back-to-school clothing and school supplies are exempt from sales and use taxes.

Vote 95-1

ADOPTED BY HOUSE

HCR32 CONGRESS-EDUCATION ACT (Rep. Robert McColley) To urge the United States Congress to pass the ADA Education and Reform Act of 2015.

Vote 95-1

HR394 MAJORITY LEADERSHIP-ELECTION (Rep. Ron Amstutz) Relative to the election of the majority floor leader, the majority whip, and the assistant majority whip for the 131st General Assembly of Ohio.

Vote 95-0

SENATE

PASSED BY SENATE

HB299 CUSTODIAN-AUTISM SCHOLARSHIP (Rep. Louis Blessing III, Rep. Jeffrey Rezabek) To permit the temporary, legal, or permanent custodian of a qualified child to apply for an Autism Scholarship.

Vote 32-0

SB199 HANDGUN LICENSE-ACTIVE MILITARY (Sen. Joe Uecker) To specify that an active duty member of the U.S. Armed Forces: (1) does not need a concealed handgun license to carry a handgun concealed if the member is carrying valid military identification and a certificate indicating successful small arms qualification; and (2) may be sold or furnished a handgun if the member has received military or equivalent small arms training.

Vote 32-0

SB220 OHIO PUBLIC EMPLOYEE-ROTH FEATURES (Sen. Jay Hottinger) To authorize the Ohio Public Employees Deferred Compensation Board and local governments to establish designated Roth account features and other tax-deferred or nontaxdeferred features permitted for government deferred compensation plans.

Vote 32-0

SB225 DAY DESIGNATION (Sen. Kevin Bacon) to designate the first day of June as "Hypoparathyroidism Awareness Day."

Vote 32-0

SB252 CARDIAC ARREST-YOUTH ACTIVITY (Sen. Cliff Hite, Sen. Tom Patton) With regard to sudden cardiac arrest in youth athletic activities.

Vote 32-0

SB315 TRANSPORTATION APPROPRIATIONS (Sen. Gayle Manning) To make supplemental appropriations related to transportation for the biennium beginning July 1, 2015, and ending June 30, 2017, and to declare an emergency.

Emergency Clause passes 32-0, Bill Vote 32-0