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Week in Review

June 13, 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.

ATTORNEY GENERAL

Attorney General Mike DeWine ratcheted up the campaign against consumer fraud with a new website and ad buy themed "Ohio Protects." The multi-media initiative takes a prevention approach to assorted scams and identity theft to complement DeWine's "aggressive" efforts to prosecute fraud in his Economic Crimes Division. Commencing Monday, June 6, the \$2 million advertising campaign seeks to reduce the 27,000 annual complaints that the AG's Consumer Protection Section receives by educating consumers about various scams perpetrated in person, online and over the phone. Spots that humorously caricature flimflam artists will air on broadcast TV, cable and radio, supported by Internet banner ads with the same message.

BALLOT ISSUES

Backers of a proposed initiated statute limiting what the state pays for prescription drugs said they will begin gathering signatures to put the issue before voters after the General Assembly failed to act

on the measure and after the Ohio Supreme Court denied a motion to delay signature gathering efforts. They have a month if they want to make the November 2016 ballot, otherwise if they take the full 90 days it would appear on the November 2017 ballot. Supporters have also sued in the Ohio Supreme Court seeking to extend the 2016 deadline, but the Court has yet to act.

FY16-17 BUDGET

According to preliminary figures released Monday by the Office of Budget and Management (OBM), with one month to go in Fiscal Year (FY) 2016, the state is running over a half billion dollars under estimates for revenue through May. Specifically, a total of \$19.7 billion has been collected so far this fiscal year compared to the \$20.2 billion that had been anticipated. The shortfall totals \$503.3 million or 2.5 percent. Of that, nearly \$386.2 million is attributable to May alone -- a shortfall of 16.8 percent from the amount that had been estimated to be collected; the bulk of that amount can be attributed to uncollected domestic insurance revenues of \$246.8 million or 98 percent of the amount expected. However, according to OBM spokesman John Charlton, that shortfall, as well as the nearly \$65.8 million or 42.8 percent May shortfall in the cigarette and other tobacco taxes can be attributed to a timing issue, which means the revenue will show up in the June numbers.

EDUCATION

The Ohio Department of Education (ODE) is recommending the State Board of Education take quick action at its June 13-14 meeting to change the cut scores on two math tests, after substantially fewer students showed proficiency on the tests than expected. According to a memo written by Jim Wright, director of curriculum and assessment for ODE, the department wants to see committee approval and full board passage to lower cut scores for high school end-of-course exams in geometry and integrated mathematics II.

New requirements for charter schools and their sponsoring organizations under HB 2 (Dovilla-Roegner) are closer to implementation after the State Board of Education's Capacity Committee convened for a mid-month meeting to vote to send the regulations to the full board. Among regulatory changes in the proposed rules is an increase in the proportion of students in dropout recovery and prevention programs a charter school must have to qualify as a dropout recovery and prevention school. Having that designation affects whether a school is evaluated under standard criteria for state report cards or the special criteria for dropout recovery schools.

ELECTIONS 2016

Nearly a day after it was issued, Secretary of State Jon Husted appealed a judge's order blocking voting legislation from the previous General Assembly after ruling it violates the U.S. Constitution and will have a disproportionate effect on minority voters. U.S. District Court Judge Algenon Marbley issued the ruling last Tuesday in an ongoing challenge brought by the Northeast Ohio Coalition for the Homeless and later joined by the Ohio Democratic Party.

Businessman Warren Davidson took more than three-quarters of the vote in a special election last Tuesday to serve out the remainder of former U.S. House Speaker John Boehner's term.

EMPLOYMENT/UNEMPLOYMENT

The national unemployment rate dropped to 4.7 percent, according to the latest report by the U.S. Bureau of Labor Statistics (BLS). The main cause of the unemployment rate's drop was the drop in the people in the labor force. The civilian labor force participation rate decreased to 62.6 percent, and those not in the labor force rose by 664,000. The number of persons who are employed part-time even though they would prefer to be full-time rose by 468,000 to 6.4 million.

ENERGY

A new rule revising the content and substance of certificate applications for electric generation facilities, including wind farms, cleared the Joint Committee on Agency Rule Review (JCARR) last Monday. The Ohio Power Siting Board (OPSB) rule addressed new wind turbine setback requirements set in HB 483 (Amstutz) and certification information to be considered for "economically significant" wind farms as required by HB 562 (Hottinger) of the 127th GA.

GAMING

May casino revenues released last Tuesday show Ohio casinos taking a dip even as racinos experienced an increase over the month. Revenues at Ohio's four casinos dropped in May from the same period a year ago, according to the Ohio Casino Control Commission, although the month's numbers do include a 40-hour period during which the Cleveland casino closed in order to be rebranded.

GENERAL ASSEMBLY/STATEHOUSE

More than 100 items cleared the state Controlling Board Monday, with members questioning only a few requests, including an education contract and a funds transfer for implementation of police standards.

GOVERNOR

In addition to signing the medical marijuana bill, **HB 523** (Huffman), this week, Gov. John Kasich also signed the following legislation into law:

- **HB 166** (Green) extends the deadline for filing an application for the homestead exemption or 2.5 percent property tax rollback to the end of the tax year; requires that auditors certify Local Government Fund allocations to subdivisions by regular or electronic mail, rather than certified; requires that notices of appeal from a decision of the Board of Tax Appeals originating with a county board of revision be filed with that board and the county auditor; clarifies the effect of certain certifications related to the repealed personal property tax; and repeals laws requiring county auditors to issue permits for traveling shows, issue licenses for new merchandise public auctions, and certify the annual state tax interest rate to local courts.

- **HB 173** (Anielski-Terhar) authorizes a county recorder or county veterans service office, with the approval of the board of county commissioners, to issue Ohio veterans identification cards.

- **HB 200** (Hagan) addresses procuring, storing, and accessing epinephrine auto-injectors for which there are no patient-specific prescriptions, and civil immunity of health professionals.

- **HB 359** (Duffey-Gonzales) creates an address confidentiality program for victims of domestic violence, menacing by stalking, human trafficking, trafficking in persons, rape, or sexual battery and allows wireless service account transfer in a domestic violence situation.
- **HB 512** (Ginter) establishes requirements governing lead and copper testing for community and non-transient non-community water systems; revises the law governing lead contamination from plumbing fixtures; and revises the laws governing the Water Pollution Control Loan Fund, the Drinking Water Assistance Fund, and the Ohio Water Development Authority.
- **SB 128** (Cafaro-Schiavoni) designates May 30 as "Bartter Syndrome Awareness Day."

The governor made the following appointments during the week:

- Ross W. McGregor of Springfield (Clark County) to the State Personnel Board of Review for a term beginning June 2, 2016 and ending Feb. 7, 2019.
- Richard E. Dalton of Miamisburg (Montgomery County) to the Governor's Executive Workforce Board for a term beginning June 2, 2016 and continuing at the pleasure of the governor.
- Cy L. Prettyman of New Bloomington (Marion County) to the Ohio Livestock Care Standards Board for a term beginning June 3, 2016 and ending Jan. 15, 2019.
- Kimberly M. Corrigan of Strongsville (Cuyahoga County), Terrence M. Holecek of Powell (Delaware County) and Joanne J. Whiteman of Newark (Licking County) reappointed to the Board of Executives of Long-term Services and Supports for terms beginning June 3, 2016 and ending May 27, 2019.

HEALTH & HUMAN SERVICES

Rep. Barbara Sears (R-Maumee) will become the No. 2 at the Office of Health Transformation (OHT), Director Greg Moody announced last Wednesday. He also announced two other key hires: Connie Wehrkamp as director of government affairs and communications and Marjorie Yano as legislative liaison.

HOUSING

To help end veteran homelessness, the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Veterans Affairs (VA) are awarding over \$700,000 to help 145 homeless veterans in Ohio find a permanent place to call home. The rental assistance is provided through the HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program, which combines rental assistance from HUD with case management and clinical services provided by the VA.

MEDICAID EXPANSION/REFORM

The departments of developmental disabilities, Medicaid, and aging, along with the Governor's Office of Health Transformation (OHT), announced that Ohio received initial approval of its Statewide Home and Community-Based Services (HCBS) Transition Plan from the federal Centers for Medicare and Medicaid Services (CMS). Ohio joins Tennessee and Kentucky as the only states to date to achieve CMS approval.

UTILITIES

Term-limited Rep. Dave Hall, (R-Millersburg) is hoping to bring his energy experience as former chairman of the House Agriculture and Natural Resources Committee to the Public Utilities Commission of Ohio (PUCO), but he'll have to outlast a half dozen repeat and 12 first-time applicants to replace the recently departed commissioner and chairman Andre Porter.

LEGISLATIVE ACTIVITY

Legislators have recessed for the summer.