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Week in Review
August 1, 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.

AGING

Ohio Department of Aging (ODA) Director Bonnie Kantor Burman will retire effective Monday, Aug. 1, Gov. John Kasich announced Friday. She will be replaced by Ohio Department of Administrative Services (DAS) Chief of Staff Stephanie Loucka, who had formerly been with ODA. Burman has served as director of the agency since January 2011.

BUDGET

"It's usually a little bigger than that, but you know, this is why we have to be careful we're not getting carried away with any of our economic success because we don't know where the economy is going to go. We're putting some money in the fund, which is great, and saving for a rainy day." With that, Gov. John Kasich commented on the state's deposit of \$29.5 million into its Budget Stabilization Fund (BSF) following the close out of FY16. Also known as the Rainy Day Fund, it now totals \$2.034 billion.

EDUCATION

Ohio's largest online charter school is seeking a court ruling to block state information requests that it says violate a contract and threaten the school's existence, but the state now hopes to use the lawsuit to force the school to turn over the records it seeks. The Ohio Department of Education (ODE) filed a discovery motion over the weekend in Franklin County Common Pleas Court, asking Judge Jenifer French to require that the Electronic Classroom of Tomorrow (ECOT) turn over data showing students' log-in and log-out times.

The Ohio Department of Education (ODE) launched its webinar series last Wednesday on the Every Student Succeeds Act (ESSA) with a presentation on a key statistical measure for the accountability system.

ELECTIONS 2016

Endorsements made over the week include the following:

- The Fraternal Order of Police endorsed Sen. Rob Portman for re-election to the U.S. Senate and Judge Cynthia Rice for the Ohio Supreme Court.
- The Ohio Restaurant Association endorsed Rep. Jonathan Dever (R-Cincinnati) for re-election to the Ohio House.
- NFIB/Ohio SAFE Trust PAC endorsed Rep. Kyle Koehler (R-Springfield) for re-election to the Ohio House.

EMPLOYMENT/UNEMPLOYMENT

Ohio's unemployment rate dipped slightly in June to 5 percent, down from 5.1 percent in May, as the state added 12,400 jobs. By comparison, the federal rate was 4.9 percent, up slightly from 4.7 percent in May.

ENERGY

FirstEnergy announced that it will shutter coal generation facilities at the center of the Akron-based utility's failed power purchase agreement (PPA), which the Federal Energy Regulatory Commission (FERC) blocked along with American Electric Power's PPA in April after the Public Utilities Commission of Ohio (PUCO) had cleared the deals. Company President Jim Lash said the coal-fired operations are no longer competitive in the current marketplace.

ENVIRONMENT

The number of drinking water supply assessment units (AUs) affected by harmful algal blooms (HABs) has more than doubled since the Ohio Environmental Protection Agency's (Ohio EPA) last evaluation in 2014, according to a new report from the agency.

FEDERAL

The Consumer Financial Protection Bureau (CFPB) announced last week that it is considering proposals to reform the debt collection market, including capping the number of times a collector can contact a debtor and ensuring that the collection companies are collecting the correct debt.

GENERAL ASSEMBLY/STATEHOUSE

Senate President Keith Faber (R-Celina) said his "significant" concerns about Howard Petricoff's appointment to the Public Utilities Commission of Ohio (PUCO) were unassuaged after an initial committee hearing, and caucus members also maintain doubts.

GOVERNOR

The governor made the following appointments during the week:

- Sean T. Fitzpatrick of Mason (Warren County) to the Wright State University Board of Trustees for a term beginning July 22, 2016, and ending June 30, 2025.
- Jordan T. Lange of Cincinnati (Clermont County) as the student member on the Wright State University Board of Trustees for a term beginning July 22, 2016, and ending June 30, 2018.
- Eugene N. Schalk of Fostoria (Seneca County), Frank J. Kinn of Fostoria (Hancock County), and Donald L. Mennel of Fostoria (Wood County) to the Financial Planning and Supervision Commission of the City of Fostoria for terms beginning July 26, 2016, and continuing at the pleasure of the governor.
- Diane F. Smullen of Worthington (Franklin County) to the Ohio University Board of Trustees for a term beginning July 27, 2016, and ending May 13, 2025.
- Dr. Kathi L. Makoroff of Cincinnati (Hamilton County) and Diana Starkey of Findlay (Hancock County) reappointed to the Children's Trust Fund Board for terms beginning July 28, 2016, and ending July 2, 2019.

HEALTH & HUMAN SERVICES

The Ohio Department of Mental Health and Addiction Services (OhioMHAS) announced the appointment of Dr. Ann Morrison as the chief clinical officer of Twin Valley Behavioral Healthcare (TVBH). Morrison, who assumed her new post Monday, July 25, will be responsible for leading and recruiting a diverse medical staff and oversee collaborative efforts between the hospital and community partners.

PEOPLE

Former Rep. Tom Lendrum, 88, of Huron, passed away Sunday, July 17. A registered professional engineer, he served in the Ohio House of Representatives from 2001 to 2002, representing the 57th House District.

The Ohio Insurance Institute (OII) announced that Michael Farley will be its new vice president for legal and government affairs. He replaces Dean Fadel, who recently became OII president following the retirement of Dan Kelso.

Rob Nichols, former spokesman for Gov. John Kasich's office and campaigns, is joining the staff of U.S. Rep. Pat Tiberi (R-Westerville), Ohio media reported last Thursday. Nichols will be deputy chief of staff starting in August, according to the reports.

The Ohio Municipal League (OML) announced last Thursday it has hired Ashley Brewster as a legislative advocate.

TAXATION

Ohio's second sales tax holiday occurs in less than two weeks, running from Friday, Aug. 5, through Sunday, Aug. 7. It is a repeat of last year's first-ever sales tax holiday that a study done for the Ohio Council of Retail Merchants (OCRM) by the University of Cincinnati Economics Center estimated saved Ohio consumers \$3.3 million in taxes and generated \$4.7 million in increased tax revenues for Ohio government.

WORKERS' COMPENSATION

The Ohio Bureau of Workers' Compensation (BWC) finished FY16 with nearly a third of its annual investment income in the last month of June, a \$424 million profit resulting in a three-year return of 6.3 percent.

LEGISLATIVE ACTIVITY

Legislators have recessed for the summer.