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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.

FY18-19 BUDGET

The Kasich administration's final budget will include a proposal to respond to the loss counties and other local authorities will feel with elimination of sales tax collection on Medicaid managed care plans, Budget Director Tim Keen said at last Monday's meeting of the 2020 Tax Policy Study Commission. The study panel also heard an overview of the streamlined sales tax and federal-state efforts to collect sales tax from e-commerce transactions. While there's no specific proposal yet, the hit county budgets will take "is too significant an impact to be left unaddressed," Keen said during the meeting, at which Highland and Stark county officials described the anticipated effects of the Medicaid tax elimination.

ECONOMIC DEVELOPMENT

The Ohio Development Services Agency (DSA) awarded grants totaling more than \$11.6 million through the Community Development Critical Infrastructure, Downtown Revitalization and

Neighborhood Revitalization Competitive Set-Aside programs. DSA said 33 communities across Ohio will receive grants to revitalize neighborhoods and downtown business districts. The grants will improve streets, sidewalks, bridges, public facilities, and infrastructure as well as rehabilitate buildings in a community's central business district.

EDUCATION

Overhauling Ohio's truancy laws is the top priority for the Senate Education Committee in the upcoming lame duck session, Chairwoman Sen. Peggy Lehner (R-Kettering) announced. The senator says she's aiming to convene her committee for at least five hearings before the General Assembly adjourns *sine die*. Lehner said she hopes to get consensus on additions to HB 410 (Hayes-Rezabek) addressing other elements of school discipline, but is willing to wait on some provisions if that's not possible. Specifically, she said lame duck passage of her proposed ban on expulsions and suspensions for the youngest elementary school students, those age 8 and younger, could be a "heavy lift."

Ohio will receive \$16.3 million from the federal government to improve its lowest-performing schools. The U.S. Department of Education (USDOE) announced a total of \$427 million in School Improvement Grant (SIG) funding this week for U.S. states and territories.

The 10th District Court of Appeals is asking Electronic Classroom of Tomorrow (ECOT) and the Ohio Department of Education (ODE) whether it should even be considering the online charter school's latest challenge of state action. Tenth District Judges Susan Brown, Jennifer Brunner and Lisa Sadler ordered ECOT and ODE to file briefs by Monday, Nov. 14, on a jurisdictional question as it considers the school's appeal.

ELECTIONS 2016

Secretary of State Jon Husted said that as of Friday, Oct. 28, an estimated 1,594,220 absentee ballots had been requested statewide, and 1,054,912 ballots have already been cast.

The U.S. Supreme Court has turned down a request from the Ohio Democratic Party and other groups to review changes to Ohio's absentee and provisional ballot requirements that they said would harm Ohio voters. The rejection of the appeal in *Northeast Ohio Coalition for the Homeless v. Husted* means provisions of SB 205 (Coley) and SB 216 (Seitz) will remain for the upcoming election.

Republican presidential nominee Donald Trump leads Democrat Hillary Clinton 46 percent to 41 percent in Ohio, according to a Quinnipiac University swing state poll released last Wednesday. The billionaire businessman recovered the 5 percentage points he had lost in the last poll from Quinnipiac, which showed him tied with the former secretary of state.

Republican U.S. Sen. Rob Portman widened his lead over Democratic challenger Ted Strickland, Ohio's former governor, to 18 points in the latest Quinnipiac University Poll, nearly regaining the margin he held a month ago.

ENERGY

Ahead of the upcoming lame duck session of Ohio's General Assembly when legislators are expected to take up the next steps now that the expiration of the freeze of the state's energy efficiency and renewable standards is approaching, nine businesses are urging state lawmakers to reinstate and strengthen those standards.

GOVERNOR

The governor made the following appointments during the week:

- Jennifer R. Ottley of Pickerington (Fairfield County) to the Help Me Grow Advisory Council for a term beginning Oct. 28, 2016, and ending June 30, 2018.
- Michael Canty of Bentleyville (Cuyahoga County) to the Cuyahoga Community College Board of Trustees for a term beginning Oct. 28, 2016, and ending Oct. 12, 2017.
- Carol O'Brien of Delaware (Delaware County) to the Ohio Organized Crime Investigations Commission for a term beginning Nov. 1, 2016, and ending Sept. 3, 2017.
- George R. Allen of Marengo (Morrow County) reappointed to the Barber Board for a term beginning Nov. 2, 2016, and ending Sept. 26, 2019.

JUDICIAL

Franklin County leads the state in the number of Ohioans passing the recent state bar examination, as Ohio State University also posted the highest success rate -- 88 percent -- of all law schools located in the Buckeye State. The Ohio Supreme Court published results from the July 2016 bar exam, when 70.5 percent, or 701 of 995 total applicants, passed. That is down from July 2015 results, which had a success rate of 75 percent.

MARIJUANA

Ohio would have up to 18 grow sites for medical marijuana under rules discussed last week at the first meeting of a new panel formed to help launch the state's program. The Medical Marijuana Advisory Committee, created in medical marijuana authorizing law HB 523 (Huffman), will help develop rules for the three state agencies overseeing the program.

REDISTRICTING/REAPPORTIONMENT

A coalition of voters' rights groups -- the Fair Districts = Fair Elections Coalition -- said it is taking public comment on a proposed constitutional amendment that would reform the way Ohio draws its congressional boundaries along the same lines as a recently enacted amendment that changed General Assembly redistricting. Comments can be submitted on the group's website at www.fairdistrictsohio.org

STATE GOVERNMENT

Former Ohio State Dental Board Executive Director Lili Reitz wrongfully shared confidential information with a former board member, Inspector General Randall Meyer's office announced last week. According to an investigative report, the board received an anonymous complaint related to

the former board member, and Reitz went outside normal protocol to find out who the caller was and informed the former board member.

TAXATION

Ohio should beef up reporting requirements for the historic preservation tax credits and give further thought to converting the credit to a grant program, the 2020 Tax Policy Study Committee concluded in a report approved last week. The report cites concerns it's heard about too much credit money going toward "business professional fees" and not actual rehabilitation projects, noting a grant program could help address that concern.

UNEMPLOYMENT COMPENSATION

The Unemployment Compensation Reform Joint Committee concluded taking testimony during a marathon four-hour fifth and final hearing. Telling the audience to "stay tuned for further developments," Co-Chair Rep. Kirk Schuring (R-Canton) emphasized that he anticipates they will get something passed during the lame duck session -- this despite exhortations from some that deliberations be delayed until next year.

UTILITIES

The Public Utilities Commission of Ohio (PUCO) redoubled its support for a power purchase agreement (PPA) to subsidize some of American Electric Power's (AEP) generation assets, albeit in a greatly "pared-down" form from the one preempted by federal regulators in April. The commission approved AEP Ohio's request to jettison a larger proposed PPA benefiting the Cardinal, Conesville, Stuart and Zimmer power plants while retaining the power purchase agreement supporting its interest in the Ohio Valley Electric Corporation (OVEC). The latter deal effectively represents a 14 percent-PPA of 440 megawatts compared to the 3,111 MW that AEP originally asked to subsidize and that diverse parties have opposed.

The PUCO was also expected to issue its findings in the investigation on the practice of submetering, but pulled that case from the agenda shortly after the meeting began. Addressing those present, Chairman Asim Haque emphasized that the case remains a priority and the commission's expected order was pulled to ensure the regulatory body "gets it right."

LEGISLATIVE ACTIVITY:

Legislators are set to return from the summer recess after the November 8th General Election as sessions for both the House and Senate are scheduled for Tuesday, November 15th.