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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.

BALLOT ISSUES

Ohio Attorney General Mike DeWine certified the petition for a constitutional amendment that would lower the penalty for low-level drug offenses to misdemeanor probation and divert savings from reduced incarceration to drug treatment programs and related interventions. A group, the Ohio Safe and Healthy Communities Campaign, filed "The Neighborhood Safety, Drug Treatment and Rehabilitation Amendment" petition with the AG's office on Friday, Dec. 1. Then the Ohio Ballot Board unanimously approved the proposed amendment as one issue on Tuesday.

Individuals aged 21 and older could legally produce, distribute and consume marijuana if the proposed "Regulate Marijuana Like Alcohol Amendment" is approved by voters during the 2018 General Election. CannAscend Chairman and CEO Jimmy Gould, who has sharply criticized the Kasich administration's implementation of medical marijuana legalization measure HB 523 (Huffman) after failing to receive a cultivator license, insisted his company and other rejected

applicants are not being "sore losers" by challenging the state's review process and pushing this amendment. The amendment would also allow local communities to approve how many commercial marijuana businesses are allowed to operate in their jurisdiction.

CORRECTIONS

Rep. Jonathan Dever (R-Cincinnati) joined the Buckeye Institute Monday in calling for reform of Ohio's money bail system, which HB 439 (Dever-Ginter) would convert to a risk-based approach allowing low-level suspects to go free while keeping dangerous, albeit well-heeled individuals behind bars.

Harvey Reed, director of the Ohio Department of Youth Services (DYS), and Gary Mohr, director of the Ohio Department of Rehabilitation and Correction (DRC), said Monday in a joint memo to the staffs of both departments that they will be pursuing co-location of their central office headquarters. Specifically, they are looking to move both offices to 4545 Fisher Rd. in Columbus by September 2018.

EDUCATION

The State Board of Education appears likely to grant more leniency to providers in the 22+ Adult Diploma Program after hearing last month from the organization that runs programs at a few community colleges about the program's first-year struggles. Based on discussions in the Accountability Committee, the substitute resolution would set a 10 percent threshold for 2016-2017. The committee also discussed whether to then jump up to 40 percent for the current year and beyond, or phase it in, with an intermediate benchmark of 25 percent for this year.

Leadership and members of the State Board of Education appeared to reach consensus Tuesday on a plan to recommend the classes of 2019 and 2020 be allowed to use the additional options for high school graduation created for the class of 2018, though a few tweaks are possible. But many on the board expressed hope for ultimately moving to a much different system of determining how students qualify for a diploma.

The State Board of Education approved two resolutions recommending elimination of state tests, following months of debate on the topic. The resolutions recommend elimination of the English Language Arts I end-of-course exam, the WorkKeys job skills assessment, and any assessments developed solely to meet the state requirement for student data to be used in teacher evaluations.

ELECTIONS

Secretary of State Jon Husted sent a letter to Gov. John Kasich and legislative leaders Thursday urging them to include funds in the upcoming capital budget to cover the full replacement of Ohio's aging voting machines. Husted noted that the majority of Ohio's current voting equipment was

purchased more than a decade ago using one-time federal funds made available through the Help America Vote Act (HAVA).

ELECTIONS 2018

Ohio Supreme Court Justice William O'Neill announced he will step down from the bench on Friday, Jan. 26, 2018 and continue seeking the Democratic nomination for governor. In his resignation letter sent to Gov. John Kasich and Ohio Supreme Court Chief Justice Maureen O'Connor on Friday, O'Neill said, "It has been my privilege to serve as an associate justice. I am deeply grateful to the people of Ohio and to my colleagues on the Supreme Court." Kasich accepted O'Neill's resignation.

U.S. Rep. Jim Renacci (R-Wadsworth) introduced Cincinnati Councilwoman Amy Murray as his lieutenant governor pick Monday at events in Cincinnati and Cleveland, noting her strong business background and her support for pro-life and pro-Second Amendment issues.

Sen. Kevin Bacon (R-Minerva Park) became the latest to announce a campaign for the 12th Congressional District seat that will be vacant with the retirement of U.S. Rep. Pat Tiberi.

Democratic gubernatorial candidate Richard Cordray announced Wednesday that he has hired Antonia Koch as the campaign's finance director, one day after the victory of Democrat Doug Jones' U.S. Senate campaign, for which she served as national finance director. Jones won a special election on Tuesday in a Republican state, defeating former Alabama Supreme Court Chief Justice Roy Moore.

Endorsements released over the week include the following:

- The congressional campaign of Republican Carol O'Brien announced the endorsements of Delaware County Commissioners Barb Lewis and Jeff Benton, Sheriff Russ Martin, Engineer Chris Bauserman, Clerk of Courts Natalie Fravel, Auditor George Kaitsa, Treasurer Jon Peterson and Coroner Mark Hickman.
- The gubernatorial campaign of Democrat Nan Whaley announced the endorsements of IBEW Local 82, Plumbers & Pipefitters Local 162 and IAFF Local 136.

EMPLOYMENT/UNEMPLOYMENT

The federal unemployment rate was unchanged at 4.1 percent in November, while the nation added 228,000 jobs, the U.S. Bureau of Labor Statistics (BLS) announced.

ENERGY

The Ohio Power Siting Board (OPSB) authorized Clean Energy Future-Oregon, LLC Thursday to construct a 955 megawatt (MW) natural gas-fired, combined-cycle electric generation facility in Lucas County.

GENERAL ASSEMBLY/STATEHOUSE

House Democratic Leader Fred Strahorn (Dayton) Tuesday evening announced changes to the caucus' leadership team, following Democratic Whip Rep. Nickie J. Antonio's (Lakewood) recent resignation from her leadership post due to her Senate run. Rep. Emilia Strong Sykes (D-Akron) replaces Antonio as Democratic whip. Sykes had been serving on leadership as assistant whip for the past year. Replacing Sykes as assistant whip is Rep. Brigid Kelly (D-Cincinnati). Rep. Nicholas J. Celebrezze (Parma) remains assistant minority leader.

The big news of the week was the emergence Wednesday morning of HB 69 (Cupp) as a year-end "Christmas Tree" bill, when the Senate Ways and Means Committee amended it to include several new items including up to \$80 million to make up for some of the funding lost due to the elimination of the Medicaid managed care organization (MCO) sales tax. HB 69 passed the full Senate 31-0 and then, later in the day, the House concurred in the Senate amendments, sending it on to Gov. John Kasich for his signature. Specifically, under the bill, counties and transit authorities would receive \$50 million in FY18, and could receive up to \$30 million in FY19. The deal was a result of negotiations among legislative leaders, the Kasich administration and the County Commissioners Association of Ohio (CCAO).

In other action, the Ohio Senate again passed legislation prohibiting abortion services for women seeking the procedure because of a Down syndrome diagnosis. HB2 14 (LaTourette-Merrin) passed the chamber 20-12 just like the identical SB 164 (LaRose) did last month. The bill now heads to the governor for his signature.

Other bills passed by the Senate Wednesday in its closing session of 2017 include the following: SB 223 (LaRose), which prohibits the installation of unsafe tires; HB 196 (Lipps), designating October as "Ohio Chiropractic Awareness Month"; HB 215 (Riedel), creating the Paulding County Municipal Court; HB 223 (Dever), which deals with transfers of structured settlement payment rights; and SB 230 (Obhof), which creates the "Medina County" license plate.

The Senate unanimously concurred with House amendments to the following bills, thus sending them on to the governor for his signature: SB 134 (Gardner), which designates a number of roads and license plates in the state; and SB 169 (Wilson-Eklund), which deals with the oversight of travel insurance sales.

The House, too, held its final session of 2017 on Wednesday, passing a total of 16 bills. They included the following: HB 283 (Rezabek) modifying Ohio adoption law; HB 336 (Barnes-Greenspan) which deals with driver's license and temporary instruction permit reinstatement fees; HB 21 (Hambley), requiring verification of enrollments at community schools to be performed by the community school rather than the district; HB 66 (Young), creating a study committee to examine how much tenured faculty members teach at state universities and colleges per semester; HB 104 (Schaffer), allowing vendors to receive a refund of sales tax remitted for bad debts on private label credit accounts when the debt is charged off as uncollectable; HB 202 (Thompson-Lanese) designating the first Saturday of May as "Veterans Suicide Awareness Day"; HB 291 (Wiggam), addressing employee dishonesty insurance; HB 307 (Gonzales) designating September as "We Card Month"; HB 338 (Ginter) allowing chiropractors to perform medical exams for school bus drivers; SB 62 (Yuko) designating July 8 as "Harrison Dillard Day"; SB 134 (Gardner) containing various highway and license plate designations; SB 169 (Wilson-Eklund) addressing the sale of travel insurance; and HCR 16 (Thompson) urging Congress and the president to take certain actions to counter the manipulation of the oil market by the Organization of Petroleum Exporting Countries (OPEC).

The lower chamber also concurred on Senate amendments to HB 170, addressing computer science education; HB 223 (Dever), addressing transfers of structured settlement payment rights; and HB 69 (Cupp) which became the "Christmas Tree" bill. The bills now head to the governor.

GOVERNOR

Ohio Gov. John Kasich joined a bipartisan group of 11 other governors Tuesday in signing a letter urging Congress to continue funding the Children's Health Insurance Program (CHIP). The letter, addressed to the Republican and Democratic U.S. House and Senate leaders, requested bipartisan work to continue funding the program, which may end on Jan. 31, 2018 without legislative action. The letter, prepared by Kasich and frequent Democratic collaborator Gov. John Hickenlooper of Colorado, was also signed by the governors of Alaska, Louisiana, Pennsylvania, New Hampshire, Virginia, Massachusetts, Montana, Vermont, Nevada and Minnesota.

Appointments made during the week include the following:

- Emily Wampler of Columbus (Franklin County) reappointed to the Governor's Council on Juvenile Justice for a term beginning Dec. 11, 2017, and ending Oct. 31, 2020.
- Jeffrey T. Kline, Jr. of Stow (Summit County) to the Advisory Board on Amusement Ride Safety for a term beginning Dec. 11, 2017, and ending Sept. 29, 2021.
- Roberto Miller of Perrysburg (Wood County) to the Terra State Community College Board of Trustees for a term beginning Dec. 12, 2017, and ending Dec. 30, 2022.
- Timothy J. Lisko, Sr. of Lowellville (Mahoning County) to the Advisory Board on Amusement Ride Safety for a term beginning Dec. 12, 2017, and ending Jan. 1, 2023.

HEALTH AND HUMAN SERVICES

Rep. Stephen Huffman (R-Tipp City) presented sponsor testimony Wednesday on a bill that would repeal a health care price transparency provision that was added to the Ohio Bureau of Workers' Compensation (BWC) budget in the last General Assembly, saying the new bill would create a system that is more workable for providers and beneficial to patients. Huffman told the House Insurance Committee that it has been two years since the provision was passed as a part of 131-HB 52 (Hackett), and price transparency has yet to be implemented in Ohio. It continues to be litigated in the courts due to the concerns brought by the medical community, he said. HB 416 (Huffman) seeks to address those concerns while still providing patients with price estimates and information regarding anticipated out-of-pocket costs.

Behavioral health providers who aren't ready for the new billing procedures Ohio Medicaid will roll out in January can get paid about quarter of their usual payments for three months under a contingency plan the Kasich administration presented Thursday, though the advances will be recouped via deductions from payments later in the year. A major organization representing providers is unsatisfied with the plan. Notwithstanding that fallback option, Ohio Department of Medicaid (ODM) Director Barbara Sears told the Joint Medicaid Oversight Committee (JMOC) that beta testing to-date shows the system is ready to go live with new billing codes for the Behavioral Health Redesign Initiative.

MARIJUANA

The process utilized to score medical marijuana cultivator applications was "fair, thorough and impartial," Ohio Department of Commerce (DOC) Director Jacqueline Williams said Thursday. "Was the process perfect? We've certainly heard a lot in recent days -- particularly coming from those unsuccessful applicants -- about the process itself. Undoubtedly, the process was not perfect. I don't know what process was," Williams told the Medical Marijuana Advisory Committee (MMAC) during its first meeting since August. The department's implementation of medical marijuana law HB 523 (Huffman) has come under fire from state elected officials following the discovery that Trevor Bozeman, who had drug convictions, was hired by DOC as a consultant responsible for reviewing and scoring applications for the Medical Marijuana Control Program (MMCP).

PENSIONS

The head of the Ohio Public Employees Retirement System (OPERS), Karen Carraher, returned Wednesday to the House Aging and Long-Term Care Committee for an official presentation on HB 413, the bill which changes the way OPERS currently applies an annual cost of living (COLAs) adjustment.

UTILITIES

Industrial Energy Users-Ohio (IEU-Ohio) sought to intervene Friday in FirstEnergy Corporation's proposal to invest \$450 million in distribution modernization, citing the impact of new customer charges on members of IEU-Ohio. FirstEnergy said last week that its distribution modernization plan would reduce the frequency and duration of power outages and generally create a stronger distribution system for customers of Ohio Edison, Cleveland Electric Illuminating and Toledo Edison.

The Public Utilities Commission of Ohio (PUCO) Nominating Council announced Monday that it is seeking applicants for Vice Chairwoman Beth Trombold's commission seat, which expires on April 1, 2018. Trombold is ending a five-year term at PUCO following her appointment by Gov. John Kasich in 2013.

The utility industry pushed back Tuesday on HB 247's (Romanchuk) attempt to radically alter the ratemaking philosophy of 127-SB 221 and its reliance on customer billing riders operating outside strict commodity prices. Representatives of American Electric Power (AEP) of Ohio and Duke Energy asked the House Public Utilities Committee to reject provisions that also would allow hefty consumer refunds in the event of Public Utilities Commission of Ohio (PUCO) rulings later overridden by the Ohio Supreme Court. AEP Ohio External Affairs Vice President Tom Froehle and Duke Energy Deputy General Counsel Amy Spiller offered a vastly different view of HB 247 than had proponents of the bill in previous weeks.

LEGISLATIVE ACTIVITY:

SENATE

PASSED BY SENATE

HB69 LEVY REVENUE REIMBURSEMENT (Rep. Bob Cupp) To require reimbursement of certain township fire and emergency medical service levy revenue forgone because of the creation of a municipal tax increment financing district.

Vote 32-0

HB196 MONTH DESIGNATION-CHIROPRACTIC AWARENESS (Rep. Scott Lipps) To designate October as "Ohio Chiropractic Awareness Month."

Vote 32-0

HB214 DOWN SYNDROME ABORTION BAN (Rep. Sarah LaTourette, Rep. Derek Merrin) To prohibit a person from performing, inducing, or attempting to perform or induce an abortion on a pregnant woman who is seeking the abortion because an unborn child has or may have Down syndrome.

Vote 20-12

HB215 CREATE PAULDING COUNTY MUNICIPAL COURT (Rep. Craig Riedel) To create the Paulding County Municipal Court in Paulding on January 1, 2019, to

establish one fulltime judgeship in that court, to provide for the nomination of the judge by petition only, to abolish the Paulding County County Court on that date, to designate the Paulding County Clerk of Courts as the clerk of the Paulding County Municipal Court, and to provide for the election for the Paulding County Municipal Court of one full-time judge in 2018.

Vote 32-0

HB223 SETTLEMENT PAYMENT RIGHTS TRANSFER (Rep. Jonathan Dever) Relative to transfers of structured settlement payment rights.

Amended on floor, Bill Vote 32-0

SB223 UNSAFE USED TIRES PROHIBITION (Sen. Frank LaRose) To prohibit the installation of unsafe used tires on certain motor vehicles.

Vote 31-1

SB230 LICENSE PLATE-MEDINA COUNTY (Sen. Larry Obhof) To create the "Medina County" license plate.

Vote 32-0

CONSIDERATION OF HOUSE AMENDMENTS

SB134 HIGHWAY DESIGNATIONS-THOMAS BELKOFER (Sen. Randy Gardner) To designate a portion of State Route 795 in Wood County as the "Lt Col Thomas P. Belkofer Memorial Highway."

Senate Does Concur, Vote 32-0

SB169 TRAVEL INSURANCE SALE OVERSIGHT (Sen. Steve Wilson, Sen. John Eklund) To oversee the sale of travel insurance.

Senate Does Concur, Vote 32-0

HOUSE

PASSED BY HOUSE

HB21 COMMUNITY SCHOOL ENROLLMENT VERIFICATION (Rep. Steve Hambley) Regarding verification of community school enrollments.

Vote 94-0

HB66 TENURED TEACHING REQUIREMENTS (Rep. Ron Young) To require permanently tenured state university or college faculty members to teach at least three credit hours of undergraduate courses per semester.

Vote 86-8

HB104 TAX REFUND ON BAD DEBTS (Rep. Tim Schaffer) To allow vendors to receive a refund of sales tax remitted for bad debts on private label credit accounts when the debt is charged off as uncollectible by the credit account lender.

Vote 93-0

HB202 DAY DESIGNATION-VETERANS SUICIDE AWARENESS (Rep. Andrew Thompson, Rep. Laura Lanese) To designate the first Saturday of May as "Veterans Suicide Awareness Day."

Vote 93-0

HB283 ADOPTION-ABUSE AND NEGLECT (Rep. Jeffrey Rezabek) To require the juvenile court judge to provide written consent to certain adoptions involving abused, neglected, or dependent children.

Vote 80-13

HB291 EMPLOYEE DISHONESTY INSURANCE (Rep. Scott Wiggam) To authorize counties, townships, and municipal corporations to purchase an employee dishonesty and faithful performance of duty insurance policy, instead of a bond, for protection from loss due to the fraudulent or dishonest actions of, and the failure to perform a duty prescribed by law by, an officer, official, employee, or appointee for which a bond is required by law.

Vote 93-0

HB307 MONTH DESIGNATION-WE CARD MONTH (Rep. Anne Gonzales) To designate September as "We Card Month."

Vote 90-3

HB336 REINSTATEMENT FEE AMNESTY (Rep. John Barnes, Jr., Rep. Dave Greenspan) To prohibit the imposition of driver's license and temporary instruction permit reinstatement fees in specified circumstances and to name this act the Reinstatement Fee Amnesty Initiative.

Vote 92-1

HB338 BUS DRIVER MEDICAL EXAMS (Rep. Tim Ginter) Regarding medical examinations for school bus drivers.

Vote 93-0

SB62 DAY DESIGNATION-HARRISON DILLARD (Sen. Kenny Yuko) To designate July 8 as "Harrison Dillard Day."

Vote 92-0

SB134 HIGHWAY DESIGNATIONS-THOMAS BELKOFER (Sen. Randy Gardner) To designate a portion of State Route 795 in Wood County as the "Lt Col Thomas P. Belkofer Memorial Highway."

Vote 93-0

SB169 TRAVEL INSURANCE SALE OVERSIGHT (Sen. Steve Wilson, Sen. John Eklund) To oversee the sale of travel insurance.

Vote 89-2

CONSIDERATION OF SENATE AMENDMENTS

HB69 LEVY REVENUE REIMBURSEMENT (Rep. Bob Cupp) To require reimbursement of certain township fire and emergency medical service levy revenue forgone because of the creation of a municipal tax increment financing district.

House Does Concur, Vote 85-7

HB170 COMPUTER SCIENCE EDUCATION (Rep. Rick Carfagna, Rep. Mike Duffey) With regard to academic content standards and curriculum requirements for computer science; to revise educator qualifications regarding computer science; to create a competitive technology grant program for the 2018-2019 school year; and to make an appropriation.

House Does Concur, Vote 85-8

HB223 SETTLEMENT PAYMENT RIGHTS TRANSFER (Rep. Jonathan Dever) Relative to transfers of structured settlement payment rights.

House Does Concur, Vote 92-0

ADOPTED BY HOUSE

HCR16 OIL MARKET MANIPULATION (Rep. Andrew Thompson) To urge the Congress of the United States and President of the United States to take certain actions to counter manipulation of the oil market by the Organization of Petroleum Exporting Countries (OPEC).

Vote 92-0

HR323 ELECTION OF THE MINORITY WHIP & ASSISTANT MINORITY WHIP (Rep. Cliff Rosenberger, Rep. Fred Strahorn) Relative to the election of the minority whip, and the assistant minority whip for the 132nd General Assembly of Ohio.

Vote 94-0