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Week in Review
February 8, 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.

ADDICTION/SUBSTANCE ABUSE

CVS Health announced that it will make the opioid overdose reversal medicine naloxone available without a prescription at all CVS Pharmacy locations across Ohio beginning in late March 2016.

BALLOT ISSUES

Secretary of State Jon Husted sent the Drug Price Relief Act initiated statute to the General Assembly, starting the clock on how long the Legislature has to act on it before supporters can collect more signatures to put it on the November ballot. However, Husted said he did so "with reservations."

FY16-17 BUDGET

The \$1.48 billion capital reappropriations bill designates the lion's share of money to building construction and public works, followed by a third of a billion dollars to higher education. The Office of Budget and Management (OBM) reiterated brief testimony from the Senate Finance Committee last Tuesday before its House counterpart, cautioning that estimated reappropriations could end up being lower -- or higher -- than the \$1.48B.

CORRECTIONS

Ohio is at the forefront of states moving away from solitary confinement to improved psychiatric care and other prison interventions, the Correctional Institution Inspection Committee (CIIC) said last Tuesday.

EDUCATION

The state opened applications last Monday for scholarship programs that can help families pay for private schools. The EdChoice Scholarship, Jon Peterson Special Needs Scholarship and Cleveland Scholarship are all open for interested students and families to apply.

The Ohio Department of Education (ODE) is taking applications until Tuesday, March 15 for industry credentials to be added to the list of credentials that can be used to qualify for high school graduation. The application form is available at <http://education.ohio.gov/getattachment/Topics/Career-Tech/CTE-Performance-Data-and-Accountability/Credential-Application.pdf.aspx>.

ELECTIONS 2016

Endorsements made over the week include the following:

- The *New York Times* endorsed John Kasich for the Republican nomination for president.
- The Ohio Chamber of Commerce PAC endorsed the following candidates in the upcoming primary election: Scott Wiggam (R-Wooster), House District 1; Rep. John Barnes (D-Cleveland), House District 12; Rep. Mike Henne (R-Clayton), House District 40; Joe Mulligan (R-Middletown), House District 53; Rick Carfagna (R-Genoa Township), House District 68; Rep. Tony Burkley (R-Payne), House District 82; Sen. Bill Coley (R-West Chester), Senate District 4; Sen. Peggy Lehner (R-Kettering), Senate District 6; Rep. Bob Hackett (R-London), Senate District 10; Rep. Stephanie Kunze (R-Hilliard), Senate District 16; Larry Obhof (R-Medina), Senate District 22; and Vernon Sykes (D-Akron), Senate District 28.

ENERGY

Leading opponents of the power purchase agreements (PPA) sought by American Electric Power (AEP) of Ohio, FirstEnergy, Duke Energy, and Dayton Power & Light (DPL) released voter polls that appeared to cast doubt on guaranteed subsidies for aging power plants currently before the Public Utilities Commission of Ohio (PUCO).

ENVIRONMENT

Rep. John Bocchieri (D-New Middletown) announced he will introduce a bill to establish "clear standards" for water testing and public notification procedures in cases of lead contamination. The legislation comes in response to elevated levels of lead found in the public water system in the village of Sebring. Bocchieri said that the Ohio Environmental Protection Agency (Ohio EPA) failed to notify residents that the area water had higher-than-normal levels of lead for five months.

Rep. John Bocchieri (D-New Middletown) has called on the House to subpoena Ohio Environmental Protection Agency (Ohio EPA) Director Craig Butler to answer questions relating to the elevated levels of lead in the drinking water found in the village of Sebring.

FEDERAL

U.S. Sen. Sherrod Brown (D-OH) announced that he is drafting legislation to direct the U.S. Environmental Protection Agency (USEPA) to automatically alert the public of elevated lead levels in the public water system if state and local agencies fail to do so within 15 days.

GAMING

The state's top attorney affirmed that it is state lawmakers, not executive departments and commissions, that wield final regulatory power in Ohio. That's true, said Attorney General Mike DeWine, even when the regulated activity is something as lucrative as video lottery terminal (VLT) revenue. In an 11-page legal opinion, DeWine told Ohio State Racing Commission (OSRC) Chairman Robert Schmitz that VLT sales agents, i.e. track owners, are no more obligated to funnel percentage payments to horsemen's associations through OSRC than they are their own gaming commissions -- fully 66.5 percent of video lottery proceeds at licensed tracks.

GENERAL ASSEMBLY/STATEHOUSE

The House State Government took up again the debate on whether governments should be able to require contractors to hire locals on public construction projects. The committee heard from supporters of SB 152, Sen. Joe Uecker's (R-Loveland) measure to ban local governments from including the hiring mandates in public contracts. Committee members approved an amendment to

create a carve-out for one Cleveland project but batted down Democrats' other proposals to create exemptions.

GOVERNOR

The governor made the following appointments during the week:

- John F. Bayliss of Rushsylvania (Logan County) to the Materials Management Advisory Council for a term beginning Jan. 29, 2016 and ending July 1, 2016.
- Clifford L. Mason of Hebron (Licking County) reappointed to the State Emergency Response Commission for a term beginning Jan. 29, 2016 and ending January 13, 2018.
- Paul B. Graham of Worthington (Franklin County), Stacey L. Hoffman of Cleveland Heights (Cuyahoga County) and J. Jeffrey McNealey of Columbus (Franklin County) reappointed to the Ohio Historic Site Preservation Advisory Board for terms beginning Feb. 2, 2016 and ending Jan. 14, 2019.
- John A. Brown of Mansfield (Richland County) and Jordan A. Miller, Jr. of Powell (Delaware County) reappointed to the Banking Commission for terms beginning Feb. 3, 2016, and ending Jan. 31, 2019.
- Chamese R. Jarrett of Etna (Licking County) and Michael A. Sliva of Cadiz (Harrison County) reappointed to the Ohio Reclamation Forfeiture Fund Advisory Board for terms beginning Feb. 3, 2016, and ending Jan. 10, 2020.
- James W. Metz of Eaton (Preble County) to the Environmental Education Council for a term beginning Feb. 4, 2016, and ending Oct. 1, 2016.

INSURANCE

Lt. Gov. and Ohio Department of Insurance Director Mary Taylor announced that the state's lead program providing free Medicare education and counseling services saved Ohioans \$20.8 million in 2015. The Ohio Senior Health Insurance Information Program (OSHIIP) counseled nearly 386,500 consumers, setting a program savings record that surpassed the previous high mark of \$18 million set last year. A total of 292,000 consumers were assisted in person at OSHIIP's 2,500 statewide outreach events.

MARIJUANA

Individuals with family members suffering from epilepsy and other serious ailments told a traveling panel of legislators that medical marijuana has freed them from crippling side effects from pharmaceuticals, while representatives of the health care industry said that any legalization should go through the federal Food and Drug Administration (FDA). Sens. Dave Burke (R-Marysville) and Kenny Yuko (D-Richmond Heights) held the first stop of their listening tour on the campus of Cleveland State University.

PENSION FUNDS

A new resolution co-sponsored by most House Republicans would require the state's public employee pension funds to dump all investments tied to state sponsors of terrorism within three years. Under HJR 6, sponsored by Rep. Terry Johnson (R-McDermott), voters would see a question on the November ballot about whether to amend the Ohio Constitution to require divestment by Dec. 31, 2018. House Speaker Cliff Rosenberger (R-Clarksville) is a co-sponsor of the resolution, as are more than 40 fellow members of the House GOP caucus and one Democrat, Rep. Bill Patmon (D-Cleveland).

TRANSPORTATION

A peer review of U.S. toll roads conducted by Fitch Ratings says the Ohio Turnpike is the highest-rated toll road in the United States. The report ranked the turnpike and the Harris County Toll Road Authority highest out of 17 toll agencies in their peer group, according to the Ohio Turnpike and Infrastructure Commission (OTIC).

UTILITIES

The natural gas auction price approved by the Public Utilities Commission of Ohio (PUCO) last Wednesday is a major boon to consumers and a sign of still-developing natural gas infrastructure in the Buckeye State. The commission cleared a commodity price below levels on the New York Mercantile Exchange (NYMEX) -- at least for customers of Dominion East Ohio in Northeast Ohio.

WORKERS' COMPENSATION

State agencies are looking at a 13 percent rate cut at the Ohio Bureau of Workers' Compensation (BWC) in the new fiscal year and, if projections hold up, private employers could see a double-digit price drop of their own. Even average numbers would yield a six-year premium reduction exceeding 28 percent for businesses under the Kasich administration. The BWC Board of Directors cleared the 13 percent rate cut for state government employers, along with a 13.8 percent decline in agency contributions to managed care, effective July 1, 2016.

LEGISLATIVE ACTIVITY

No legislative activity to report.