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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.

ADDICTION/SUBSTANCE ABUSE

Ohio Attorney General (AG) Mike DeWine announced that a rebate agreement that has saved Ohio agencies nearly \$400,000 on the cost of the opioid overdose reversal drug naloxone since 2015 has been extended for one year.

FY18-19 BUDGET

The House Ways and Means Committee heard Tuesday from Tax Commissioner Joe Testa as it transitions into its role as a subcommittee for budget deliberations. Most of the hour-long hearing on HB 49 (R. Smith) featured Testa reading prepared remarks nearly identical to his presentation before the House Finance Committee, with only a few minutes for questions at the end.

The House Finance Primary and Secondary Education Subcommittee prefaced its look at the Kasich administration's FY18-19 proposal with a review Wednesday of the ins and outs of Ohio's school funding formula, presented by the Legislative Service Commission (LSC). Jason Phillips, division chief for LSC's education fiscal group, spent more than two hours exploring the vagaries of how Ohio takes into account factors from local wealth to miles driven by buses to farmland as a proportion of property to classifications of student disabilities to ultimately determine how much money it will send to a given district.

Questions from members of the House Finance Health and Human Services Subcommittee got tougher as the afternoon wore on Wednesday as Ohio Department of Developmental Disabilities (DODD) Director John Martin made the case for his agency's proposed FY18-19 budget. Many of the questions came from Rep. Robert Sprague (R-Findlay) who commented that the department has a significant increase in funding with All Funds up approximately \$250 million.

The Ohio Environmental Protection Agency (Ohio EPA) would push against substantial cuts to the U.S. Environmental Protection Agency's (USEPA) budget, Ohio EPA Director Craig Butler said Thursday. Addressing members of the House Finance Agriculture, Development and Natural Resources Subcommittee on the agency's budget request in HB 49 (R. Smith), Butler said he met with members of the Trump administration in Washington last week. He said about 30 percent of Ohio EPA's funding is through federal State and Tribal Assistance Grants (STAG).

Budget Director Tim Keen and members of the House subcommittee focused on K-12 education funding, discussing Thursday the dynamics of caps and guarantees in the school formula and how best to move away from them. The panel also questioned Superintendent Paolo DeMaria on policy details of the budget bill, HB49 (R. Smith), and heard from witnesses on other education topics. While Keen has been most vocal about the administration's desire for lower guarantee funding in districts with substantially fewer students, he told members of the House Finance Primary and Secondary Education Subcommittee he's come to view the funding caps as particularly "insidious."

CIVIL RIGHTS

The Ohio Civil Rights Commission (OCRC) told the House Economic Development, Commerce and Labor Committee that while a proposal to change workplace discrimination law is improved from related legislation considered in the lame duck session, and even more so following changes adopted Tuesday, it's nonetheless concerning. Employment law attorneys also expressed strong opposition to the bill Tuesday. Seitz says HB 2, the follow up to last year's SB 268, is necessary to align "substantially dissimilar" employment discrimination laws at the state and federal levels.

CRIMINAL JUSTICE

The American Civil Liberties Union (ACLU) of Ohio is urging lawmakers to temporarily halt the introduction and passage of bills that create new criminal penalties or lengthen prison sentences until

the General Assembly's Criminal Justice Recodification Committee releases its recommendations later this year.

EDUCATION

Tom Gunlock, who recently stepped down as State Board of Education president after declining to seek the office again, resigned from the board on Thursday, Feb. 23, and Gov. John Kasich named Kara Morgan of Union County to replace him. Morgan is an analytics experts with Battelle Memorial Institute, with a focus on health policy and outcomes. She also is an adjunct professor at Ohio State University's John Glenn College of Public Affairs.

The Ohio Department of Education (ODE) defended its enrollment review processes and the decision of a lower court upholding them in legal arguments filed recently with the 10th District Court of Appeals in its dispute with Electronic Classroom of Tomorrow (ECOT). In its reply brief filed Monday, ECOT disputed ODE's interpretation of what the law says about funding and enrollment and argued the trial court had relied on the state's "mischaracterization" of the law to make its decision.

Representatives of school districts around the state gave their thoughts on the state's Every Student Succeeds Act (ESSA) plan to the Joint Education Oversight Committee (JEOC), saying they would like to see an accountability system that does not rely heavily on testing. The committee held a hearing Thursday seeking feedback on the state's draft plan to implement the federal law, and plans another one for next week on Thursday, March 9.

ELECTIONS

Secretary of State Jon Husted said Monday that his office has found 385 new cases of non-U.S. citizens who are registered to vote in Ohio, and 82 of those have cast a ballot in at least one previous election.

ELECTIONS 2018

While Ohio Democrats don't have an officially announced candidate for governor in 2018, they have one less possibility after U.S. Rep. Tim Ryan (D-Niles) said he will seek re-election instead. Ryan was one of nearly a dozen names that had been mentioned as a potential contender, but he said Tuesday that he believes the best way to serve is to remain in U.S. Congress, where he can "channel the support I've received through my positions on the Appropriations Committee and Defense Subcommittee to fight back against wrong-headed policies and champion the kinds of solutions that would have a real impact for American families."

Two Ohio legislators made their 2018 plans known Wednesday, with Sen. Joe Schiavoni (D-Boardman) becoming the first Democrat into the gubernatorial race, and Rep. Dorothy Pelanda (R-

Marysville) entering into the secretary of state's race before any other candidate. Schiavoni, who has been exploring a potential run, jumped in after U.S. Rep. Tim Ryan (D-Niles) said he wouldn't seek the office on Tuesday.

FINANCIAL INSTITUTIONS

The overhaul of Ohio lending laws moved forward Tuesday with Senate committee passage of legislation to create the Consumer Installment Loan Act (CILA). Sen. Lou Terhar's SB 24 is one of several efforts to create independent sections of code that would restructure the many types of loans -- personal, home, auto and short-term loans, among others -- currently under the Ohio Mortgage Loan Act (OMLA).

GAMING

Executive Director of the Ohio Lottery Dennis Berg told the Joint Committee on Gaming and Wagering that the best way to increase revenue is to implement methods of cashless payment at self-serve lottery machines. Though members of the House were not present for the meeting, Berg told the three senators gathered, including Chairman Bill Coley (R-West Chester), that adding cashless payment options wouldn't necessarily constitute "an expansion of gaming," but instead an adaptation to the new ways consumers want to pay for products.

GENERAL ASSEMBLY/STATEHOUSE

House Speaker Cliff Rosenberger (R-Clarksville) is forming the following task forces that will take a wide-ranging look at these top issues for his caucus: Alzheimer's and dementia, chaired by Rep. Dorothy Pelanda (R-Marysville); HOPES (Heroin, Opioids, Prevention, Education, Safety), chaired by Rep. Robert Sprague (R-Findlay); energy policy, chaired by Rep. Bill Seitz (R-Cincinnati); education and poverty, chaired by Rep. Bob Cupp (R-Lima); and BRAC (Base Realignment and Closure) and military affairs, chaired by Rep. Rick Perales (R-Beavercreek).

Rep. Greta Johnson (D-Akron) announced Thursday that she will step down at the end of the month to accept a position in the office of Summit County Executive Ilene Shapiro. Johnson will begin working as deputy director in the Department of Law, Insurance and Risk Management on Monday, March 27, according to Shapiro's office.

GOVERNOR

The governor made the following appointments during the week:

- Kara Morgan of Dublin (Union County) to the State Board of Education for a term beginning Feb. 24, 2017 and ending Dec. 31, 2018.

- Randall T. Barengo of Marietta (Washington County) reappointed to the Washington State Community College Board of Trustees for a term beginning Feb. 24, 2017 and ending Feb. 17, 2023.
- Brandon M. Calhoun of Uniontown (Summit County) to the Technical Advisory Council on Oil and Gas for a term beginning Feb. 28, 2017, and ending Jan. 31, 2020.
- Deborah Pryce of Columbus (Franklin Co.) to the Liquor Control Commission for a term beginning March 1, 2017 and ending Feb. 8, 2023.
- Stephanie E. Green of Columbus (Franklin County) to the Ohio Higher Educational Facility Commission for a term beginning March 2, 2017, and ending Jan. 1, 2020.
- Dan T. Moore of Cleveland Heights (Cuyahoga County) to the Governor's Executive Workforce Board for a term beginning March 2, 2017, and continuing at the pleasure of the governor.

GUNS

The state issued a record number of concealed carry licenses in 2016 as central and northeast Ohio tied to lead the state in total permits, according to new figures from the Ohio Attorney General's Office. Franklin County led all regions even as Cuyahoga County failed to break the top 20, pushing gun licensees into communities surrounding Cleveland.

LOCAL GOVERNMENT

Sen. Matt Huffman (R-Lima) was joined by Allen County Commissioner Jay Begg, Sidney Mayor Mike Barhorst and Prairie Township Administrator Tracy Hatmaker at the Statehouse Tuesday to promote his SB 72, which proposes to make the use of prevailing wage for public projects optional.

The village of Montpelier's tap water is the finest on the planet, according to judges at the "Academy Awards of Water." The Northwest Ohio town won "Best Municipal Water in the World" at the Berkeley Springs International Water Tasting in West Virginia, according to a news release on the competition's website.

NATURAL RESOURCES

The Buckeye Lake Dam construction project is likely to be completed in the fall of 2018, according to Ohio Department of Natural Resources (ODNR) Communications Director Bethany McCorkle. The project was originally scheduled to be completed in 2020, and the timeframe for completion was moved up to 2019 last year.

PEOPLE

Ohio Department of Medicaid (ODM) Director Barbara Sears announced that Jenelle Hoseus will serve as chief of staff and Dr. Beth Liston will join the department as the new assistant medical director.

TRANSPORTATION

Members of the Senate Transportation, Commerce and Workforce Committee began informal consideration of the transportation budget on Tuesday, hearing from representatives of seven state agencies. The bill, HB 26 (McColley), was not voted on in the House until Wednesday. Those appearing before the committee offered agency testimony similar to that given while the bill was being considered in the House Finance Committee.

The transportation budget was approved by the House Wednesday, sending the approximately \$7.8 billion measure to the Senate for consideration. HB26 (McColley) passed 83-13, with seven Republicans and six Democrats voting against the legislation.

WORKERS' COMPENSATION

The Ohio Bureau of Workers' Compensation (BWC) Board of Directors approved an overall premium reduction of 10.7 percent for state agencies and public hospitals in FY18. It is their fifth straight year of rate cuts but a smaller decrease than in FY16 and FY17. Insurance rates for individual state agencies will see increases or decreases into the high double digits next year, however, depending on recent and projected claims activity.

LEGISLATIVE ACTIVITY:

HOUSE

PASSED BY HOUSE

- HB1** PROTECTING DOMESTIC VIOLENCE VICTIMS (Rep. Emilia Sykes, Rep. Nathan Manning) To authorize the issuance of dating violence protection orders with respect to conduct directed at a petitioner alleging dating violence, to provide access to domestic violence shelters for victims of dating violence, and to require the Attorney General's victim's bill of rights pamphlet to include a notice that a petitioner alleging dating violence has the right to petition for a civil protection order.
Vote 92-2
- HB34** OFFICIAL NOTICE DELIVERY (Rep. Steve Hambley, Rep. Scott Ryan) To authorize certain state agencies, local governments, and other boards, commissions, and officers to deliver certain notices by ordinary mail and electronically instead of by certified mail.
Vote 94-0
- HB5** MICROBUSINESS STATUTORY DEFINITION (Rep. Dorothy Pelanda, Rep. Theresa Gavarone) To create a statutory definition of "microbusiness."
Vote 96-0
- HB26** TRANSPORTATION-PUBLIC SAFETY BUDGET (Rep. Robert McColley) To make appropriations for programs related to transportation and public safety for the

biennium beginning July 1, 2017, and ending June 30, 2019, and to provide authorization and conditions for the operation of those programs.

Amended on Floor, Bill Vote 83-13

SENATE

The Senate did not vote on any legislation this week.