Week in Review
April 11, 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.

FY16-17 BUDGET

According to preliminary information released last Thursday by the Office of Budget and Management (OBM), Ohio’s revenues through March continue to track revenue estimates for the fiscal year. Specifically, revenues through March were 0.1 percent or $9.2 million over estimate for the first three quarters of FY16. So far this fiscal year, Ohio has brought in a total of nearly $16 billion: $15,993,862 to be exact.

CORRECTIONS

The Ohio Department of Rehabilitation and Correction (DRC) is being sued by the American Civil Liberties Union (ACLU) of Ohio on behalf of a prisoner allegedly denied the required remedy for his hearing problem. Filed in the U.S. District Court for the Northern District of Ohio, the lawsuit
says DRC policy of providing hearing-impaired inmates one but not two hearing aids violates the Americans with Disabilities Act (ADA) and the Eighth Amendment ban on cruel and unusual punishment.

EDUCATION

A new research paper from the National Alliance for Public Charter Schools (NAPCS) examines a question that often arises in Ohio debates on charter schools -- how to attract successful charter organizations to open up shop nearby. The paper looks at the issue with three types of charter management organizations (CMOs) in mind: established CMOs that already serve thousands of students in their schools; entrepreneurial CMOs willing to consider opening a few schools in a given area; and niche CMOs focused on a few specific factors for their models' success. It also considers the factors at play in different market types.

ENVIRONMENT

The Ohio Environmental Protection Agency (Ohio EPA) and the U.S. Army Corps of Engineers (USACE) are once again at odds over how to dispose of the material dredged from Cleveland Harbor. The state agency recently denied USACE's request to dump into Lake Erie the sediments and debris dug up from the Cuyahoga River shipping channel.

FEDERAL

U.S. Sen. Sherrod Brown (D-OH) is reintroducing legislation that he says will help local communities afford costly repairs to aging sewer systems, and is more likely to pass this time. Brown discussed the Clean Water Affordability Act with reporters on a conference call, saying his confidence in legislation he has been introducing since 2009 is boosted by the passage of a transportation bill despite a divided Congress late last year. He said members of Congress are seeing the benefits of investments in infrastructure improvements.

GAMING

Ohio's four casinos earned more in March than they did during the same period in 2015, according to revenue numbers released by the Ohio Casino Control Commission. The March figures were also up from February this year. According to the commission, the four casinos brought in a total of $73.7 million in March, up from $72.3 million in March 2015. The casinos earned $72.1 million in February of this year.

GENERAL ASSEMBLY/STATEHOUSE

Senate President Keith Faber (R-Celina) Monday named Sen. Frank LaRose (R-Copley) chair of the Senate Transportation, Commerce and Labor Committee, replacing Sen. Gayle Manning (R-North Ridgeville), who becomes vice chair. In addition, Sen. Joe Uecker (R-Loveland) replaces LaRose as chair of the Senate State and Local Government Committee, and Sen. Tom Patton (R-Strongsville) was named chair of the Senate Finance Committee's Corrections Subcommittee, replacing Uecker.
The Senate Democratic Caucus announced Monday that Claire Linkhart has been promoted to budget and finance director for the caucus. Senate Democratic Leader Joe Schiavoni (D-Boardman) said Linkhart replaces Matt Howells, who is joining Honda of America Mfg. Inc. as a government relations specialist after working for nearly six years in the Senate.

New House and Senate companion bills will reform the Joint Committee on Agency Rule Review (JCARR) process by adding a seventh prong and give lawmakers on the panel more power to bring agencies before them to answer questions about policies that don't have corresponding rules. Sen. Joe Uecker (R-Loveland) and Rep. Mike Duffey (R-Worthington) outlined their legislation, SB 303 (Uecker) and HB 503 (Duffey), respectively, at a press conference last week. Uecker said the latest reforms to JCARR started a year and a half ago and will strengthen the process by making changes to technical aspects of what the committee does.

GOVERNOR

The governor made the following appointments during the week:

- Joshua M. Cox of Xenia (Greene County) to the State Board of Pharmacy for a term beginning April 1, 2016 and ending June 30, 2017.
- Jessica A. Germain of New Albany (Franklin County) to the Motor Vehicle Dealers Board for a term beginning April 1, 2016 and ending Oct. 4, 2018.
- Rhonda L. Freeze of Liberty Township (Butler County) reappointed to the Historical Records Advisory Board for a term beginning April 1, 2016 and ending March 31, 2019.
- Jessica L. Bumgardner of Scio (Harrison County) to the Belmont College Board of Trustees for a term beginning April 1, 2016 and ending May 12, 2016.
- Mark A. Vander Laan of Cincinnati (Hamilton County) to the Ohio Ethics Commission for a term beginning April 5, 2016 and ending May 13, 2018.
- Scott R. Williams of Powell (Delaware County) reappointed to the State Fire Council for a term beginning April 5, 2016 and ending May 12, 2016.
- Brooke Mauro of Liberty Township (Butler County) as the student member on the Ohio University Board of Trustees for a term beginning May 14, 2016 and ending May 13, 2018.
- Staci B. Matheney of McConnelsville (Morgan County) to the Washington State Community College Board of Trustees for a term beginning April 7, 2016 and ending Feb. 16, 2021.

MARIJUANA

The Ohio Attorney General's Office certified the petition for a proposed amendment to the Ohio Constitution that would legalize marijuana for medicinal and industrial use in the state. On March 28, the AG's office received a written petition to amend the constitution titled, "Medicinal Cannabis and Industrial Hemp Amendment." The petition was certified as containing both the necessary 1,000 valid signatures from registered Ohio voters and a "fair and truthful" summary of the proposed amendment.
PEOPLE

Rep. Sarah LaTourette (R-Bainbridge) and her husband, Scott Kayser, announced the birth of their son, Matthew Steven LaTourette Kayser. At 21 inches long, he weighed in at 7 pounds.

PUBLIC SAFETY

During the period of October 2015 through March 2016, fire deaths in Ohio decreased 27 percent from the previous heating season, the state fire marshal reported recently. These six months, identified as the winter heating months, typically represent the largest percentage of fatal fires. The state fire marshal's office attributed the decline to two factors: the implementation of its "Safe & Sound" campaign aimed at reducing fire deaths, particularly those caused by alternative heat sources, which was introduced at the start of the heating season; and the mild winter.

STATE OF THE STATE

Gov. John Kasich took a break from his presidential campaign to focus on Ohio as he delivered his sixth "State of the State" address -- this time before a joint session of the Legislature in Marietta. Five of his six addresses have been given in sites other than the Statehouse -- the traditional venue for this annual address. Among the items he wants to see tackled are reforming the state's process of drawing congressional districts; accelerating tax cuts already approved; adding an emphasis on arts back into the education system; reducing costs at the state's colleges and universities; making further tax cuts; and taking additional steps in the state's war on the opiate epidemic, including registering pharmacy techs.

Kasich also presented his 2016 Governor's Courage Awards to Ohioans who have made an impact. This year's honorees included Margo Hudson of Cleveland, who is a tutor and mentor; Wallace Peck of Columbus, an artist; and Washington County Sheriff Larry Mincks, Belpre Superintendent Tony Dunn and parent Kelli Allman for their efforts around drug abuse and addiction prevention.

Republican legislative leadership praised Gov. John Kasich's vision and leadership following his sixth "State of the State" address, but they didn't immediately endorse specific policies he proposed in the speech. Kasich strongly endorsed congressional redistricting reform again, reiterating supportive remarks from a year-end speech in 2015. Both Senate President Keith Faber (R-Celina) and House Speaker Cliff Rosenberger (R-Clarksville) said they're open to discussing change but are very hesitant to simply replicate the new process adopted for redrawing state legislative districts.

Democratic leaders in the House and the Senate responded to Gov. John Kasich's "State of the State" address by saying he should put his money where his mouth is. "The governor talked about all of these improvements that he wants to make, improving education, giving kids an opportunity to participate in arts, putting our arms around guidance counselors so they can help our kids," Senate Minority Leader Joe Schiavoni (D-Boardman) told reporters. "A lot of schools are cutting art, they don't have the funds. So if we don't invest in art, if we don't invest in these programs for the students, if we don't invest in additional guidance counselors to help the kids, then you don't have successful education in our state, and that's a major problem."
The House Energy and Natural Resources Committee held a special meeting in Marietta last Wednesday, hearing testimony on a bill that proponents say would level the playing field for non-metallic products in piping projects. Ohio Chemistry Technology Council (OCTC) President Jenn Klein told the committee, which was meeting outside the Solvay Advanced Polymers plant on the Ohio River in the Southeast Ohio city, that HB 214 (Thompson) would ensure Ohioans have access to a broad range of products when constructing and maintaining infrastructure.

TRANSPORTATION

The Ohio Department of Transportation (ODOT) announced it will invest $2.1 billion in the state's transportation network this construction season. ODOT is scheduled to deliver more than 1,100 new projects, which are designed to improve the condition of roads and bridges, increase safety and make the transportation of people and goods more efficient. According to the department, of those projects, 157 will focus specifically on safety -- at a cost of $256.4 million. The program includes $417.5 million for improving the condition of more than 1,167 bridges and $629.3 million for 6,485 miles of pavement.

UTILITIES

The Public Utilities Commission of Ohio (PUCO) recently accepted the results of AEP Ohio's fourth wholesale auction, which will ultimately determine retail generation service rates for its standard service offer through May 2018. The results from this auction, which resulted in an average clearing price of $46.24 per megawatt hour, will be blended with previous and future auctions to create AEP Ohio's price-to-compare for the delivery period of June 1, 2016 to May 31, 2018.

The state is set to respond to a long list of complaints before the Federal Energy Regulatory Commission (FERC) opposing the Public Utilities Commission of Ohio's (PUCO) newly approved power purchase agreements (PPA) for FirstEnergy and American Electric Power (AEP) of Ohio.

WORKERS' COMPENSATION

Stephen Buehrer announced that he will be stepping down as administrator of the Ohio Bureau of Workers’ Compensation (BWC) after more than five years, effective Friday, April 15. Sarah Morrison, the bureau’s chief legal officer, will serve as interim administrator and CEO.

LEGISLATIVE ACTIVITY

No bills were passed during the past week.