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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.

AGRICULTURE

Agriculture officials have detected sudden oak death caused by water mold *Phytophthora ramorum* on rhododendron plants shipped to Walmart and Rural King stores throughout the state, the Ohio Department of Agriculture (ODAg) announced Tuesday. Both retailers have agreed to initiate a voluntary recall of plants from their stores, ODAg said in a news release.

Farmers are another step closer to being allowed to cultivate hemp in Ohio, as the General Assembly sent SB57 (Hill-Huffman) to Gov. Mike DeWine's desk for his signature. The House voted 88-3 to pass the hemp legalization bill on Wednesday, with Reps. Ron Hood (R-Ashville), Candice Keller (R-Middletown) and Jena Powell (R-Arcanum) opposing it. The House voted 81-6 to include an emergency clause. The designation was needed so farmers can begin planting as soon as possible and so retailers can quickly retrieve cannabidiol (CBD) products forced off their shelves by state regulators and local law enforcement, said Rep. Kyle Koehler (R-Springfield), chair of the House Agriculture and Rural Development Committee. The Senate quickly agreed to House changes to the

hemp legislation Wednesday, agreeing to the emergency clause 30-1 and concurring with amendments 31-0.

ATTORNEY GENERAL

Ohio Attorney General Dave Yost Friday launched a new online tool allowing Ohioans to look up and identify if a business or individual has been sued by the state for violating consumer protection laws. The Consumer Protection Lawsuit Search allows users to access a database of all civil lawsuits and criminal indictments filed with the attorney general's Consumer Protection Section and its Economic Crimes Unit since 2013.

FY20-21 BUDGET

State leaders finished work on the overdue biennial budget this week with final changes in the conference committee on HB166 (Oelslager) Tuesday night, floor votes Wednesday and a signing with 25 vetoes from Gov. Mike DeWine Thursday morning. The compromise version of the state operating budget passed conference committee 5-1 Tuesday night, with changes that scale back income tax cuts, largely maintain the business income tax deduction, consolidate Ohio's pharmacy benefit manager (PBM) contracts, and temporarily prevent new school districts from falling under state control. The conference report passed the Senate 29-1 and the House 75-17. DeWine got the bill about 11:45 p.m. Wednesday and signed it Thursday morning, in the process excising more than two dozen provisions, many related to Medicaid and health care policy. He deleted lawmakers' mandate to have a single PBM for all of Medicaid managed care, though he said he'd pursue the policy administratively absent some of the restrictions the budget language had placed on the bidding process. He also vetoed health care transparency provisions but signed an executive order toward similar ends, and struck language giving more funding to high wealth schools and deregulating some private schools, among other deletions. Senate President Larry Obhof (R-Medina) said Thursday he was pleased with the final product and did not anticipate any veto overrides, although initiation of that process must start in the House.

While the General Assembly didn't include all his ideas in the budget to create the H2Ohio program, Gov. Mike DeWine praised lawmakers for including \$172 million -- and possibly more -- in the H2Ohio Fund over the biennium in HB166 (Oelslager). "To tell you how important I think it is, I'm spending a half day tomorrow with my team, but also with experts where we'll talk about that and map out a precise strategy," DeWine told reporters during a Statehouse press conference, saying he's already been consistently working with Ohio Department of Natural Resources Director (ODNR) Director Mary Mertz, Ohio Environmental Protection Agency (Ohio EPA) Director Laurie Stevenson and Ohio Department of Agriculture (ODAg) Director Dorothy Pelandia on how water quality should be addressed.

BUSINESS/CORPORATE

Ohio Secretary of State Frank LaRose announced Thursday that 9,935 new entities filed to do business in Ohio in June. With nearly 70,000 new business entities created in the first six months, Ohio is almost 3,000 filings ahead of last year's record-setting pace, LaRose said.

CORRECTIONS

Outside the Ohio Jail Advisory Board, Gov. Mike DeWine called jail inspections "just one slice" of the debate over county detention facilities that includes proper reporting of deaths, sexual misconduct and other "critical incidents," diversion of the mentally ill and addicted to alternative treatment centers, and the inability of many counties to handle the growing jail population, among other issues. DeWine said he recognizes that advisory board members face a "very, very difficult" situation with increased mental health and substance abuse disorders in county jails and rising female inmate populations. He said the Ohio Bureau of Adult Detention's (OBAD) pending expansion from five and a half to 15 employees is a start but "not enough" to cover jail oversight by the state long-term. He reminded members they had been convened in response to a series of incidents at the Cuyahoga County Corrections Center, and that county detention facilities in general require greater oversight statewide.

DISASTERS

A Disaster Recovery Center (DRC) that opened in Boardman on July 12 and was originally scheduled to be open for four days to help renters, homeowners and businesses in Ohio affected by the tornadoes, storms and flooding of May 27-29, 2019, will now remain open until further notice, FEMA said Monday. The DRC at the Boardman Township Administration Building, 8299 Market St., 44512, in Mahoning County will remain open Mondays through Saturdays from 8:30 a.m. to 7 p.m. EDT. It will be closed on Sundays.

ECONOMIC DEVELOPMENT

The Ohio Development Services Agency (DSA) recently awarded \$28,033,063 in Ohio Historic Preservation Tax Credits for the rehabilitation of 49 historic buildings in the state. Together, the projects are expected to leverage approximately \$280 million in private investments in 13 communities. The awards include projects in three new communities (Coshocton, Bellefontaine and Miamisburg), bringing the total number of Ohio communities with historic preservation tax credit projects to 71.

EDUCATION

The Ohio Department of Education Friday announced the 11 teachers who are designated as the "2020 Teacher of the Year" for their respective State Board of Education district through the Teacher of the Year Program. Next, an Ohio panel of education and community stakeholders will interview these district awardees to select the Ohio Teacher of the Year. The state superintendent will announce the statewide honoree in the fall. The Ohio Teacher of the Year will then represent the state in the National Teacher of the Year selection in Spring 2020, sponsored by the Council of Chief State School Officers.

The State Board of Education's workgroup on dropout recovery and prevention (DRP) schools Monday reviewed recommendations made by a previous study panel in 2017 regarding the alternative education system, generally agreeing that the current system for assessing and subsequently funding DRP schools doesn't sufficiently reward the work that these specialized schools do. Buddy Harris with the Ohio Department of Education's (ODE's) Office of Approaches to Teaching and Professional Learning provided an overview of the 2017 group's recommendations.

The Joint Education Oversight Commission (JEOC) convened Wednesday to hear testimony on the progress component of the school report card, a measure that school representatives say does not reflect actual student growth in the classroom. Wednesday's meeting came just hours before the House and Senate voted on the final version of the FY20-21 budget bill, HB166 (Oelslager), which includes the elimination of the group effective Oct. 1, 2019. JEOC Chair Rep. Bob Cupp (R-Lima) told *Hannah News* following the meeting that he is proud of the work they have been able to do with the group and hopes that the work can continue in some form.

ELECTIONS 2020

Rep. George Lang (R-West Chester) officially announced his candidacy for the 4th Ohio Senate District on Monday, setting up a primary that will include fellow House member Candace Keller (R-Middletown).

ENERGY

A pair of experts told the Ohio Consumers' Counsel (OCC) Governing Board Tuesday that the real outcome in passing energy subsidy bill HB6 (Callender-Wilkin) would not be to help a legacy generation technology survive a competitive electric market skewed by historically low natural gas prices, but rather to bail out the poor management practices of FirstEnergy Solutions (FES) and its out-of-state investors.

Energy subsidy bill HB6 (Callender-Wilkin) survived lengthy committee and floor delays and a threatened conference committee Wednesday but could not overcome the absence of four original yes votes from its previous passage in the House. The lower chamber, which secured a last-minute concession on the Senate floor Wednesday, ended the day without a concurrence vote after senators passed the controversial legislation 19-12. The bill is now targeted for House session on Thursday, Aug. 1 -- long past the June deadline FirstEnergy Solutions (FES) had imposed on HB6 to halt the shutdown of its nuclear power plants.

Gov. Mike DeWine said Thursday that he's ready to sign energy subsidy bill HB6 (Callender-Wilkin) as soon as the General Assembly sends it to him. "I'm confident that HB6 will be passed. I think it's important for the state of Ohio to be able to have a significant amount of energy that is created to be carbon-free. Having nuclear plants, today, is the only way we're going to be able to achieve that," DeWine told reporters during a Statehouse press conference.

GENERAL ASSEMBLY/STATEHOUSE

Rep. Dave Greenspan (R-Westlake) this week reintroduced his legislation which addresses the issue of school bullying. It had originally been projected to be HB15 -- one of the House's priority bills (see *The Hannah Report*, 5/21/19) -- but instead it is HB310. Back in May, Speaker of the House Rep. Larry Householder (R-Glenford) had expressed uncertainty over whether the legislation would garner bipartisan support -- a hallmark of most of the priority bills. HB310 has no co-sponsors and HB15 has yet to be introduced.

Rep. Steve Hambley (R-Brunswick) said he won't run for re-election to his 69th House District seat next year, saying he will seek his old position as Medina County commissioner instead. Hambley was elected to the seat in 2014, succeeding former House Speaker William Batchelder (R-Medina).

He currently serves as the chairman of the House Civil Justice Committee and co-chairs the Regional Economic Development Alliance Study Committee.

This week and into next week, American Electric Power (AEP) will be closing nearly all the driving lanes on State Street between High and Third streets during work hours, south of the Statehouse, the Capitol Square Review and Advisory Board (CSRAB) said in a release. One driving lane will be open with traffic directed by a flagger.

In addition to votes on energy policy bill HB6 and the operating and workers' compensation budgets, the Senate on Wednesday passed SB13 (Fedor), repealing laws that treat minor sex trafficking victims differently based on age; and HB50 (Greenspan), regarding intellectual property issues at county-owned hospitals.

The Ohio Statehouse has seen an uptick in events over the past year, according to the Capitol Square Review and Advisory Board (CSRAB). Michele Hulse, assistant director of finance and human resources at CSRAB, told members of the board Thursday that the Statehouse has seen almost 600 more events this year than last year. Some of that increase was attributed to inaugural events earlier this year, but there has been an increase in other events as well, with the Statehouse averaging about three or four events per day.

With the Legislature expected to go on summer break soon after the passage of the biennial budget bill, the House Democratic Caucus announced it will hold a series of townhalls hosted by its members around the state to discuss the state budget, bipartisan priorities, and Democratic accomplishments. "The Ohio Promise Tour gives taxpayers access to their elected representatives to ask questions and get up-to-date on what's happening in Columbus," said House Minority Leader Emilia Sykes (D-Akron). "While we've delivered on a number of key priorities in recent months, there is more work to do to restore the promise of better lives and brighter futures for working families. This tour will help shape our priorities heading into the fall session and reaffirms our commitment to keeping our promise to work for you, the taxpayers."

In other legislative action, the Senate Judiciary Committee reported out SB28 (Hottinger), regarding protection orders.

HEALTH AND HUMAN SERVICES

The Ohio Department of Health (ODH) Friday confirmed that a young adult in Stark County has been diagnosed with measles, the first identified case in the state since 2017. ODH noted that the individual identified in Ohio had recently traveled to a state with confirmed measles cases. There are 28 states, including neighboring states, that have cases and confirmed outbreaks.

HOUSING/HOMELESSNESS

A report released Monday by the Ohio Housing Finance Agency (OHFA) Monday found lower income Ohioans are burdened by the high-cost of housing despite the state's recovery from its most recent housing crisis. OHFA released its Ohio Housing Needs Assessment (HNA), an annual report on Ohio's most critical housing trends and needs. The report found that about half of Ohioans spend more than 30 percent of their income on housing, while 71 percent of the lowest earning groups spent more than 50 percent of their income on housing. The report noted that when housing costs are

at least 30 percent of a household's income, it limits the household's ability to afford other daily needs such as transportation, healthcare and any unscheduled expenditures.

IMMIGRATION

Both of Ohio's U.S. senators visited sites along the country's southern border in Texas over the weekend, both describing the situation as untenable though for different reasons. Brown visited the port of entry in El Paso, while Portman joined other senators and Vice President Mike Pence in McAllen. Portman Tuesday detailed his visit to the southern border on a conference call with reporters, describing an "overwhelming humanitarian crisis" that federal immigration infrastructure is not prepared to handle.

LOBBYISTS

The Ohio Poverty Law Center announced Monday that Tim Johnson has joined the organization as its newest policy advocate. He most recently served as the senior policy adviser for the Senate Democratic Caucus. Prior to working for the caucus, Johnson was an aide in both the Senate and the House.

LOCAL GOVERNMENT

Ohio Supreme Court Chief Justice Maureen O'Connor on Wednesday named the three-judge commission that will consider the full suspension of Pike County Sheriff Charles Reader, provisionally suspended last week by the county common pleas court based on his 16-count indictment. The special commission will include retired Judge Janet Burnside, formerly of the Cuyahoga County Common Pleas Court; retired Judge Patricia Cosgrove, formerly of the Summit County Common Pleas Court; and retired Judge John Haas, formerly of the Stark County Common Pleas Court.

MARIJUANA/HEMP

A total of 48,248 patients have been registered in the Ohio Medical Marijuana Control Program (MMCP) as of June 30, according to figures released by the Ohio Board of Pharmacy (OBP) on Monday. Of those patients, 25,964 have legally purchased cannabis at a licensed dispensary. Of the registered patients, 3,083 are military veterans, 1,752 are indigent and 238 have a terminal diagnosis. There are 3,417 registered caregivers in the MMCP.

NATURAL RESOURCES

Ohio's canoe instructor course is only the third paddling skills curriculum in the nation to earn the National Association of State Boating Law Administrators' Verified Course mark, according to the Ohio Department of Natural Resources (ODNR). Developed by the ODNR, the curriculum will be used to train and certify natural resources officers, naturalists, local boating education partners and others in paddling instruction, the department said.

The Ohio Department of Natural Resources (ODNR) Division of Wildlife has put forward several fishing regulation changes for consideration, including a proposal to increase the number of lines per angler in Lake Erie. If approved by the Ohio Wildlife Council, the regulations will take effect Jan. 1, 2020.

The Ohio Department of Natural Resources (ODNR) Division of Forestry will hold four regional open houses to give the public the opportunity to learn more about management plans for Ohio's state forests and to provide feedback. Held annually, this year's open houses are scheduled for late July and early August.

PEOPLE

Barbara Sykes will head up the Ohio Legislative Black Caucus (OLBC) Foundation as its first president and chief executive officer, the foundation announced, and has resigned her position as the state director of AARP-Ohio. Sykes, a former legislator and mother of House Minority Leader Emilia Sykes (D-Akron) and the wife of State Sen. Vern Sykes (D-Akron), will run the 501(c)3 that seeks to advance Ohio's black community through educational research, developing community leaders, facilitating public policy development, analyzing issues of social and economic importance and the promotion of diversity and inclusion in the public private sector. According to the foundation, Sykes will be the first to serve as president and CEO.

POVERTY

Ohioans receiving Supplemental Nutrition Assistance Program (SNAP) benefits can visit any of 92 farmers' markets around the state to buy fresh, locally-grown food, the Ohio Department of Job and Family Services (ODJFS) said Monday. The department's 2019 Ohio Farmers' Market Directory is online at jfs.ohio.gov/form00569, and all entities listed accept the Ohio Direction Card. SNAP provides monthly benefits to more than 1.4 million Ohioans, according to ODJFS.

PUBLIC SAFETY

The Ohio National Guard (OHNG) and Ohio Emergency Management Agency (Ohio EMA) are the hosts of Vigilant Guard 2019 (VG19), a national-level exercise that is cosponsored by U.S. Northern Command and National Guard Bureau, the agencies said this week. Scheduled for Monday, Aug. 5 through Thursday, Aug. 8, VG19 is a four-day exercise that will test the state's disaster and emergency response capabilities with a simulated cyberattack event that subsequently causes utility failures and disruptions. Emergency response to hazardous material accidents, civil disturbances, and radiological incidents will also be tested.

STATE GOVERNMENT

At the Monday meeting of the Joint Committee on Agency Rule Review (JCARR), no questions, comments or holds came from committee members and no public testimony was taken on items on the regular agenda and the no-change agenda.

TAXATION

The Ohio State Bar Association said Thursday there are serious legal and practical flaws in the new tax policy barring attorneys and lobbyists from using the state's business income tax deduction, and it will consider all avenues to fight it. The exclusion emerged in the conference committee meeting where lawmakers hammered out final differences on the budget. While both the House and Senate retreated from efforts in HB166 (Oelslager) to curtail the deduction itself and the special flat rate businesses pay, they inserted the new restriction.

TECHNOLOGY

Connected Nation Ohio is hosting a series of seven regional forums starting Tuesday, July 16 in Northeast Ohio at Kent State to discuss tools, resources and action steps to improving and expanding broadband access in the state. These forums, which all run from 10 a.m. to 12 noon, are also scheduled for Findlay, Troy, Mt. Vernon, Jackson, Caldwell and Loveland.

One of the country's most prominent business groups brought its "TecNation" event to Columbus on Tuesday, highlighting the Buckeye State's focus on technology and innovation in the public and private sectors. "We have brought together a lot of smart people to talk about a couple of the hottest topics in Ohio, and quite frankly, everywhere -- data and technology. This is exactly where these topics -- that are complex, encompassing and economically critical -- should be discussed, at the Center of Science and Industry (COSI)," U.S. Chamber Technology Engagement Center (C_TEC) Senior Vice President Tim Day said in remarks kicking off the event, which featured guest panels including Lt. Gov. Jon Husted, Ohio Department of Administrative Services (DAS) Chief Information Officer Ervan Rodgers, Columbus State Community College Executive Vice President Rebecca Butler, Columbus City Council President Shannon Hardin and Ohio State University Executive Vice President and Provost Bruce McPherson.

TRANSPORTATION/INFRASTRUCTURE

The Ohio Department of Transportation (ODOT), reporting that recent trends in safety, demographics and demand have spurred it to develop the first-ever policy plan for walking and biking, is seeking stakeholder and public input to "help ensure that policies and investments meet the needs of people walking and biking." ODOT is seeking input into the plan regarding the vision and goals of the plan as well as barriers and needs for walking and biking through a series of stakeholder meetings and an online survey. It will also look at how new mobility and its associated technologies will affect how Ohioans walk and bike in the future. The survey can be found online at <https://tinyurl.com/yxba8c3d>.

The Ohio Turnpike and Infrastructure Commission announced Monday that credit rating agency Fitch has affirmed its approximately \$462 million outstanding senior lien revenue bonds at AA and \$1.5 billion outstanding junior lien revenue bonds at A+. The rating outlook on all bonds is stable, the commission said.

TREASURER OF STATE

Ohio Treasurer Robert Sprague is one of 24 elected officials nationwide chosen by The Aspen Institute to participate in the two-year Rodel Fellowship in Public Leadership program. Participants are identified by The Aspen Institute's leadership as, "America's emerging political leaders with reputations for intellect, thoughtfulness and a commitment to civil dialogue."

UTILITIES

FirstEnergy customers will pay nearly \$900 million less over the next quarter century after the Public Utilities Commission of Ohio (PUCO) Wednesday ordered a billing credit and correction of the utility's future rates under the 2017 federal Tax Cuts and Jobs Act (TCJA) -- a sum that includes a \$675 million-plus refund of assorted tax deferrals and \$59 million the company has over-collected since January 2018.

The Ohio Consumers' Counsel (OCC) redoubled its lobbying efforts this week for a state policy shift favoring utility customer refunds. Its Governing Board is urging the General Assembly to pass enabling legislation and the Public Utilities Commission of Ohio (PUCO) to make refunds a routine requirement in ratemaking cases, also issuing a unanimous resolution to that effect. Consumers' Counsel Bruce Weston called the \$1.2 billion that utilities have improperly collected over the last 10 years but do not have to repay a "travesty of justice." He said his agency has been pressing the Legislature and PUCO to address the issue in commission filings and committee testimony.

WORKERS' COMPENSATION

The General Assembly passed a simple version of the Bureau of Workers' Compensation (BWC) budget Wednesday, adopting a version of HB80 (Oelslager) in the conference committee without expanded post-traumatic stress disorder (PTSD) coverage and other policy changes. The bill then passed the House 71-13 and the Senate 22-9, with Democrats in that chamber withholding their votes to protest the failure to address PTSD, an issue Republicans said would return as separate legislation.

WORKFORCE

Lt. Gov. Jon Husted Friday announced a new survey tool that will gather feedback from Ohio businesses about their workforce needs to inform the upcoming launch of a new Ohio In-Demand Jobs List. The survey can be found online at <https://tinyurl.com/yyb2yj4j> . The In-Demand Jobs List will be published at the end of 2019.

LEGISLATIVE ACTIVITY:

SENATE:

PASSED BY SENATE

- HB6 CLEAN AIR PROGRAM (Rep. Jamie Callender, Rep. Shane Wilkin) To create the Ohio Clean Air Program, to facilitate and encourage electricity production and use from clean air resources, and to proactively engage the buying power of consumers in this state for the purpose of improving air quality in this state.
Bill Amended on Floor, Vote 19-12
- HB50 CHARTER COUNTY HOSPITAL PATENTS (Rep. Dave Greenspan) To require that all rights to and interests in charter county hospital employee discoveries, inventions, or patents are the property of the charter county hospital.
Vote 31-0
- SB13 HUMAN TRAFFICKING-JUVENILES (Sen. Teresa Fedor) To require a juvenile court to hold a delinquency complaint in abeyance in certain cases related to prostitution or human trafficking and to provide that the same elements for the offense of trafficking in persons that apply to a victim under the age of sixteen also apply to a victim who is age sixteen or seventeen.
Vote 31-0

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

- HB80 BWC BUDGET (Rep. Scott Oelslager) To make appropriations for the Bureau of Workers' Compensation for the biennium beginning July 1, 2019, & ending June 30, 2021, and to provide authorization and conditions for the operation of the bureau's programs.

Senate Accepts Conference Committee Report, Vote 22-9

- HB166 OPERATING BUDGET (Rep. Scott Oelslager) To make operating appropriations for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of state programs.
Senate Accepts Conference Committee Report, Vote 29-1

HOUSE:

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

- HB80 BWC BUDGET (Rep. Scott Oelslager) To make appropriations for the Bureau of Workers' Compensation for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of the bureau's programs.

House Accepts Conference Committee Report, Vote 78-13

- HB166 OPERATING BUDGET (Rep. Scott Oelslager) To make operating appropriations for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of state programs.
House Accepts Conference Committee Report, Vote 75-17