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RH RESOURCES

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Week in Review

July 5, 2019

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

Ohio Agriculture Director Dorothy Pelanda Friday sent a letter to U.S Department of Agriculture (USDA) Secretary Sonny Perdue, supporting Gov. Mike DeWine's June 14 request for a secretarial disaster designation and asking for consideration of specific recommendations regarding Ohio farmers.

AUDITOR OF STATE

A performance audit of the Ohio Department of Mental Health and Addiction Services (OhioMHAS) released by State Auditor Keith Faber recommended reallocating \$15 million for local mental health boards to the areas of greatest need using a "data-driven, needs-based method." However, models included within the audit indicate that up to \$21 million in local alcohol, drug and mental health (ADAMH) board funds could be affected, based on the methodology of the redistribution.

Faber also released a performance audit of the Ohio Environmental Protection Agency's (Ohio EPA) real estate footprint, which recommends potential savings of \$2.7 million in the first year.

FY20-21 BUDGET

Up against the deadline for the start of the new fiscal year, the House and Senate passed SB171 (Dolan-O'Brien) to fund state operations through July 17, and SB172 (Dolan-O'Brien) to fund the Ohio Bureau of Workers' Compensation (BWC) for another 30 days as both chambers work on agreements on HB166 (Oelslager), the operating budget, and HB80 (Oelslager), the BWC budget. HB166 is currently in conference committee, which has met once, and HB80 will be sent to one. Under the temporary operating budget, 17 days of state operations will be funded at FY19 levels. Gov. Mike DeWine signed the temporary bills on Sunday evening. While all sides expressed disappointment that the budgets did not get done on time, they said they believe they are close to an agreement and could vote on a conference report as early as next week.

BUSINESS/CORPORATE

The Ohio Manufacturers' Association (OMA) announced a \$12 million U.S. Department of Labor (DOL) award to the Ohio Manufacturing Workforce Partnership (OMWP) to support industry-recognized apprenticeship programs (IRAP) benefitting 5,000 Ohioans. OMWP is a collaboration of OMA, Lorain County Community College (LCCC) and Ohio TechNet, a consortium of Ohio community colleges and other post-secondary providers administered by LCCC.

CRIME AND PUNISHMENT

Pike County Sheriff Charles Reader, a player in the Rhoden family murder investigation and Wagner family arrests, has been indicted on 16 felony and misdemeanor charges including theft and theft in office, tampering with evidence, tampering with records, conflict of interest and securing writings by deception. Reader entered "not guilty" pleas to the charges on Tuesday. Both Attorney General Dave Yost and Auditor Keith Faber are calling for Reader to be suspended from office.

DISASTERS

The U.S. Small Business Administration (SBA) issued a flood-related disaster declaration for Auglaize County and six adjacent counties Thursday, opening low-interest disaster loans to business owners, homeowners and renters. The SBA declaration covers those in Auglaize, Mercer, Van Wert, Allen, Hardin, Logan and Shelby counties.

Gov. Mike DeWine said Tuesday that Mahoning County has been added to FEMA's Individual Assistance program due to flooding that occurred in late May. The county was added to the 10-county federal disaster declaration announced last month by President Donald Trump after 21 tornadoes touched down during severe storms that passed through Ohio May 27-29.

ECONOMIC DEVELOPMENT

Minority-owned and socially and economically disadvantaged businesses throughout Ohio can help their businesses grow through professional advice and services from a network of assistance centers across the state, the Ohio Development Services Agency (DSA) announced recently. To that end, DSA has selected seven partners to operate Minority Business Assistance Centers (MBAC) to serve

minority and disadvantaged businesses in every county in Ohio. According to the agency, each center is staffed with a "certified business advisor" who can provide no-cost counseling on business practices, advice on growing a business and help on hiring more employees.

EDUCATION

Educators and administrators from Fairview Park City Schools were recently recognized by the International Center for Leadership in Education (ICLE) in Washington D.C. for their innovative work in improving student learning and achievement in the district.

ELECTIONS

Rep. John Becker (R-Cincinnati) announced this weekend that he will run for the 14th Senate District in 2020. The seat is currently held by Sen. Joe Uecker (R-Loveland), who is term-limited.

Morgan Harper, a former senior advisor at the Consumer Financial Protection Bureau (CFPB), announced Monday that she will be running as a Democrat for the Third Congressional District. The seat is currently held by U.S. Rep. Joyce Beatty (D-Columbus), who is expected to run for re-election and which would set up a Democratic primary.

EMILY'S List Tuesday announced that it will putting \$20 million into state and local elections as part of an initiative aimed at flipping state legislative chambers to Democrats in 2020 with an eye on redistricting in 2021. The group said its "Focus 2020" initiative will target more than 500 state legislative races with a particular focus on flipping chambers where state legislatures have a direct impact on redistricting. Some of these states include Florida, Georgia, Michigan, Minnesota, North Carolina, Ohio, Pennsylvania, Texas, Virginia, and Wisconsin.

ELECTIONS 2020

The following endorsements were made over the week:

- Senate District 18 candidate Jerry Cirino announced the endorsements of Portage County Auditor Janet Esposito; Lake County Commissioner Ron Young; Lake County Auditor Chris Galloway; Geauga County Commissioner Jim Dvorak; Lake County Recorder Becky Lynch; Concord Township Trustee Connie Luhta; and Kirtland council members Joe Smolic and John Lesnick.

ENERGY

After two days' delay to vet five dozen proposed amendments for possible consideration, the Senate Energy and Public Utilities Committee reconvened Saturday afternoon to accept a pair of smaller changes to energy subsidies in HB6 (Callender-Wilkin). However, the committee then adjourned without further action. Senate President Larry Obhof (R-Medina) told reporters that the Senate plans to keep working on the bill, but believes there is some flexibility in the timeframe to get it done. FirstEnergy Solutions confirmed that flexibility in a statement released on Monday, but said that it will be unable to refuel the Davis-Besse Nuclear Power Station if the bill does not pass by Wednesday, July 17.

American Electric Power recently announced that Darren A. Shepard became vice president for utilities, effective Saturday, June 29. Shepard now reports to Daniel E. Groff, vice president for

performance management. Groff's team supports AEP's transmission and distribution organizations under Lisa M. Barton, executive vice president, AEP Utilities.

GOVERNOR

Appointments made during the week include the following:

- Audrey Stratton of Portsmouth (Scioto County) has been appointed to serve as a student member on the Shawnee State University Board of Trustees for a term beginning July 1, 2019 and ending June 30, 2021.
- Michael J. Dowling of Canton (Stark County) has been appointed to the University of Akron Board of Trustees for a term beginning July 2, 2019 and ending July 1, 2028.
- Taylor A. Bennington of Akron (Summit County) has been appointed to serve as a student member on the University of Akron Board of Trustees for a term beginning July 2, 2019 and ending July 1, 2021.
- Rebecca K. Dangler of Westerville (Delaware County) has been appointed to serve as a student member on the University of Toledo Board of Trustees for a term beginning July 2, 2019 and ending July 1, 2021.
- Stephen D. Dackin of Columbus (Franklin County) has been appointed to the State Board of Education for a term beginning June 26, 2019 and ending Dec. 31, 2020.
- Reginald A. Wilkinson of Columbus (Franklin County) has been appointed to the State Board of Education for a term beginning June 26, 2019 and ending Dec. 31, 2022.
- Barant D. Pastorek of Granville (Licking County) to the Ohio Home Inspector Board for a term beginning July 2, 2019 and ending April 5, 2020.
- James A. Juknialis of Cleveland (Cuyahoga County) and Peter A. Pitts of Wellington (Lorain County) to the Ohio Home Inspector Board for a term beginning July 2, 2019 and ending April 5, 2022.
- Rodney L. Berning of Pickerington (Fairfield County) and John B. Cordell of Cincinnati (Hamilton County) to the Ohio Home Inspector Board for a term beginning July 2, 2019 and ending April 5, 2024.
- Jerry Sue Thornton of Moreland Hills (Cuyahoga County) and Richard J. Platt of Newark (Licking County) reappointed to the JobsOhio Board of Directors for a term beginning July 6, 2019 and ending July 5, 2023.
- Robert C. Smith of Westlake (Cuyahoga Co.) reappointed to the JobsOhio Board of Directors for a term beginning July 6, 2019 and ending July 5, 2023, and will continue to serve as chairman.
- Scott A. Sullivan of Springboro (Warren County) and Gen. (Ret.) Lester L. Lyles of Vienna, VA (Fairfax County) to the JobsOhio Board of Directors for a term beginning July 6, 2019 and ending July 5, 2023.

HEALTH AND HUMAN SERVICES

The Ohio Chamber of Commerce's Research Foundation released a report on Ohio's "benefit cliff," finding that ineligibility for public assistance leaves lower-income workers at risk of losing hundreds or thousands of dollars if they receive a small wage increase. It also increases businesses' difficulty to find workers to meet their needs or to advance current ones. The foundation examined how businesses are affected and potential solutions, including the "Employment Incentives Program" pilot project in Allen County. It concluded that no "single answer or silver bullet" would address the impact of sharp benefit reductions but there are partners in the private and public sectors willing to explore solutions. The business community should engage with state and local officials regarding how they are affected by the benefit cliff, the report said, and there should be legislative efforts to address the problem.

JUDICIAL

The Ohio Supreme Court Friday reminded attorneys in the state they have until Sunday, Sept. 1 to register at the Court's Office of Attorney Services for the upcoming biennium. Ohio Supreme Court Office of Attorney Services Director Gina Palmer said all attorneys on active, corporate and emeritus

pro bono status, as well as attorneys temporarily admitted as a military spouse attorney must register with attorney services and pay the applicable registration fee by the deadline. The registration fee is \$350, except for attorneys registering for emeritus pro bono status who pay \$75. Attorneys who fail to register and pay the fee by the Sept. 1 deadline or within the late registration period will be suspended. The registration fee has not increased since the 2007/2009 registration period.

A series of rule changes regarding practice and procedure in Ohio's courts took effect Monday, July 1, the Ohio Supreme Court reports. The amendments alter several rules governing civil, criminal and juvenile proceedings, and rules of evidence. The amendments were submitted to the Court by its Commission on the Rules of Practice and Procedure and incorporate two rounds of public comment.

LOBBYISTS

Ohio Right to Life announced this week the hiring of two new staff members in the Columbus office: Janine Baker will be taking on the role of grassroots and external communications manager and Allie Frazier will take on the role of social media director.

NATURAL RESOURCES

The Ohio Department of Natural Resources (ODNR) announced that 31 students representing 20 counties were selected to serve as founding members of the Conservation Teen Advisory Council (ConTAC) for the upcoming school year. ConTAC will serve as the voice of Ohio's youth to ODNR and help expand the reach, impact and quality of the agency's youth initiatives.

NEWS MEDIA

The *Youngstown Vindicator* will cease operations in mid-August, TV station WFMJ announced Friday. The two news organizations are owned by the Brown family, which released a statement

explaining the decision. It is the only daily newspaper in Mahoning County. The *Vindicator* recently celebrated its 150th year of operation.

OHIO HISTORY

Preservation Ohio, the state's historic preservation organization, recently announced its official list of Ohio's "Most Endangered Historic Sites" for 2019. Among the structures on this year's list are three former school buildings, two former homes of local newspapers, two former taverns, and two cemetery structures.

PUBLIC SAFETY

Members of the Ohio Fireworks Safety Coalition, along with representatives from Prevent Blindness of Ohio, Nationwide Children's Hospital, the Franklin County Dog Shelter and Adoption Center and the State Fire Marshal's office appeared at a Statehouse press conference Tuesday to get the word out about the precautions and laws aimed at keeping people, especially children, safe during the Fourth of July. The groups encouraged Ohio residents to enjoy firework displays at an approved public show and not by setting off "backyard" fireworks that can often injure people.

STATE GOVERNMENT

Attorney General Dave Yost announced Friday that he is extending the Teen Ambassador Board's application deadline, formerly Sunday, June 30. Interested high school students may now apply through Monday, July 22.

TAXATION

Ohio's gasoline tax increased 10.5 cents per gallon on Monday, July 1, while the state's diesel tax rose by 19 cents, per the transportation budget passed in March, HB62 (Oelslager). The hike is expected to raise an additional \$1 billion annually for Ohio Department of Transportation road and bridge maintenance projects. The average driver getting 28 miles per gallon can expect to pay an additional \$45 in taxes for each 12,000 miles driven.

TECHNOLOGY

The National Governors Association (NGA) has chosen Ohio as one of seven states and territories to participate in a partnership to advance cybersecurity with the goal of developing strategies to improve statewide cybersecurity, particularly at the local level. Ohio Gov. Mike DeWine announced Ohio's selection on Tuesday.

TRANSPORTATION/INFRASTRUCTURE

The Transportation Review Advisory Council (TRAC) has begun the process of selecting projects for this year's "major new" construction funding cycle, with 27 projects seeking nearly \$917 million in funding. TRAC will hold public hearings on the proposed list in August and September, then vote to accept a draft list in October and a final list in November.

WORKERS' COMPENSATION

The Ohio Bureau of Workers' Compensation (BWC) says it's ready to go if the House and Senate agree to reinsert budget coverage for post-traumatic shock disorder (PTSD) without physical injury, and will

have more to say on a potential branding/name change for the bureau in the next few months. Meanwhile, its Board of Directors formally approval Friday the latest refund of \$1.5 billion to employers enrolled in BWC, crediting strong investment returns, falling injury claims and operational efficiencies. The money includes \$114 million to counties, cities, townships and other local government entities and \$50 million to school districts.

House Speaker Larry Householder (R-Glenford) told reporters that a citizenship question for those seeking workers' compensation benefits is no longer part of the discussion on HB80 (Oelsalger), the Ohio Bureau of Workers' Compensation budget. He said the main sticking points on the bill are coverage for post-traumatic stress disorder (PTSD) for first responders and language addressing the classification of "employee" versus "independent contractor."

LEGISLATIVE ACTIVITY:

SENATE:

PASSED BY SENATE

- SB171 17-DAY INTERIM BUDGET (Sen. Matt Dolan, Sen. Sean O'Brien) To enact a 17-day interim budget.
Vote 32-0
- SB172 30 DAY BWC BUDGET (Sen. Matt Dolan, Sen. Sean O'Brien) To make operating appropriations for the Bureau of Workers' Compensation for the period beginning July 1, 2019, and ending July 31, 2019.
Vote 32-0

CONSIDERATION OF HOUSE AMENDMENTS

- SB107 FILE CAMPAIGN FINANCE STATEMENTS ELECTRONICALLY (Sen. Michael Rulli) To allow certain entities to file campaign finance statements electronically and to require the Secretary of State to make the information in those electronic statements available online.
Vote 32-0, Senate does concur

HOUSE:

PASSED BY HOUSE

- SB171 17-DAY INTERIM BUDGET (Sen. Matt Dolan, Sen. Sean O'Brien) To enact a 17-day interim budget.
Vote 90-2
- SB172 30 DAY BWC BUDGET (Sen. Matt Dolan, Sen. Sean O'Brien) To make operating appropriations for the Bureau of Workers' Compensation for the period beginning July 1, 2019, and ending July 31, 2019.
Vote 92-0