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**Week in Review**

July 7, 2017

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.

**AFFORDABLE CARE ACT (ACA)**

Ohio's Republican U.S. Sen. Rob Portman expressed his disapproval of the U.S. House's bill intended to replace the Affordable Care Act, but said that the Senate has made some, but not enough, improvements. Pointing out the continuing erosion of insurance companies participating in the health insurance marketplace and the health care demands from the opioid crisis, he said that the legislation the Senate is working on will help ease stress to insurers.

Ohio's Democratic U.S. Sen. Sherrod Brown, however, said he can't support any bill that makes cuts to Medicaid, calling the program "the most important tool to combat the opioid epidemic ...."

**BALLOT ISSUES**

The filing deadline for constitutional amendments or statutes proposed by initiative petitions that want to appear on the November ballot passed on Wednesday, July 5 with no new issues being

submitted since backers of a crime victims amendment turned in signatures in June. If that issue is certified for the ballot, it will be one of two issues, along with the Drug Price Relief Act, that will go before voters on Nov. 7. Not making the 2017 ballot is a proposed constitutional amendment to change the way the state draws its congressional district lines.

## **FY18-19 BUDGET**

With minutes to spare before the start of FY18, Gov. John Kasich signed HB 49 (R. Smith), the budget for FY18-19. He did veto 47 items ranging from the Medicaid freeze on new enrollees in the Medicaid expansion group beginning in FY19. He also vetoed a number of Medicaid related items including the alternative for the health insuring corporation (HIC) waiver which replaces the managed care sales tax.

Among his vetoes addressing education funding and policy, Gov. John Kasich for the second budget in a row vetoed an attempt to soften the blow from lost Tangible Personal Property Tax (TPPT) revenue. Lawmakers had included in HB 49 a slower phase-out of reimbursement payments for lost TPPT revenue. In his message on why he vetoed the slower phase out, Kasich referenced the fact that state leaders and schools have been struggling with replacing revenue from the TPPT for more than a decade. "Continually extending the reimbursement payments as this provision would do, and making only small reductions in their amounts, merely postpones the inevitable transition that districts must make," he wrote. None of the education-related vetoes were overridden on Thursday.

The House of Representatives returned on Thursday, overriding 11 of the 47 vetoes: nine of them dealing with the Medicaid program although the Medicaid freeze was not among them. Other overrides addressed who appoints members of the Oil and Gas Leasing Commission and the authority of the Controlling Board to determine appropriations adjustments and creation of new funds. Many of the overrides were bipartisan. According to House Speaker Pro Tem Rep. Kirk Schuring (R-Canton), all other vetoes remain on the table. There is no word yet on when the Ohio Senate plans to return to vote on the overrides.

Hours after the House voted to override 11 of Gov. John Kasich's line-item vetoes to HB 49 (R. Smith), the biennial budget, members of his administration said overrides that pertain to the Medicaid program threaten to make a state budget gap even larger by affecting their ability to manage the program and its costs. Department of Medicaid Director Barbara Sears predicted resulting provider cuts could total \$1.5 billion.

## **EDUCATION**

According to the Ohio Auditor of State Dave Yost, the Electronic Classroom of Tomorrow (ECOT) notified his office Friday that it was complying with his cease and desist order and had pulled its political advertising aimed at swaying the Legislature and Ohio Department of Education in its fight with the state over enrollment and funding. Despite earlier statements from an ECOT spokesman saying the school was using its public funds to pay for the ad campaign, the online school told Yost Friday it was not paying for the ads. Yost said his office will continue seeking a court order prohibiting ECOT from using tax dollars for political activism in the future.

ECOT filed a challenge to the 10th District Court of Appeals' recent ruling against the online charter school in its enrollment dispute with the Ohio Department of Education (ODE) Thursday in the Ohio

Supreme Court. ECOT now has two cases pending before the Ohio justices. Prior to the 10th District's ruling, it had asked the Supreme Court to block ODE and the State Board of Education from taking steps to recover \$60 million.

## **ELECTIONS 2018**

Rep. Bill Patmon (D-Cleveland), who is in his final term in the Ohio House, was among the candidates who filed to run for Cleveland mayor this week. Patmon lost to current Cleveland Mayor Frank Jackson in the 2009 mayoral race.

## **GENERAL ASSEMBLY/STATEHOUSE**

The Ohio House Wednesday announced the appointment of Rep. Robert Cupp (R-Lima) as the new chair of the House Public Utilities Committee via the *House Journal* for the day. The appointment was effective Saturday, July 1.

The House on Thursday passed SB 8 (Gardner-Terhar) by a vote of 97-0. The bill, which now heads back to the Senate for agreement on amendments, requires the Ohio School Facilities Commission to establish a program assisting school districts in purchasing technology and making physical alterations to technology infrastructure.

## **GOVERNOR**

Appointments made during the week include the following:

- John Minor of Columbus (Franklin County) reappointed to the JobsOhio Board of Directors for a term beginning July 6, 2017, and ending July 5, 2021.
- Former House Speaker William G. Batchelder of Medina (Medina County) to the JobsOhio Board of Directors for a term beginning July 6, 2017, and ending July 5, 2021.
- C. Thomas Pfeifer of Cincinnati (Hamilton County) and Jack D. Lee-Harris of Columbus (Franklin County) reappointed to the Ohio Cemetery Dispute Resolution Commission for terms beginning July 2, 2017, and ending July 1, 2021.
- Thomas R. Thompson of North Ridgeville (Lorain County) to the Ohio Cemetery Dispute Resolution Commission for a term beginning July 2, 2017, and ending July 1, 2021.
- Scott P. Crislip of Mansfield (Richland County) reappointed to the Ski Tramway Board for a term beginning July 1, 2017, and ending June 30, 2023.
- George Dixon of Cleveland (Cuyahoga County) reappointed to the Ohio Turnpike and Infrastructure Commission for a term beginning July 5, 2017, and ending June 30, 2022.

## **MARIJUANA**

The Ohio Department of Commerce (DOC) received 109 applications for level one pot cultivator licenses and 76 level two applications, the Ohio Medical Marijuana Control Program announced Wednesday.

## **OHIO CONSTITUTIONAL MODERNIZATION COMMISSION (OCMC)**

The Ohio Constitutional Modernization Commission (OCMC) officially announced it was closing its doors Friday, June 30 after nearly six years of work. The OCMC, created in 2011 by the Ohio General Assembly in HB 188, was modeled after the Ohio Constitutional Revision Commission which completed its work in the 1970's. Originally scheduled to conclude in 2021, the recently passed budget bill moved up that date to June 30, 2017.

## **SECRETARY OF STATE**

Secretary of State Jon Husted said Friday that he will give public information including voter registration data over to the Presidential Advisory Commission on Election Integrity in response to a request from the panel, but confidential information such as driver's license numbers and the last four digits of a voter's Social Security number will not be shared. Husted released the statement after the commission, formed by President Donald Trump to investigate voter fraud and voting irregularities, sent a letter to all 50 states requesting available voter roll data be submitted to the commission.

## **STATE GOVERNMENT**

The Ohio State Board of Pharmacy said Friday that Ohio prescribers and pharmacists can now request patient prescription information from Pennsylvania through Ohio's prescription monitoring program. All five bordering states are now connected to the Ohio Automated Rx Reporting System (OARRS), the board said.

## **WORKERS' COMPENSATION**

Gov. John Kasich signed the Bureau of Workers' Compensation (BWC) budget, HB27 (Brinkman) on Friday, June 30. It became effective July 1, 2017, the start of FY18.

## **LEGISLATIVE ACTIVITY:**

### **SENATE:**

*No Senate activity to report.*

### **HOUSE:**

#### **PASSED BY HOUSE**

**HB233** HANDGUN DECRIMINALIZATION-LEAVING UPON REQUEST (Rep. John Becker) To enact the "Decriminalization Effort For Ending Notorious Deaths

(DEFEND)" to provide an opportunity for a concealed handgun licensee or qualified military member to avoid guilt for carrying a concealed handgun into a prohibited place if the person leaves upon request, and to penalize as disorderly conduct failing to leave upon request or returning with a firearm.

*Vote 65-31*

- SB8** SCHOOL INFRASTRUCTURE AND TECHNOLOGY (Sen. Randy Gardner, Sen. Louis Terhar) To require the Ohio School Facilities Commission to establish a program assisting school districts in purchasing technology and making physical alterations to improve technology infrastructure and school safety and security.

*Amended on Floor, Bill Vote 97-0*

### **CONSIDERATION OF GOVERNOR'S VETO**

- HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #23: Medicaid Eligibility, Vote 66-31, Veto Overridden*

- HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #25: Increasing Medicaid Rates, Vote 66-31, Veto Overridden*

- HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #26: Neonatal Medicaid Rates, Vote 97-0, Veto Overridden*

- HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #27: Nursing Medicaid Rates, Vote 96-1, Veto Overridden*

- HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #3: Controlling Board Authority, Vote 66-31, Veto Overridden*

- HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #30: Long-term Services added to Medicaid Managed Care, Vote 95-2, Veto Overridden*

- HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #31: Behavioral Health Redesign, Vote 95-2, Veto Overridden*

- HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #33: HIC Franchise Fee, Vote 87-10, Veto Overridden*

**HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #34: Controlling Board Medicaid Expenditures, Vote 66-31, Veto Overridden*

**HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #36: Healthy Ohio Program Waiver, Vote 66-31, Veto Overridden*

**HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Item #37: Oil and Gas Commission Appointments, Vote 68-29, Veto Overridden*

**HB49** OPERATING BUDGET (Rep. Ryan Smith) Creates FY 2018-2019 main operating budget.

*Remaining Veto Items Left Pending*