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| **GOVERNMENTAL POLICY GROUP, INC.**17 SOUTH HIGH STREET – SUITE 245COLUMBUS, OHIO 43215-3413PHONE: 614-461-9335FAX: 614-461-9336**Coalition of Ohio Regional Districts****Legislative Activities Report****May 2017**  |

 After months of debate the members of the House of Representatives finally had the opportunity to put their mark on the state’s biennial budget bill (HB 49). After hearing from a barrage of witnesses, the House Finance Committee accepted hundreds of changes that removed much of Governor John Kasich’s ambition tax reforms, added money for schools, diverted more funding to fight the opioid epidemic, and made adjustments to Ohio’s Medicaid program. Prior to the House making changes to the bill, Governor Kasich and legislative leaders held a press conference announcing that the revenue projections for the operating budget were off by $400 million per fiscal year. House members were forced to adjust for these new revenue projections as they developed their version of the massive spending bill. The budget scraps nearly all the tax changes proposed by Gov. Kasich, though it does reduce the number of income tax brackets from nine to seven. It also removes planned increases in the sales tax for cigarettes, other tobacco products, and other “tax shifting” proposed in the executive budget. The House passed the measure by a vote of 58-36, with a bipartisan support.

One of the more controversial issues during the budget process was the debate over Ohio’s Medicaid expansion population. There was a push by the conservative members in the Ohio House to completely freeze expansion enrollment, which would have dramatically lowered Medicaid Rolls over time. House leaders rejected that plan, however they did accept an amendment that would create “legislative guardrails” around the Medicaid expansion spending. The final proposal would require approval from the Controlling Board before money is spent to insure the Medicaid expansion population. By refusing to appropriate the money tied to the Medicaid expansion and in essence placing it in a holding fund contingent on Controlling Board action, the House shaved a whopping $10 billion from the all-funds budget. The only way to actually save that money over the two years, however, would be to completely scrap the expansion. Chairman Rep. Ryan Smith (R-Bidwell) said having the administration come before the Controlling Board for the funding will provide more communication with lawmakers as the state works through those waiver processes. "The appropriations go over to Controlling Board and will be drawn down out of Controlling Board every six months so that we can see where we're at in the process and have a bit more communicative process," he told reporters. "I think it's an added safeguard."

 In other news, legislation requiring public entities to consider all types of piping materials has attracted quite a bit of attention recently. Two bills, HB 121 and SB 95, have been introduced and have already received hearings in their respective chambers. Advocates suggest the legislation increases competition and saves the state money. Opponents have raised concerns about the proposed bills, saying that they have the potential to delay projects and could lead to bid protests and litigation over pipe selection.

 Also of note, a House Democratic Caucus screening panel recenty recommended Tavia Galonski, a magistrate at the Summit County Court of Common Please, to replace former Rep. Greta Johnson in the 35th House District. Ms. Galonski is a magistrate in the county's juvenile court, and also held the same role in Summit County's Domestic Relations court. She served as a Summit County judicial attorney before becoming a magistrate. She earned the recommendation over seven other applicants for the job. "Among the many qualified applicants, Tavia's leadership and experience make her the best possible representative for the thirty-fifth district," said Rep. Jack Cera (D-Bellaire), who chaired the screening committee. "We are confident constituents will have a real advocate for their future in Mrs. Galonski."

The House Democratic Caucus will also need to find a replacement for Columbus-area state Rep. Heather Bishoff, who recently stepped down from the Ohio House. The Blacklick Democrat was in her third term in the House and some had indicated was a potential candidate for the 3rd Senate District race in 2018. Bishoff said she and her husband are moving to California where they and their children will be closer to her oldest son who is a Marine stationed in the area. The House Democratic Caucus will announce a screening panel in the coming weeks to select a replacement for Bishoff who, in 2016, won the closest House race in the state.

The Senate Democratic Caucus also announced changes recently, as Senator Joe Schiavoni stepped down as minority leader. Senate Democrats unanimously elected state Senator Kenny Yuko of Richmond Heights as his replacement. Schiavoni, who is running for governor in 2018, said he will continue to serve on legislative committees. Yuko was elected to the Senate in 2014. He previously served four terms in the House before being term limited and worked for 25 years as a union organizer.

 We have been tracking the following legislation during the 132nd General Assembly:

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| **HB3** | **DATAOHIO BOARD CREATION** (DUFFEY M, HAGAN C) To create the DataOhio Board, to specify requirements for posting public records online, to require the Auditor of State to adopt rules regarding a uniform accounting system for public offices, to establish an online catalog of public data at data.Ohio.gov, to establish the Local Government Information Exchange Grant Program, and to make appropriations. |
|   | ***Current Status:*** | 2/8/2017 - Referred to Committee House Finance |
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| **HB26** | **TRANSPORTATION-PUBLIC SAFETY BUDGET** (MCCOLLEY R) 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. |
|   | ***Current Status:*** | 3/31/2017 - **SIGNED BY GOVERNOR**; Some provisions line-item vetoed, eff. 90 days |
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| **HB29** | **MUNICIPAL WATER RESERVOIR BUFFERS** (LELAND D, BOGGS K) To eliminate law authorizing the maintenance of buffers around municipal water reservoirs by contiguous property owners. |
|   | ***Current Status:*** | 4/25/2017 - House Energy and Natural Resources, (First Hearing) |
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| **HB31** | **CONTRACTING ADVISORY COUNCIL-ABOLITION** (CUPP B) To abolish the Government Contracting Advisory Council. |
|   | ***Current Status:*** | 3/15/2017 - Referred to Committee Senate Government Oversight and Reform |
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| **HB40** | **GOVERNMENT EXPENDITURE DATABASE** (DEVER J, GREENSPAN D) To require the Treasurer of State to establish the Ohio State Government Expenditure Database. |
|   | ***Current Status:*** | 2/28/2017 - House State and Local Government, (Third Hearing) |
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| **HB49** | **OPERATING BUDGET** (SMITH R) Creates FY 2018-2019 main operating budget. |
|   | ***Current Status:*** | 5/4/2017 - Senate Finance Primary and Secondary Education Subcommittee, (Fourth Hearing) |
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| **HB51** | **DEPARTMENT REVIEW SCHEDULE** (FABER K) To require standing committees of the General Assembly to establish a schedule for the periodic review and sunset of state departments that are currently in the Governor's cabinet, and to require that Auditor of State performance audits be scheduled to coincide with the periodic review. |
|   | ***Current Status:*** | 2/28/2017 - House State and Local Government, (Third Hearing) |
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| **HB54** | **STATE REVENUE OBLIGATIONS** (BLESSING III L) To authorize the Treasurer of State to issue revenue obligations of the state for the purpose of making loans to qualifying public entities for their acquisition of permanent improvements through the Treasurer of State's purchase of public obligations of those qualifying entities. |
|   | ***Current Status:*** | 3/15/2017 - Referred to Committee Senate Finance |
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| **HB69** | **LEVY REVENUE REIMBURSEMENT** (CUPP B) To require reimbursement of certain township fire and emergency medical service levy revenue forgone because of the creation of a municipal tax increment financing district. |
|   | ***Current Status:*** | 4/25/2017 - House State and Local Government, (Sixth Hearing) |
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| **HB103** | **FISCAL EMERGENCY PROVISIONS** (REINEKE W) To modify the composition and powers of the financial planning and supervision commission of a political subdivision that is in a state of fiscal emergency and to clarify the duties of that political subdivision. |
|   | ***Current Status:*** | 4/26/2017 - Referred to Committee Senate Government Oversight and Reform |
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| **HB114** | **RENEWABLE ENERGY STANDARDS** (BLESSING III L) To revise the provisions governing renewable energy, energy efficiency, and peak demand reduction and to alter funding allocations under the Home Energy Assistance Program. |
|   | ***Current Status:*** | 4/26/2017 - Referred to Committee Senate Energy and Natural Resources |
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| **HB121** | **PIPE MATERIAL SPECIFICATIONS** (EDWARDS J) To require a public authority to consider all piping materials that meet the engineering specifications for a state-funded water or waste water project. |
|   | ***Current Status:*** | 4/25/2017 - House State and Local Government, (Second Hearing) |
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| **HB122** | **ESTABLISH ECONOMIC STUDY COMMITTEE** (HAMBLEY S, ROGERS J) To establish a Regional Economic Development Alliance Study Committee to study the benefits and challenges involved in creating regional economic development alliances. |
|   | ***Current Status:*** | 4/25/2017 - House State and Local Government, (Second Hearing) |
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| **HB163** | **PREVAILING WAGE PUBLIC IMPROVEMENT PROJECTS** (ROEGNER K, RIEDEL C) To allow political subdivisions, special districts, and state institutions of higher education to elect to apply the Prevailing Wage Law to public improvement projects. |
|   | ***Current Status:*** | 5/1/2017 - Referred to Committee House Economic Development, Commerce and Labor |
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| **HB180** | **EQUAL PAY ACT** (CLYDE K, HOWSE S) To require a contractor or person submitting a bid or other proposal for a state contract or a business entity applying for a grant or other economic incentive from a state agency to obtain an equal pay certificate, to require state agencies and political subdivisions to establish a job evaluation system to identify and eliminate sex-based wage disparities among classes of employees, and to prohibit an employer from retaliating against an employee who discusses the employee's salary or wage rate with another employee. |
|   | ***Current Status:*** | 5/1/2017 - Referred to Committee House Government Accountability and Oversight |
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| **SB2** | **ENVIRONMENTAL PROTECTIONS LAWS** (HITE C) To revise specified laws relating to environmental protection. |
|   | ***Current Status:*** | 4/25/2017 - House Energy and Natural Resources, (First Hearing) |
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| **SB3** | **WORKFORCE DEVELOPMENT** (BEAGLE B, BALDERSON T) To revise the laws governing the state's workforce development system, programs that may be offered by primary and secondary schools, certificates of qualification for employment, and the Opportunities for Ohioans with Disabilities Agency, and to designate the first week of May as In-Demand Jobs Week. |
|   | ***Current Status:*** | 4/26/2017 - **PASSED BY SENATE**; Vote 33-0 |
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| **SB31** | **HEALTH RULE WITHDRAW PROCESS** (EKLUND J) To authorize a board of county commissioners or municipal legislative authority to elect to withdraw the county or municipal corporation from the application of any rule adopted by the Department of Health after January 1, 2014, that governs the design of household sewage treatment systems. |
|   | ***Current Status:*** | 3/1/2017 - Senate Energy and Natural Resources, (First Hearing) |
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| **SB51** | **LAKE ERIE IMPROVEMENT DISTRICT** (SKINDELL M, EKLUND J) To authorize the creation of a special improvement district to facilitate Lake Erie shoreline improvement. |
|   | ***Current Status:*** | 3/29/2017 - Senate Energy and Natural Resources, (Second Hearing) |
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| **SB72** | **PREVAILING WAGE LAW** (HUFFMAN M) To allow political subdivisions, special districts, and state institutions of higher education to elect to apply the Prevailing Wage Law to public improvement projects. |
|   | ***Current Status:*** | 3/7/2017 - Referred to Committee Senate Finance |
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| **SB79** | **STATE DEPARTMENTAL REVIEW SCHEDULE** (JORDAN K) To require standing committees of the General Assembly to establish a schedule for the periodic review and sunset of state departments that are currently in the Governor's cabinet, and to require that Auditor of State performance audits be scheduled to coincide with the periodic review. |
|   | ***Current Status:*** | 3/29/2017 - Senate Government Oversight and Reform, (Second Hearing) |
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| **SB88** | **SUBDIVISION COMMISSIONS-FISCAL EMERGENCY** (TERHAR L) To modify the composition and powers of the financial planning and supervision commission of a political subdivision that is in a state of fiscal emergency and to clarify the duties of that political subdivision. |
|   | ***Current Status:*** | 4/5/2017 - **PASSED BY SENATE**; Vote 33-0 |
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| **SB95** | **STATE PROJECTS-PIPING MATERIALS** (TERHAR L) To require a public authority to consider all piping materials that meet the engineering specifications for a state-funded water or waste water project. |
|   | ***Current Status:*** | 4/5/2017 - Senate Energy and Natural Resources, (First Hearing) |
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| **SJR4** | **CAPITAL IMPROVEMENTS FUNDING** (SCHIAVONI J) Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to permit the issuance of general obligation bonds to fund sewer and water capital improvements. |
|   | ***Current Status:*** | 3/7/2017 - Referred to Committee Senate Finance |