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| **GOVERNMENTAL POLICY GROUP, INC.**  17 SOUTH HIGH STREET – SUITE 245  COLUMBUS, OHIO 43215-3413  PHONE: 614-461-9335  FAX: 614-461-9336  **Coalition of Ohio Regional Districts**  Legislative Activities Report  **August 2019** |

Governor Mike DeWine put his signature on the $69 Billion FY20-21 state operating budget (HB 166). The bill reached the governor more than two weeks late after negotiations between the House and Senate came to a standstill before the end of the fiscal year on June 30, prompting a 17-day extension budget (SB 171) passed with hours to spare. It was the first time an operating budget was not passed and signed on time in a decade. The compromise version of the state operating budget passed conference committee by a vote of 5-1. The conference report then passed the Senate 29-1 and the House 75-17. The measure includes General Revenue Fund appropriations totaling $69.79 billion and all-funds appropriations of $143.27 billion across the biennium. The budget is largely in-line with the governor’s policy priorities, providing targeted resources to children and families, as well as to Ohio’s education system, workforce, local communities, environment, and mental health and addiction recovery efforts.

The governor issued 25 line-item vetoes as he signed the budget. The bulk of them focus on Medicaid and health care policy, including elimination of the mandate for a single pharmacy benefit manager in Medicaid, although he wrote that he plans to implement this policy administratively. Among other vetoes are elimination of a minimum funding guarantee for high wealth schools, and of a special dispensation for those who turn 18 by October 1 to avoid the new requirement to be age 21 for tobacco purchases. He also signed an executive order on health care price transparency to implement policies similar to one he vetoed.

The budget bill includes funding for the H2Ohio program, which was developed by Governor DeWine as a way to address Ohio’s water quality problems. The proposal would provide $172 million, split among the Ohio Department of Agriculture, Ohio Department of Natural Resources and the Ohio Environmental Protection Agency. The budget proposal also includes some positive changes for 6119 districts. The changes, originally amended into SB 2, were later added to the budget by the Ohio Senate. The amendments would give regional water and sewer districts additional flexibility to coordinate with non-governmental entities on projects and would also give districts additional control over discount programs offered to customers.

House Bill 6, the controversial energy subsidy bill, which had been a point of contention between the two chambers of the General Assembly, passed the legislature and was quickly signed by Governor DeWine. The Senate voted 19-12 to pass the measure while the lower chamber, which threatened a conference committee, secured a last-minute concession on the Senate floor and voted 51-38 to pass the bill. HB 6 survived lengthy committee and floor delays before ultimately passing both chambers. The measure creates a subsidy program that once fully operational will land FirstEnergy Solutions' nuclear plants up to $150 million a year and eligible solar projects $20 million. The program would be overseen by the Ohio Air Quality Development Authority with monthly customers charges capped at 85 cents for residential and $2,400 for large users. The Public Utilities Commission of Ohio would establish charges for other customers to reach the $170 million total. In addition to bailing out the nuclear plants, the bill allows cost recovery for the two Ohio Valley Electric Company coal-fired power plants through 2030 and lowers Ohio’s renewable energy mandates and energy efficiency requirements.

Opponents of HB 6 have yet to give up the fight, filing petition language along with nearly 3,000 signatures in a effort to begin the referendum process of repealing the law. The group, Ohioans Against Corporate Bailouts, has threaten the referendum effort, ever since the bill was introduced. If successful, the question would be put before voters in November 2020. The group will be required to submit over 250,000 valid signatures, which will need to be filed by October 21, 2019.

More than three weeks after the end of the fiscal year, the General Assembly passed a simple version of the Bureau of Workers' Compensation (BWC) budget, adopting a version of HB 80 in the conference committee without expanded post-traumatic stress disorder (PTSD) coverage and other policy changes. The legislature was forced to pass a 30-day extension on the FY 18-19 BWC budget after failing to pass the bill by the constitutionally mandated June 30th deadline. After tacking on copious amounts of policy on its way through the legislative process, the version of HB 80 the governor ultimately signed is quite similar to the version he introduced to the House more than five months ago. The Senate removed a majority of the policy the House added. The bill ultimately 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. Governor DeWine did not use his line-item veto authority on the bill.

Below is a list of legislation we are currently tracking during the 133rd Ohio General Assembly:

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| **HB7** | **H2OHIO PROGRAM** (GHANBARI H, PATTERSON J) To create the H2Ohio Trust Fund for the protection and preservation of Ohio's water quality, to create the H2Ohio Advisory Council to establish priorities for use of the Fund for water quality programs, and to authorize the Ohio Water Development Authority to invest the money in the Fund and to make recommendations to the Treasurer of State regarding the issuance of securities to pay for costs related to the purposes of the Fund. | |
|  | ***Current Status:*** | 7/17/2019 - Referred to Committee Senate Finance |
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| **HB27** | **PUBLIC MOTOR VEHICLE LIABILITY** (INGRAM C) To modify political subdivision liability for an employee's negligent operation of a motor vehicle. | |
|  | ***Current Status:*** | 3/19/2019 - House Civil Justice, (Third Hearing) |
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| **HB46** | **STATE GOVT EXPENDITURE DATABASE** (GREENSPAN D) To require the Treasurer of State to establish the Ohio State Government Expenditure Database. | |
|  | ***Current Status:*** | 5/15/2019 - **REPORTED OUT**, House State and Local Government, (Fifth Hearing) |
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| **HB62** | **TRANSPORTATION BUDGET** (OELSLAGER S) To increase the rate of and modify the distribution of revenue from motor fuel excise taxes, to make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of those programs. | |
|  | ***Current Status:*** | 4/3/2019 - **SIGNED BY GOVERNOR**; eff. 90 days, Taxes eff. 7/1/19 |
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| **HB78** | **PREVAILING WAGE-PUBLIC IMPROVEMENTS** (RIEDEL C, MANCHESTER S) 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:*** | 2/20/2019 - Referred to Committee House Commerce and Labor |
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| **HB79** | **INDUSTRIAL COMMISSION BUDGET** (OELSLAGER S) To make appropriations for the Industrial Commission for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of Commission programs. | |
|  | ***Current Status:*** | 6/27/2019 - **SIGNED BY GOVERNOR**; eff. 7/1/2019 |
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| **HB80** | **BWC BUDGET** (OELSLAGER S) 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. | |
|  | ***Current Status:*** | 7/22/2019 - **SIGNED BY GOVERNOR**; Eff. Immediately |
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| **HB84** | **CAPITAL IMPROVEMENTS-SEWER LATERALS** (HOLMES G) To expressly include, as eligible projects under the State Capital Improvements Program, water and sewer laterals located on private property. | |
|  | ***Current Status:*** | 3/27/2019 - House State and Local Government, (First Hearing) |
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| **HB95** | **BRINE-CONVERSION OF WELLS** (SKINDELL M) To alter the Oil and Gas Law with respect to brine and the conversion of wells. | |
|  | ***Current Status:*** | 3/5/2019 - Referred to Committee House Energy and Natural Resources |
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| **HB115** | **REGULATOR RESTRICTION REDUCTION** (RIEDEL C, ROEMER B) To require certain agencies to reduce the number of regulator restrictions and to amend the versions of sections 106.021 and 106.03 of the Revised Code that are scheduled to take effect August 18, 2019, to continue the provision of this act on and after that effective date. | |
|  | ***Current Status:*** | 4/10/2019 - House State and Local Government, (Second Hearing) |
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| **HB163** | **WATER AND SEWER PRACTICES** (BRINKMAN T) To create a process for withholding local government funds and state water and sewer assistance from municipal corporations that engage in certain water and sewer practices with respect to extraterritorial service. | |
|  | ***Current Status:*** | 6/19/2019 - House Public Utilities, (Fourth Hearing) |
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| **HB166** | **OPERATING BUDGET** (OELSLAGER S) 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. | |
|  | ***Current Status:*** | 7/18/2019 - **SIGNED BY GOVERNOR**; Eff. Immediately |
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| **HB168** | **AFFIRMATIVE DEFENSE-HAZARDOUS SUBSTANCES** (ARNDT S) To establish an affirmative defense to a release or threatened release of hazardous substances from a facility for certain bona fide prospective purchasers. | |
|  | ***Current Status:*** | 6/26/2019 - Senate Agriculture and Natural Resources, (First Hearing) |
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| **HB197** | **TAX CODE CORRECTIONS** (POWELL J, MERRIN D) To enact the "Tax Code Streamlining and Correction Act" to make technical and corrective changes to the laws governing taxation. | |
|  | ***Current Status:*** | 5/7/2019 - House Ways and Means, (First Hearing) |
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| **HB218** | **PUBLIC-PRIVATE PARTNERSHIPS** (PATTON T) To authorize certain public entities to enter into public-private initiatives with a private party through a public-private agreement regarding public facilities. | |
|  | ***Current Status:*** | 6/19/2019 - **SUBSTITUTE BILL ACCEPTED**, House State and Local Government, (Second Hearing) |
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| **HB220** | **GOVERNMENT BLOCKCHAIN USE** (CARFAGNA R) To allow a governmental entity to utilize distributed ledger technology, including blockchain technology. | |
|  | ***Current Status:*** | 6/12/2019 - **REPORTED OUT AS AMENDED**, House Commerce and Labor, (Third Hearing) |
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| **HB238** | **WHISTLEBLOWER PROTECTIONS** (CERA J, SCHERER G) To revise Ohio's whistleblower protection laws. | |
|  | ***Current Status:*** | 6/25/2019 - House Civil Justice, (Third Hearing) |
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| **HB263** | **OCCUPATIONAL LICENSING-CRIMINAL CONVICTIONS** (KOEHLER K) To revise the initial occupational licensing restrictions applicable to individuals convicted of criminal offenses. | |
|  | ***Current Status:*** | 6/12/2019 - House Commerce and Labor, (First Hearing) |
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| **HB264** | **WATER DEVELOPMENT-LOAN REFINANCING** (WILKIN S, O'BRIEN M) To allow the Ohio Water Development Authority to provide for the refinancing of loans for certain public water and waste water infrastructure projects. | |
|  | ***Current Status:*** | 6/19/2019 - House State and Local Government, (First Hearing) |
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| **HB308** | **PTSD COVERAGE - FIRST RESPONDERS** (PATTON T) Concerning workers' compensation and disability retirement for peace officers, firefighters, and emergency medical workers diagnosed with posttraumatic stress disorder arising from employment without an accompanying physical injury. | |
|  | ***Current Status:*** | 6/28/2019 - Introduced |
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| **SB1** | **REDUCE REGULATORY RESTRICTIONS** (MCCOLLEY R, ROEGNER K) To require certain agencies to reduce the number of regulatory restrictions and to continue the provision of this act on and after August 18, 2019. | |
|  | ***Current Status:*** | 6/12/2019 - House State and Local Government, (First Hearing) |
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| **SB2** | **STATEWIDE WATERSHED PLANNING** (PETERSON B, DOLAN M) To create a statewide watershed planning structure for watershed programs to be implemented by local soil and water conservation districts. | |
|  | ***Current Status:*** | 6/19/2019 - Referred to Committee House Energy and Natural Resources |
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| **SB8** | **TAX CREDITS-OHIO OPPORTUNITY ZONE** (SCHURING K) To authorize tax credits for investments in an Ohio Opportunity Zone. | |
|  | ***Current Status:*** | 5/8/2019 - House Economic and Workforce Development, (Second Hearing) |
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| **SB10** | **THEFT IN OFFICE PENALTIES** (WILSON S) To expand the penalties for theft in office based on the amount stolen and to include as restitution audit costs of the entity that suffered the loss. | |
|  | ***Current Status:*** | 5/9/2019 - **REPORTED OUT**, House Criminal Justice, (Third Hearing) |
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| **SB33** | **CRITICAL INFRASTRUCTURE FACILITIES OFFENSES** (HOAGLAND F) To modify certain criminal offenses with respect to critical infrastructure facilities and to impose fines and civil liability for damage to a critical infrastructure facility. | |
|  | ***Current Status:*** | 6/19/2019 - House Public Utilities, (Second Hearing) |
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| **SB38** | **WATER AND SEWER FUNDS-MUNICIPAL CORPORATIONS** (SCHURING K) To revise the law governing municipal corporation use of water and sewer funds. | |
|  | ***Current Status:*** | 3/26/2019 - Senate Local Government, Public Safety and Veterans Affairs, (First Hearing) |
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| **SB50** | **INCREASE SOLID WASTE DISPOSAL FEE** (EKLUND J) To increase state solid waste disposal fee that is deposited into the Soil and Water Conservation District Assistance Fund, and to make an appropriation. | |
|  | ***Current Status:*** | 4/2/2019 - Senate Finance, (Second Hearing) |
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| **SB86** | **UTILITY SERVICE RESELLERS** (MAHARATH T) To regulate certain resellers of utility service. | |
|  | ***Current Status:*** | 3/12/2019 - Referred to Committee Senate Energy and Public Utilities |
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| **SB135** | **DEFERRED COMPENSATION-AUTOMATIC ENROLLMENT** (HOTTINGER J) To authorize automatic enrollment of new employees in the Ohio Public Employees Deferred Compensation Program. | |
|  | ***Current Status:*** | 5/15/2019 - Referred to Committee Senate General Government and Agency Review |
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| **SB171** | **17-DAY INTERIM BUDGET** (DOLAN M, O'BRIEN S) To enact a 17-day interim budget. | |
|  | ***Current Status:*** | 6/30/2019 - **SIGNED BY GOVERNOR**; Effective Immediately |
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| **SB172** | **30 DAY BWC BUDGET** (DOLAN M, O'BRIEN S) To make operating appropriations for the Bureau of Workers' Compensation for the period beginning July 1, 2019, and ending July 31, 2019. | |
|  | ***Current Status:*** | 6/30/2019 - **SIGNED BY GOVERNOR**; Effective Immediately |
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| **SJR1** | **CLEAN WATER IMPROVEMENTS** (GAVARONE T, O'BRIEN S) 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 clean water improvements. | |
|  | ***Current Status:*** | 5/14/2019 - Referred to Committee Senate Finance |