



# Mid-Ohio Regional Planning Commission

## Monthly Legislative Update

NOVEMBER 2016

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## TOP ADVOCACY ITEMS

<i>Priority</i>	<i>Status</i>
<p><b>Pursue New Tools and Strategies for Local Governments to Encourage New Jobs and Investment for the Region.</b></p>	<p>MORPC is currently opposing SB 235 – a bill that has passed the Ohio Senate and is now pending in the Ohio House. The bill would freeze the taxable value on unoccupied property that is zoned commercial or industrial until it is sold or a certificate of occupancy is issued for it. MORPC opposes this bill because the scope of the tax exemption is too broad, the 10-year maximum length of the freeze in taxable value is too long, and it deprives local governments with the ability to tailor tax incentives in a way that is mutually beneficial to the local government and the developer.</p> <p>The legislative context surrounding SB 235 is important. The House is now quite interested in passing this bill in some form, but there are some in the House that would prefer to make an accommodation to the concerns expressed by the bill’s opponents. There are also some business–community supporters of the bill that are willing to consider a compromise.</p> <p>MORPC is currently considering the value of a possible compromise amendment that would permit local governments the ability to opt out of a freeze on the taxable value of the property.</p>
<p><b>Promote Energy Efficiency and an Abundant Supply of Safe, Reliable, and Affordable Sources of Energy for our Growing Region.</b></p>	<p>Consistent with MORPC’s position on energy efficiency, MORPC is supporting the continuation of the energy efficiency programs through the Public Utility Commission of Ohio (PUCO) regulatory process along with advocating for improvements that may increase the participation of residential and business customers. Further, MORPC is working with the utilities to establish and advance a local government energy partnership program that involves energy benchmarking, energy audits, community education, and challenge programs and competitions. The intent is to deliver energy services to local governments that help communities meet sustainable energy goals, achieve energy savings and increase participation by community members.</p> <p>In response to a report of the state’s Energy Mandates Study Committee, MORPC has taken the following positions:</p> <ul style="list-style-type: none"> <li>» MORPC opposes the indefinite freeze of the Ohio energy mandates.</li> <li>» MORPC supports a combination of incentives and mandates to help achieve the goals of increased energy efficiency and renewable energy for diversity in our energy mix, along with determining the best approach for maximizing the credit of advanced energy projects.</li> </ul> <p>These positions are being communicated to the Ohio General Assembly as applied to Senate Bill 320, Ohio Republican Senator Bill Seitz’s response to the Energy Mandate Study Committee and the recently introduced House Bill 554. MORPC has been included in interested parties meetings on this subject. It has become increasingly doubtful that legislation will be adopted in this area.</p>



## TOP ADVOCACY ITEMS

<i>Priority</i>	<i>Status</i>
<b>Establish MORPC as Top MPO Resource on Transportation Issues</b>	<p>MORPC recently submitted to Ohio’s Transportation Review Advisory Council its members’ recommended prioritization for four project funding requests within the MORPC transportation planning area.</p> <p>TRAC approves funding for the development and construction of the Major New Capacity Program. This includes projects that are more than \$12 million in cost and increase capacity and/or reduce congestion. Applying projects must also demonstrate a significant impact on jobs, with extra consideration granted to projects that have strong (30 percent or higher) non-ODOT funding commitments.</p> <p>The recommended projects found within Franklin, Delaware and Union counties include:</p> <ul style="list-style-type: none"> <li>» Priority No. 1: Far East Freeway (\$7 million for detailed design)</li> <li>» Priority No. 2: Delaware Point Project (\$1.5 million for detailed design)</li> <li>» Priority No. 3: SR 161/US 33/Post Road Interchange (\$20.68 million for construction)</li> <li>» Priority No. 4: I-71/US 36/SR 37 Interchange (\$10 million for construction)</li> <li>» TRAC will release the 2016 draft projects list in December, and it is expected to approve the final projects list in January 2017.</li> </ul>

## TOP NEWS

### *Medical Marijuana Update*

On September 8, the State officially began establishing the Medical Marijuana Control Program, the infrastructure to regulate the industry. Patients with “qualifying medical conditions” (listed below) will not actually gain access until the Program is established by not later than September 8, 2018.

#### **How Will the Medical Marijuana Program Work?**

Since effective, the law required the Governor and both parties’ legislative leaders to appoint within 30 days a 14-member advisory committee to make recommendations to the three state agencies tasked with writing rules for the Program – the Department of Commerce, Pharmacy Board and Medical Board. That committee was timely formed, and includes representatives of several interest groups ranging from law enforcement to agriculture. Its first set of recommended rules released November 1 called for up to 18 grow sites, proposing up to 12 larger cultivators and 6 smaller ones.

Commerce will begin licensing cultivators, processors and testing labs through rules adopted by May 8, 2017, and the Pharmacy Board will license retail dispensaries and register patients and caregivers. Both agencies must have the Program rules ready by September 8, 2017. Meanwhile, the Medical Board may issue certificates to physicians seeking to recommend medical marijuana treatment.



## TOP NEWS

### Other Interesting Notes

Municipalities or townships may prohibit or limit the number of retail dispensaries by ordinance or resolution. Several Ohio cities have adopted a six-month marijuana moratorium, although some lawmakers have urged against such measures given the practical effect of the time it will take to get the Program established anyway. Similarly, zoning ordinances may restrict locations as under current law. Licensees cannot operate near (within 500 feet) a school, church, daycare, library or park. Home growing even for personal or household use is prohibited.

Employers – private and public – may still establish and enforce drug-free workplaces that prohibit and test for any drug that is illegal under Federal law. Furthermore, employers need not accommodate an employee or permit an employee's use, possession or distribution of medical marijuana. Discharge due to use may be considered just cause under the Unemployment Compensation Law if the use violated an employer's drug-free workplace policy or other formal program or policy.

The law provides an exemption to a financial institution that provides financial services to a compliant licensee from any Ohio criminal law under specified conditions, and authorizes the Department of Commerce Director to adopt rules to establish a closed-loop payment processing system to be used by registered patients and caregivers and certain licensees.

The Department and Pharmacy Board must, if possible, each issue at least 15% of licenses to entities that are owned by members of a racial minority group. There are several exemptions for possession created for certain institutions of higher learning, medical centers, private research and development organizations and related organizations.

Ohio would have up to 18 grow sites for medical marijuana under rules discussed at the first meeting of a new panel formed to help launch the state's program. The Medical Marijuana Advisory Committee, created in medical marijuana authorizing law HB523 (Huffman), will help develop rules for the three state agencies overseeing the program.

Doctors are not prohibited from recommending medical marijuana to patients before rules are written for the program created in HB523 (Huffman), the State Medical Board of Ohio (SMBO) clarified at its meeting this week. Last month, the board issued guidance saying a physician could not issue a "state of Ohio approved written recommendation" to use medical marijuana until the doctor received a certificate from the state.

### Agriculture

The U.S. Department of Agriculture (USDA) National Institute of Food and Agriculture (NIFA) has announced the availability of \$17.6 million for research and outreach activities to support the organic agriculture sector. The grants are funded through NIFA's Organic Agriculture Research and Extension Initiative (OREI), authorized by the 2014 Farm Bill.

### FY18-19 Budget

The Kasich administration's final budget will include a proposal to respond to the loss counties and other local authorities will feel with elimination of sales tax collection on Medicaid managed care plans, Budget Director Tim Keen said at the meeting of the 2020 Tax Policy Study Commission. The study panel also heard an overview of the streamlined sales tax and federal-state efforts to collect sales tax from e-commerce transactions. While there's no specific proposal yet, the hit county budgets will take "is too significant an impact to be left unaddressed," Keen said during the meeting, at which Highland and Stark county officials described the anticipated effects of the Medicaid tax elimination.



## TOP NEWS

Ohio Department of Medicaid (ODM) Director John McCarthy updated the Medical Care Advisory Committee (MCAC) on the status of the department's proposed FY18-19 budget. The budget has been submitted to the Office of Budget and Management (OBM), and they are currently in negotiations over the proposals although one element for the proposed budget was just approved earlier on Thursday by the Joint Medicaid Oversight Committee (JMOC). That group adopted a growth cap for per-member, per-month Medicaid spending for the next biennium of 3.3 percent.

### ***Economic Development***

The Ohio Development Services Agency (DSA) awarded grants totaling more than \$11.6 million through the Community Development Critical Infrastructure, Downtown Revitalization and Neighborhood Revitalization Competitive Set-Aside programs. DSA said 33 communities across Ohio will receive grants to revitalize neighborhoods and downtown business districts. The grants will improve streets, sidewalks, bridges, public facilities, and infrastructure as well as rehabilitate buildings in a community's central business district.

Coal-rich communities in Ohio will benefit from another \$5 million in federal grants to bring the total from the Obama administration's POWER (Partnerships for Opportunity and Workforce and Economic Revitalization) Initiative to more than \$10 million this year. The administration announced nearly \$28 million supporting 42 economic and workforce development initiatives in 13 states, including five projects in Ohio.

### ***Employment/Unemployment***

Ohio dropped 3,100 jobs in September and the unemployment rate ticked up to 4.8 percent, announced by the Ohio Department of Job and Family Services (ODJFS). It was 4.7 percent in August. According to ODJFS, the number of workers unemployed in the state in September was 275,000, up 4,000 from 271,000 in August. The number of unemployed in the state has increased by 12,000 over the past year, and was 263,000 in September 2015, when the unemployment rate was 4.6 percent.

The national unemployment rate rose slightly from 4.9 percent to 5 percent in September, according to new figures released by the U.S. Bureau of Labor Statistics (BLS), as the national total nonfarm payroll employment increased by 156,000 jobs.

### ***Energy***

Two of the nation's leading environmental groups say a smaller rollback of renewable energy and energy efficiency standards than the one imposed by "freeze" bill 130-SB310 (Balderson) could create as many as 136,000 new jobs in Ohio and add \$10.7 billion to the state's gross domestic product (GDP) by 2030. Commissioned by the Nature Conservancy and Environmental Defense Fund (EDF) and produced by the Greenlink Group, the report "Grounds for Optimism: Options for Empowering Ohio's Energy Market," offers four scenarios for the state's clean energy landscape during the portfolio schedule created by energy omnibus 127-SB221 and modified by SB310, whose two-year freeze of energy efficiency (EE) and renewable standards is due to expire at the end of December.

### ***Environment***

A new app from Ohio State University (OSU) aims to improve water quality throughout the state. Called Ohio State PLOTS, the free app allows growers, consultants and others to design replicated plot layouts by creating on-farm trials, according to the university.





## TOP NEWS

### *Federal*

Several key transportation-related members of Congress are in tight reelection battles. House Transportation and Infrastructure Committee Chairman Bill Shuster (R-PA) and committee members John Mica (R-FL), John Katko (R-NY), and Jeff Denham (R-CA) all face tight races. Shuster is opposed by a tea-party backed candidate, Art Halvorson, who is running as a Democrat after losing to Shuster in the Republican primary. If Shuster wins, he promises to continue the push for air traffic control privatization in the 115th Congress. Interestingly, Representative Sam Graves (R-MO), who would seek to replace Shuster as chairman, made recent comments indicating how unlikely this proposal would be in the next Congress. In the Senate, Kelly Ayotte (R-NH) is locked in a toss-up with New Hampshire Governor Maggie Hassan.

The Obama Administration announced key steps to accelerate the implementation of electric vehicles and charging infrastructure across the United States. The announcement includes shared goals between the administration, states, localities, and the private sector to advance deployment and improve technology. Twenty-four states and local governments have made commitments that include impressive goals to reduce greenhouse gas emissions, build new charging stations, and electrify their fleets. The White House announcement also highlights USDOT and U.S. Department of Energy (DOE) initiatives that are promoting the adoption of electric vehicles.

FHWA announced the 55 routes that will serve as the basis for the alternative fuel corridor national network as directed by Congress in the FAST Act. The corridors selected already have alternative fuels stations in operation and will soon be eligible to feature highway signs to notify drivers in the same way as gas stations, restaurants, and lodging. More miles will continue to be added to the 85,000-mile network that spans 35 states as more fueling and charging stations are built.

### *General Assembly/Statehouse*

The Senate Energy and Natural Resources Committee will focus on moving two pieces of legislation during the lame-duck session, according to Chairman Troy Balderson (R-Zanesville). Speaking to Hannah News, the senator said he would like to move water quality mid-biennium review (MBR) measure SB333 (Hite) and renewable energy standards bill SB320 (Seitz) before the end of the year.

The Capitol Square Review and Advisory Board (CSRAB) and Capitol Square Foundation are seeking nominations for the 2017 class of "Great Ohioans." The award celebrates Ohioans who have played a significant role in an event, or series of events, of lasting significance in world, American or Ohio history. Additional criteria include being born in Ohio or having lived in Ohio for a minimum of five years. At least 25 years must have passed since the commemorated event, in which the nominee participated.

Reps. John Patterson (D-Jefferson) and Michael Sheehy (D-Oregon) are seeking to establish the Ohio Water Quality Improvement Program. Under the legislation, farmers would be incentivized to conserve environmentally sensitive agricultural land rather than use it for farming or ranching, according to the lawmakers.

House Republicans plan to tackle unemployment compensation reform and renewable energy standards during the Legislature's lame-duck session, said House Speaker Cliff Rosenberger (R-Clarksville). The speaker said he would prefer to end the freeze on the standards, but change the mandates to "goals." Substitute language drafted for SB320 (Seitz) would change the requirements to goals temporarily before mandating them in 2020.



## TOP NEWS

Senate President Keith Faber (R-Celina) said he expects continued discussion on state energy standards in the post-election lame-duck session of the Legislature, and said he will be pushing the House to act on a few of his chamber's priorities. While education issues could be on the lame-duck agenda, Faber said the debate over enrollment and attendance standards for online charter schools is "probably too big" to handle in the post-election session.

Ohio State Sens. Kris Jordan (R-Powell) and Cecil Thomas (D-Cincinnati) joined FreedomWorks President and CEO Adam Brandon and U.S. Justice Action Network Executive Director Holly Harris on a conference call with media to push for passage of HB347 (McColley-Brinkman), a bill to reform Ohio's civil asset forfeiture laws.

### ***Military Affairs***

The Ohio Military Facilities Commission moved forward a "proactive" approach to the next round of base realignment and closure (BRAC) many believe is coming to the state and nation in the not-too distant future.

### ***Natural Resources***

The Ohio Department of Natural Resources (ODNR) has approved more than \$14.9 million in project funding through the Clean Ohio Trails Fund, NatureWorks and Recreational Trails Program grants that will be used to improve outdoor recreational opportunities across that state.

### ***State Government***

Matthew LaMantia has been named deputy chief of the Office of Community Development in the Ohio Development Services Agency's (DSA) Community Services Division. He will oversee programs and services in the office that help local communities improve downtown business districts, local infrastructure, affordable housing stock, and services to the homeless.

### ***Taxation***

Ohio should beef up reporting requirements for the historic preservation tax credits and give further thought to converting the credit to a grant program, the 2020 Tax Policy Study Committee concluded in a report. The report cites concerns it's heard about too much credit money going toward "business professional fees" and not actual rehabilitation projects, noting a grant program could help address that concern.

### ***Transportation***

Lawmakers should make drastic changes to transportation policy in order to effectively address climate change, according to a new report from Frontier Group and Environment Ohio. The report, "50 Steps toward Carbon-Free Transportation: Rethinking U.S. Transportation Policy to Fight Global Warming," says the transportation system is America's largest source of carbon pollution, with the country creating more than any other major industrialized nation.

### ***Utilities***

The Public Utilities Commission of Ohio (PUCO) redoubled its support for a power purchase agreement (PPA) to subsidize some of American Electric Power's (AEP) generation assets, albeit in a greatly "pared-down" form from the one preempted by federal regulators in April. The commission approved AEP Ohio's request to jettison a larger proposed PPA benefiting the Cardinal, Conesville, Stuart and Zimmer power plants while retaining the power purchase agreement supporting its interest in the Ohio Valley Electric Corporation (OVEC). The latter deal effectively represents a 14 percent-PPA of 440 megawatts compared to the 3,111 MW that AEP originally asked to subsidize and that diverse parties have opposed.



## 2016 ELECTION WINNERS

### OHIO HOUSE

<i>District</i>	<i>Incumbent</i>	<i>Democrat</i>	<i>Republican</i>
17	M. Curtin	Adam Miller	John Rush
18	K. Boggs	Kristin Boggs	David Todd
21	M. Duffey	Ryan Koch	Mike Duffey
23	C. Grossman	Lee Schreiner	Laura Lanese
25	K. Boyce	Bernadine K. Kent	Seth Golding
26	H. Craig	Hearcel F. Craig	Kenneth H. Collins
27	T. Brinkman	Joe Otis	Tom Brinkman Jr.
67	A. Brenner	Janet Breneman	Andrew O. Brenner
68	M. Ruhl	John Russell	Rick Carfagna
71	S. Ryan	Joseph Begeny	Scott Ryan
72	B. Hayes	John R. Carlisle	Larry Householder
74	B. Dean	Barbara Niemeyer	Bill Dean
77	T. Schaffer	Brad Nicodemus	Tim Schaffer
78	R. Hood		Ron Hood
83	R. Sprague	Mary Harshfield	Robert Sprague
85	N. Vitale		Nino Vitale
86	D. Pelanda	Scott Crider	Dorothy Pelanda
87	J. McClain		Wes Goodman
91	C. Rosenberger		Cliff Rosenberger
92	G. Scherer		Gary Scherer

### OHIO SENATE

<i>District</i>	<i>Incumbent</i>	<i>Democrat</i>	<i>Republican</i>
10	B. Hackett	Matthew Kirk	Robert Hackett
16	J. Hughes	Cathy Johnson	Stephanie Kunze
20	T. Balderson		Troy Balderson
26	D. Burke		Dave Burke

### CONGRESS

<i>District</i>	<i>Incumbent</i>	<i>Democrat</i>	<i>Republican</i>
2	B. Wenstrup	William R. Smith	Brad Wenstrup
3	J. Beatty	Joyce Beatty	John Adams
4	J. Jordan	Janet Garrett	Jim Jordan
7	B. Gibbs	Roy Rich	Bob Gibbs
12	P. Tiberi	Edward Albertson	Pat Tiberi
15	S. Stivers	Scott Wharton	Steve Stivers
SENATE	R. Portman	Ted Strickland	Rob Portman





## MORPC LEGISLATIVE TRACKING

- HB12** TIF-INCENTIVE DISTRICTS (BUTLER, JR. J, BURKLEY T) To establish a procedure by which political subdivisions proposing a tax increment financing (TIF) incentive district are required to provide notice to the record owner of each parcel within the proposed incentive district before creating the district, and to permit such owners, under specific conditions, to exclude their parcels from the incentive district by submitting a written response.  
*Current Status:* 9/28/2016 - Referred to Committee Senate Ways and Means  
*Recent Status:* 5/25/2016 - PASSED BY HOUSE; Vote 71-26; 5/25/2016 - Bills for Third Consideration  
*State Bill Page:* <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-12>
- HB130** PUBLIC RECORDS-DATA BOARD (HAGAN C, DUFFEY M) 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 an appropriation.  
*Current Status:* 9/28/2016 - Referred to Committee Senate Finance  
*Recent Status:* 5/18/2016 - PASSED BY HOUSE; Vote 96-0; 5/18/2016 - Bills for Third Consideration  
*State Bill Page:* <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-130>
- HB154** BICYCLE PASSING-TRAFFIC LIGHTS (HENNE M, SHEEHY M) To provide that when a motor vehicle passes a bicycle the safe passing distance to the left is three feet, and to alter the protocol for proceeding into an intersection that has malfunctioning traffic lights.  
*Current Status:* 9/28/2016 - Referred to Committee Senate Transportation, Commerce and Labor  
*Recent Status:* 5/24/2016 - PASSED BY HOUSE; Vote 81-16; 5/24/2016 - Bills for Third Consideration  
*State Bill Page:* <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-154>
- HB347** CIVIL ASSET FORFEITURE (MCCOLLEY R, BRINKMAN T) To eliminate civil asset forfeiture proceedings and to modify the law governing criminal asset forfeitures.  
*Current Status:* 9/28/2016 - Referred to Committee Senate Government Oversight and Reform  
*Recent Status:* 5/25/2016 - PASSED BY HOUSE; Vote 72-25; 5/25/2016 - Bills for Third Consideration  
*State Bill Page:* <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-347>
- SB352** SCHOOL ZONES (TAVARES C) To require school zones to be indicated by signs equipped with flashing or other lights or that indicate the times during which the restrictive speed limit is enforced, and to make an appropriation.  
*Current Status:* 9/28/2016 - Referred to Committee Senate Transportation, Commerce and Labor  
*Recent Status:* 9/7/2016 - Introduced  
*State Bill Page:* <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-352>

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