

Ohio Legislative Update

2010 Summer Recess Status Report Ohio's 128th General Assembly

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Marathon Wrap-Up Session Concluded June 4, 2010

With the conclusion of a marathon session that stretched over two days, the Ohio General Assembly wrapped up their work and recessed for the summer on June 4, 2010. While the main impetus for the lengthy final session was the need to pass casino implementation legislation prior to the constitutionally set deadline of June 3, a number of other significant bills were passed and sent to the Governor. Working against the backdrop of an intense and contentious political landscape, June's marathon session also provided the last sure opportunity to pass significant measures that had been pending in the House and Senate chambers.

Below is a brief overview of the major items that were completed - and a few that were not - as well as some projections on what the balance of the 128th General Assembly holds in store.

1. Casino Implementation - Phase 1 Completed

HB 519, the House version of legislation to implement casinos in Ohio following a voter-approved constitutional amendment in November 2009, became the final vehicle for an agreement that was hammered out and ultimately approved by the House and Senate. One of the major sticking points throughout the process was a debate over whether minority hiring mandates for casinos should be included in the bill. The Ohio Legislative Black Caucus pushed hard for this language, but in the end, the minority hiring provisions were not included in the final agreed-to version of the bill. The other major debate centered on whether, and in what manner, the bill should include monetary appropriations for the implementation and formation of the Casino Control Commission, and for workforce training programs that were part of the campaign promises made to get voter approval of the four casinos to be located in Columbus, Cleveland, Cincinnati and Toledo. The Senate refused to include appropriations in HB 519 because doing so would provide the Governor line-item veto authority over the bill. Instead, an unrelated coal mining reclamation bill, SB 181, became the funding vehicle for a host of casino-related appropriations and other funding items - in essence becoming a miniature budget correction bill.

2. Other Completed Matters

Other bills of major import that were considered and passed prior to the summer recess include:

- <u>SB 232</u> dealing with property tax exemptions for qualifying renewable energy projects
- <u>SB 162</u> dealing with telephone deregulation
- SB 204 dealing with motor vehicle dealer franchise law changes
- SB 110 addressing requirements for household septic systems
- <u>HB 5</u> dealing with the regulation of candidates' transition accounts
- SB 210 addressing nutritional and physical education standards for schools

3. Significant Unfinished Business Remains

Major items of unfinished business include:

- <u>HJR 15</u> / <u>SJR 5</u> competing House and Senate redistricting reform measures that have an August deadline for placement on the November ballot
- <u>HB 323</u> and other related bills to address the state's ongoing foreclosure crisis
- <u>HB 486</u> dealing with tightening restrictions on payday lenders

Senate President Bill Harris indicated that it may be necessary to bring the Senate back prior to the fall elections to deal with the Governor's pending appointments to the Casino Control Commission and address the redistricting reform measure if an agreement can be brokered

Focus Now On General Elections

After a number of hard-fought primary contests, the members are now focused on the November elections. With all statewide offices and half of the Ohio Senate up for election, and a close battle for majority control of the 99-member Ohio House on the line, it is likely that the balance of the year will see record-setting fundraising efforts and fiery campaign rhetoric on all sides. Early projections indicate that the Governor's race between incumbent Democrat Ted Strickland and former Congressman and Republican challenger John Kasich will go down to the wire, Republicans will keep or increase their solid majority in the Ohio Senate, and a handful of tightly contested House races will result in a very narrow majority for whichever party prevails in November.

Looming Budget Deficit Intensifies Political Discourse

Another item on the minds of Ohio's legislative leaders is the \$6-8 billion projected budget deficit the state will face heading into the next biennium that begins on July 1, 2011. Linked directly to the deficit are concerns over creating jobs and fostering a business environment in the state to bring about economic recovery as quickly as possible.

While some experts believe that Ohio has begun a tenuous economic recovery, unemployment is still high at nearly 11% and Ohioans are still feeling the pain of the recession. An influx of federal stimulus funding was essential to balancing the state's current two-year budget, but those funds (at least to the same scope and extent) are not expected to be available for the next biennium. Even with further federal assistance, it appears inevitable that significant state budget cuts and possible "revenue enhancements" in the form of tax and fee increases are looming on the legislative horizon.

Lame Duck Session Last Opportunity for Legislative Action in 2010

With the state's continued economic woes and impending budget crisis as the backdrop for the upcoming all-important November elections, it is not surprising that the Democrat-controlled Ohio House and Republican-controlled Ohio Senate did not see eye-to-eye and work together to secure the passage of many bills during the first half of 2010. The marathon session at the beginning of June, therefore, provided the last sure opportunity for passage of significant measures before hitting the campaign trail to focus on the upcoming elections. The so-called "Lame Duck" legislative session during the final weeks of 2010 following the November elections may provide the only remaining opportunity to pass important measures, such as a potential state capital appropriations bill addressing funding for construction and renovation of state infrastructure, before a new General Assembly is seated in January 2011.

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