



JOHN R. KASICH  
GOVERNOR  
STATE OF OHIO

## **Kasich Administration Accomplishments for 2016**

### **FOSTERING AN ECONOMIC CLIMATE FOR JOB CREATION**

Over the past six years, Ohio has cut taxes by more than \$5 billion, streamlined regulations, strengthened workforce programs and sought reforms to improve Ohio's business climate. As a result, Ohio has created 436,200 new, private sector jobs, and the state is increasingly being recognized for a strong, business-friendly environment for jobs creation, capital investment and economic success.

- **Two National Surveys Confirm the Impressive Turnaround in Ohio's Business Climate:** *Chief Executive Magazine's* 2016 nationwide survey of 513 CEOs showed Ohio has the most improved business climate in America – a leap of 12 spots since 2015 to number 10 overall and a full 34 places higher since 2010. Ohio's improving business climate was also confirmed in a report from The Ohio State University's Fisher College of Business and its National Center for the Middle Market. The survey of 1,000 executives, from firms with \$10 million to \$1 billion in annual revenue, shows Ohio companies are making more money and hiring more workers than those in other states.
- **Ohio Tops the Annual List of "Best Cities for New College Grads":** Ohio claims two of the top three cities in SmartAsset.com's 2016 assessment of America's "Best Cities for New College Grads." With high scores for affordability, lifestyle and employment opportunities, Cincinnati was rated number one and Columbus ranked third. Cleveland and Toledo also made the top 25. No other state matched Ohio's high marks in this year's ranking.
- **Dun & Bradstreet Study Says Ohio Leads the Nation in Growth of Middle-Market Businesses:** Dun & Bradstreet's 2016 Middle Market Power Index ranks Ohio first in the nation for growth in the number of middle-market firms over the past five years. According to the report, Ohio has more than 7,200 middle-market enterprises (\$10 million to \$1 billion annual income), more than double the number of such businesses here in 2011.
- **Forbes Places Four Ohio Cities among America's Top 20 Best for Mid-Career Professionals:** In a *Forbes* magazine analysis of the nation's 100 largest metropolitan areas, four Ohio cities rank among the top 20 as "America's Best Cities for Mid-Career Professionals in 2016," with Columbus in first place. Other Ohio cities in the top 20 are Cincinnati (4<sup>th</sup>-tie), Dayton (16<sup>th</sup>) and Akron (20<sup>th</sup>). These cities won honors by excelling in areas such as local unemployment rates and job growth projections; median salaries for experienced, college-educated workers; cost-of-living data; percentage of the local population aged 25 or older with a degree; and the cost to buy a home.
- **Ohio's Tax Climate Rated among the Best in the Nation for Small Business Success:** The 2016 Small Business Tax Index rates Ohio's small business tax climate as the 8<sup>th</sup> best in America, outscoring all of Ohio's neighboring states. The tax climate report, published annually for more than two decades by the Small Business and Entrepreneurship Council, credits Ohio's rise in its index to the state's reduced individual income taxes and the elimination of corporate income taxes. The index measures 25 factors in a state's tax code, including whether tax brackets are adjusted for inflation and whether property can be expensed rather than taxed.
- **Cincinnati Region Tops the List of America's Up-and-Coming Places for Recent College Grads:** *Forbes* magazine and ZipRecruiter.com, a national jobs placement website, rated the Cincinnati-Middletown metro region as the nation's top place for recent college grads to find strong job opportunities, a broad range of leisure-time activities.

The 2016 ratings found the Cincinnati region to be an especially good place for those seeking careers in the retail, insurance and customer service industries, with affordable housing and low cost-of-living.

- Ohio Minority-Owned Businesses See Continued Growth Through State Purchasing Program: For the second consecutive year, Ohio has exceeded the goal of its Minority Business Enterprise (MBE) program by purchasing 23.63 percent of eligible goods and services through certified minority-owned businesses, while spending a record of nearly \$298 million. Ohio's MBE program, established in 1980, mandates that state agencies set aside 15 percent of their annual purchases for goods and services for certified minority-owned businesses.
- Helping Our Businesses by Paying Off Ohio's Unemployment Compensation Debt: In 2009, Ohio's Unemployment Compensation Fund was depleted and the state was forced to borrow billions of dollars from the federal government in order to continue providing unemployment benefits to struggling families. As a result of Ohio's strong fiscal health and growing economy, the state worked with the business community to pay off the debt to the federal government, early ultimately saving employers an estimated \$350 million.
- Ohio Moves Up for Fifth Straight Year on *Forbes* List of Best States for Business to #11 in the Nation: From a dismal rating of #38 when Gov. Kasich came into office, Ohio has moved up for five straight years in *Forbes* magazine's list of Best States for Business, coming in at #11 in the 2016 rankings. The editors cited lower business costs and a dramatically improved economy, noting that Ohio's economic growth (which was the nation's second worst in 2011) is now ninth best among all the states. Ohio also ranked #1 in quality of life, thanks to low cost of living, short commutes and wide range of colleges, cultural offerings and recreational opportunities.
- Ohio Workers' Compensation Insurance Rates at Their Lowest Point in 40 Years. Over the last five years, rates for private employers have dropped an average of 28.2 percent and rates for public employers have dropped an average of 26.5 percent. In 2008, Ohio we had third highest rates in the country, and today we have the 11<sup>th</sup> lowest rates.
- Spurring Job Growth: During the first three quarters of 2016, JobsOhio finalized 195 projects with 13,435 new job commitments and 39,564 retained jobs for a total of \$2.6 billion in annual payroll. Additionally, new and existing companies made \$3.1 billion in total capital investment. (JobsOhio's final 2016 metrics will be available in March 2017).

## **PROVIDING FISCALLY RESPONSIBLE INVESTMENTS TO MEET OHIO'S INFRASTRUCTURE NEEDS**

Ohio's fiscal health, growing economy, careful budget management and stronger credit outlook made it possible to make key investments in Ohio's primary infrastructure needs, as well we support further job creation and an improved quality of life for Ohioans.

- Investing in a \$2.4 Billion Capital Budget Construction Plan: A \$2.4 billion capital improvements budget was advanced by the Kasich Administration and General Assembly in 2016 to provide fiscally responsible appropriations to maintain and improve the state's educational and public-service infrastructure, focusing on the most pressing maintenance and construction needs of state government, schools and higher education.
- Making Record Investments in Ohio's Bridges and Highways: At a time when many states have struggled to maintain their transportation infrastructure or have been forced to raise motor fuel taxes, Ohio enjoyed its third straight record highway construction season in 2016, with \$ 2.1 billion in more than 1,000 roadway and bridge improvements. Since 2011, Ohio has initiated nearly 6,000 transportation improvement projects worth a total of \$12.5 billion – all without increasing taxes.
- Keeping the Ohio Turnpike in Top Condition with the Largest Construction Budget in 15 Years: The Ohio Turnpike maintained its reputation as one of the nation's premier transportation links with investments of \$145 million in roadway, bridge and service plaza improvements in 2016. This was the Turnpike's largest construction budget in 15 years and it included the first projects to replace the roadway's 60-year-old foundation pavement.

## **HELPING MORE OHIOANS FIND PATHWAYS TO COLLEGE OR CAREERS**

Gov. Kasich continues to make education reform a top priority as the success of preparing students for the future plays a key role in Ohio's long-term economic success. At a time when a record amount of state support is going to our schools, the governor continues to champion initiatives to strengthen education in Ohio and prepare Ohioans for the workforce.

- **Strengthening Education and Workforce Opportunities for Ohioans:** Gov. Kasich has consistently focused on reforms that help connect Ohioans of all ages to educational and employment opportunities. Thanks to new reforms, more Ohioans will have the opportunity to earn a high school equivalency. Previously, Ohio provided only one testing company's computer-based platform for adults looking to receive their high school equivalency certificate. This posed a challenge for those seeking an alternative format, such as a written exam. To help more adults get the certificate they need to increase job opportunities, Ohio is making additional testing options available.
- **Creating a Uniform High School Equivalency Certificate:** In order to provide employers a greater level of confidence in the value of high school equivalency exams, Ohio will begin awarding a state-recognized high school equivalency certificate issued by the Ohio Department of Education to test completers.
- **Giving High School Students a Jumpstart on College:** Thanks to earlier Kasich Administration initiatives, in the first year of College Credit Plus more than 50,000 Ohio students earned college credit – tuition free – while still in high school.
- **Working with Ohio's Public Campuses to Reduce College Costs and Increase Attainment:** Gov. Kasich created the Ohio Task Force on Affordability and Efficiency in Higher Education to make recommendations to Ohio's public colleges and universities. The Task Force issued a report organized around ten key areas to advise campuses on administrative and academic practices with the goal of improving the quality of education while lowering costs for students. Ohio's public campuses responded to the call, and produced efficiency reviews and implementation plans.

## **SAFEGUARDING OHIO'S ENVIRONMENT AND NATURAL RESOURCES**

- **Protecting Ohioans from Lead in Drinking Water:** Gov. Kasich initiated new state standards to protect public health – backed by tighter deadlines and administrative fines – to ensure public water systems notify and educate the public in a timelier manner. Additionally, Ohio is leveraging a number of funding mechanisms to help communities replace lead service lines and help schools identify and replace outdated, lead-based water-service fixtures.
- **Tightening Community Water Testing Requirements:** The Ohio Environmental Protection Agency director has been provided additional authority to set water testing requirements for a system based on the age of its infrastructure and whether the system has an active corrosion control program that reduces lead from seeping into old, lead-based household lines and fixtures.
- **Requiring Corrosion Control Studies and Plans in Certain Situations:** Ohio now requires a corrosion control study whenever a water system changes its water source, makes substantial renovations, repairs its system or water treatment plant, or experiences an event that potentially impacts the quality or corrosiveness of water in the system.

## **CARING FOR OHIO'S MOST VULNERABLE CITIZENS**

- **Creating Opportunities for the Disabled:** A new interactive "toolkit" makes it easier for Ohio employers to recruit, hire and retain qualified workers with disabilities. The toolkit was created in response to a recommendation of the Ohio Workforce Integration Task Force, which Gov. Kasich and the Ohio General Assembly created in 2014. The Task Force gathered and analyzed data, and made recommendations regarding barriers to employment and income parity for Ohioans who are deaf, blind, or deaf-blind.
- **Modernizing Health Care Administration:** In a home care setting, the caretaker typically has a long-term relationship with an individual; a sense of comfortability is maintained over time. And yet, these same caretakers had not been allowed to administer basic health care products. Now, by increasing the types of medications and

health care-related activities that can be administered by a direct care staff member, individuals' needs can be met in a timelier manner.

- Improving Continuity of Service to Ensure That Young Ohioans Thrive: Convinced that bureaucracy should never get in the way of the quality of care our children with developmental disabilities deserve, the Kasich Administration has reformed early intervention services provided to young children with developmental delays from birth to three years of age. Previously these services were administered by two separate state agencies – the Department of Health and the Department of Developmental Disabilities (DODD). Now with the alignment of this program within a single agency – DODD – children in need of additional services as they grow older now benefit from a seamless transition of care.
- Building a New Model to Deliver Better Health Care at a Lower Price: Continuing his administration's efforts to transform Ohio's antiquated fee-for-service health care payment system, Gov. Kasich announced the launch of the state's Comprehensive Primary Care (CPC) Program. This initiative allows the state's four largest private health insurance plans, along with Medicaid and Medicare, to financially reward those primary care providers who keep their patients well and hold down costs. The goal of this program is to give Ohioans the quality of care and information they need to improve their health and to reduce the overall cost of care by improving cost efficiency.
- Developing Acute Pain Opiate Prescribing Guidelines: Prescription opiate pain medications are a significant contributor to unintentional drug overdose deaths in Ohio. Expanding upon opioid prescribing guidelines issued for hospital emergency departments in 2012 and for the management of chronic pain issued in 2013, the Governor's Cabinet Opiate Action Team announced in 2016 the adoption of new opiate prescribing guidelines for the management of acute pain that is generally resolved within 12 weeks. Developed in conjunction with the medical community, the new guidelines recommend: non-opioid treatment options when possible; prescribing only the quantity of opiates needed to manage pain in order to reduce the number of leftover medication available for potential abuse; and encouraging prescribers to check the Ohio Board of Pharmacy's prescription drug monitoring system (Ohio Automated Rx Reporting System) before prescribing opiates to see what other controlled medications a patient might already be taking.
- Enacting New Reforms to Strengthen Ohio's Fight Against Drug Abuse: New reforms proposed in Gov. Kasich's 2016 Mid-Biennium Review and enacted in Senate Bill 319 improve oversight of individuals who have access to prescription opiates, ensure responsible opiate addiction treatment, expand access to life-saving naloxone, hold pharmacy technicians to stronger accountability, establish new oversight for purchasing and distributing controlled substances, limit high-volume prescriptions to prevent misuse and establish common sense regulation for methadone clinics.
- Helping Low-Income Teens and Young Adults Move Up and out of Poverty. Ohio launched the Comprehensive Case Management and Employment Program, an innovative, statewide youth employment program that provides education and training supports so that more low-income young people have the skills to not only get a job but be positioned for long-term success. Established in Gov. Kasich's last budget, the program leverages the strengths of both the workforce and human services systems to provide an individualized approach to address the various challenges faced by low-income youth.

## **STREAMLINING STATE GOVERNMENT FOR COST-SAVINGS AND EFFICIENCY**

- Delivering Greater Efficiencies and Enhanced Safety for All Who Enjoy Ohio's Outdoors: As part of its strategy to make state government more efficient, cost effective and user friendly, the Kasich Administration consolidated the Ohio Department of Natural Resources (ODNR) divisions of Watercraft and State Parks. This reform offers Ohioans improved services and cost savings while also enabling ODNR law enforcement to provide greater protections for visitors at Ohio's state parks, natural areas, rivers and lakes. This builds on ODNR's efforts in recent years to cross-train its Forestry, Parks and Watercraft officers, successfully reducing training costs and improving

officer response and safety efforts across state properties. With consolidation of these two ODNR divisions, outdoor enthusiasts and taxpayers are now better supported by enhanced customer service and safety.

- Giving Small Businesses a Strong, New Tool to Navigate Regulatory Issues: The Kasich Administration, through the governor's Common Sense Initiative (CSI), developed an electronic small business toolkit, designed to help businesses navigate regulatory issues and other matters. Developed in conjunction with business members of the Council of Smaller Enterprises, the small business division of the Greater Cleveland Partnership, this toolkit provides business owners assistance in a simple, accessible way to encourage greater participation in the CSI process.
- Achieving \$120 Million in Savings and New Efficiencies through the Use of Technology: The Center for Digital Government, a national research and advisory institute on information technology in state and local, awarded the State of Ohio to earn an "A" rating for the use of technology to increase government efficiency. The center's 2016 ratings cited improvements over the past five years which produced \$120 million in savings for Ohio taxpayers.

## **CREATING A SAFER OHIO**

- Stopping Drug Traffickers: Ohio State Highway Patrol troopers made tremendous strides in removing illegal drugs from Ohio in 2016. Troopers increased their total drug-related arrests for the eighth consecutive year in a row. Troopers also broke their own records for the largest single heroin (59.5 pounds), methamphetamine (26.5 pounds) and prescription pill (33,230 units) seizures this year.
- Combating Human Trafficking: The Governor's Ohio Human Trafficking Task Force continues to prioritize extensive training of individuals in a position to assist potential victims of trafficking, and provide technical assistance to organizations serving survivors. New resources were launched this year including a quick reference guide for Ohio's law enforcement officers, guidance on accessing Medicaid to serve victims of trafficking, a training partnership with the Columbus Airport and State Medical Board of Ohio and the Department of Justice supported training for prosecutors and investigators.
- Keeping Ohioans and Our First Responders Safe: The Ohio Department of Natural Resources put in place a simplified "one-call" emergency notification system designed to improve response times in the event of an oil or gas incident and eliminate the need for companies to make notification calls to multiple agencies and responders. ODNR's one-call, 24/7 notification system simplifies the process of reporting an incident by making that department responsible for notifying and dispatching all appropriate resources. This streamlined process allows companies to focus their immediate efforts on mitigation and ensures first responders of consistent coordination of state resources with public safety as the top priority.

## **EMBRACING THE FUTURE AND ENSURING THAT OHIO BENEFITS FROM NEW TECHNOLOGIES**

- Creating Ohio's First Smart Highway: Signaling its commitment to maintaining Ohio's historic leadership role in transportation innovation and technology, the state announced a \$15 million investment in Ohio's first smart highway. Strategically linking major transportation research centers in the central Ohio, the 35-mile-long U.S. Route 33 Smart Mobility Corridor will be equipped with fiber-optic cable and state-of-the-art sensors to become a real-life test site for advances in autonomous and connected vehicle technologies. This is the first in a series of smart highway developments in Ohio, including the Ohio Turnpike and two additional sites to be announced on I-270 in Columbus and I-90 in northern Ohio.
- Taking a Lead in Drone Technology with the Nation's First "Sense and Avoid" Test Facility: Drone and unmanned aircraft technology is another promising area where Ohio – "the Birthplace of Aviation" – is embracing the future. The state has committed \$1.5 million to a cooperative project with the U.S. Air Force Research Laboratory and Wright State University to develop a ground-based "sense-and avoid-system" for unmanned aircraft at Springfield-Beckley Municipal Airport in Clark County. This project, with total state and federal investments of \$5 million, will

empower drone operators, for the first time anywhere in the nation, to fly unmanned aircraft beyond their line of sight. This is the type of advanced research that will give Ohio a major advantage as unmanned aircraft and drones become the basis for new industries and economic growth.

- Keeping Children Safe – Analyzing the State’s Data to Address Child Welfare Issues: The Ohio Department of Job and Family Services (ODJFS) launched a data analytics project to improve Ohio’s response to child welfare cases identified as having a higher probability of a potentially dangerous situation. After a competitive bidding process, ODJFS has chosen a national firm with a proven track record to implement a predictive analytics system with a predetermined algorithm that will immediately elevate a case for greater oversight by county caseworkers when certain risk factors are found. Ohio will be one of just a handful of states with such a high-tech system for increasing child safety and promoting better familial support.

## **STRENGTHENING COMMUNITY-POLICE RELATIONS**

Under the leadership of Gov. Kasich, Ohio became the first state to create a task force of community leaders and law enforcement specialists to craft strategies for strengthening the bond between communities and the police. Based on those efforts, the governor’s Collaborative Community-Police Advisory Board made significant progress over the past year in implementing task force recommendations.

- Helping Ohio Law Enforcement Agencies Become Certified under Ohio’s First-Ever Standards: Ohio now has statewide standards for law enforcement agencies on the use of force, deadly force, and the hiring and recruitment of law enforcement personnel. The state has partnered with the Buckeye State Sheriffs’ Association and Ohio Association of Chiefs of Police to certify law enforcement agencies on these standards, with nearly 250 agencies – representing nearly 50 percent of all law enforcement officers in the state – approved or in the certification process to date.
- Adopting Additional Standards to Strengthen Trust between Law Enforcement and Communities: Building off the first-ever standards adopted last year, the governor’s Collaborative Community-Police Advisory Board also adopted statewide standards for law enforcement dispatchers, body-worn cameras and community engagement.
- Launching a New Statewide Education Campaign: Ohio launched an outreach and education campaign called “Change Starts Here” to help promote positive interactions between communities and police.
- Helping Communities Implement Their Best Ideas to Strengthen Community-Police Relations: A growing number of law enforcement agencies in Ohio are implementing new strategies to improve relationships with their communities. The state is helping fund many of these efforts by awarding \$400,000 to 20 local agencies.

## **REDUCING OVERCROWDING AND IMPROVING SECURITY IN OHIO’S PRISONS**

Knowing that expanded capacity and reduced inmate density are critical to managing a large correctional system and maintaining a safe, secure prison environment for staff and inmates alike, the Department of Rehabilitation and Correction took aggressive steps in 2016 to address concerns about the state’s near-record prison population density and security issues raised by overcrowding.

- Helping Ohio Communities Manage Low-Level, Non-Violent Offenders: A significant contributing factor to the increase in Ohio’s prison population is the number of offenders coming into state prisons for low-level felonies or other non-violent offenses. In response, the state has initiated a pilot program to assist local communities with managing low-level offenders as a less costly, more effective alternative to state prison while also ensuring these individuals receive the essential treatment they need. The first such partnership was launched with Clinton County officials in late 2016.
- Moving Death-Penalty Inmates to the Toledo Correctional Institution: Moving Ohio inmates facing the death penalty from the state correctional facility in Chillicothe to more appropriate housing at the Toledo Correctional Institution will better serve the needs of this aging population and help to reduce overall housing density at state prisons

system-wide. This relocation will make space available for another Ohio prison reform by establishing the new Level 3 unit at Chillicothe as a regional release preparation center for Level 3, high-security inmates – the first such facility in Ohio’s state prison system.

- Earning Honors as First Recipient of a New National Award for Commitment to Prison Safety: The Ohio Department of Rehabilitation and Correction became the first prison system in the United States to receive the American Correctional Association’s Lucy Webb Hayes Award, recognizing the state’s strong commitment to prison safety by ensuring all areas of operation meet or exceed nationally recognized standards.

