



2015 Annual Report

February 1, 2016

Lt. Governor Mary Taylor
77 S. High Street, 30th Floor
Columbus, OH 43215
CSIOhio@governor.ohio.gov
www.governor.ohio.gov/CSI



MARY TAYLOR
LT. GOVERNOR
STATE OF OHIO

Dear Ohioans:

I am pleased to share with you the 2015 Annual Report for Ohio's Common Sense Initiative (CSI). In 2011, Governor Kasich created CSI and placed it under my leadership, and since that time we have been moving forward to streamline Ohio's business regulations and help make Ohio more business-friendly.

This 2015 report represents our first year operating under a new strategic plan, which we developed last year in an effort to ensure that CSI is maximizing its impact on Ohio's business climate. While the overall vision and mission of CSI remain the same, the new strategic plan helps focus our objectives, introduces new metrics to better measure our impact, and drives enhanced efforts to communicate the role of CSI.



Since 2012, when all proposed rules that impact business were required to go through a CSI analysis and review, we have reviewed more than 7,850 business-impacting rules, and 59 percent of those rules have been either amended or rescinded. Our primary role is to make sure agency regulations are as effective and business-friendly as possible. CSI is also operating at a high level of efficiency, ensuring that rules receive further work or scrutiny when needed, while rules that already meet our standards are able to move through our review quickly.

Just as we push state agencies to treat regulation as a partnership between the state and the businesses being regulated, we strive to make CSI a partnership between my office and our regulatory agencies. I am grateful for the cooperation of our Cabinet Directors and Licensing Boards and Commissions, and for the work that many of them are doing to incorporate the CSI principles into their agency cultures. We are seeing the results of these culture changes in several of the metrics of this report. Governor Kasich's leadership has established regulatory reform as a priority, and our nine Small Business Advisory Council members have helped keep the CSI Office focused on the issues that matter to the business community.

There is much work yet to do, but it is clear that significant progress has been made through the work of the Common Sense Initiative, and the future of Ohio is strong and bright.

Sincerely,

Mary Taylor
Lieutenant Governor

Executive Summary

Over the course of 2014, CSI revisited its strategic plan to recognize the development of the Office as it exited its initial phase following its creation in 2011 and continued its development. Specifically, CSI revised its strategic plan to consist of five objectives:

1. Increase transparency and accessibility in the rulemaking process
2. Foster a business regulatory climate that promotes a balance between public safety and economic growth
3. Promote public awareness of the CSI Office as a resource for the business community
4. Instill the CSI principles in the long-term culture of state government
5. Cultivate an environment in which businesses are active participants in the regulations that impact them

To pursue these objectives, CSI outlined a set of strategies that would have positive impacts across multiple objectives. The office would track and measure both its effectiveness in carrying out the strategies and the impact they had on accomplishing the objectives.

Also in 2015, CSI distributed a survey intended to gauge the degree to which Ohio’s business community is engaged in the rulemaking process, its perspective on the regulatory climate in Ohio, and the overall awareness level of CSI. Prospectively, this annual survey will help CSI measure the impact its strategies have on the strategic plan objectives.

This annual report is organized around the five strategies from the strategic plan. Within the discussion of each strategy, the report will explain how the strategy impacts the CSI objectives, and the relevant metrics to track progress in implementing the strategies and achieving the objectives. The five strategies are:

Strategy 1: Review business-impacting rules to ensure business engagement and to balance the regulatory purpose with the economic impact

In 2015, CSI reviewed 2,316 rules, which were presented in 317 rule packages. Of these rules, 65 percent were either amended or rescinded. More notably, nearly half of the rule packages submitted to CSI for review in 2015 were tangibly impacted by the CSI review, either through the Early Stakeholder Outreach required as part of the CSI process or through additional changes made after the rules were submitted to CSI. These metrics demonstrate that the CSI rule review is having a significant and substantive influence on making Ohio’s rules more business-friendly.

This report also demonstrates that the CSI Office is operating at a high level of efficiency with respect to the length of time it takes to review a rule package. The primary mission of the CSI rule review is to ensure that business-impacting rules meet the CSI standards, which often involves asking additional questions, challenging assumptions, or requiring additional work. Still, the CSI Office strives to process the remaining rules as efficiently as possible. In 2015, approximately one-third of the rule packages reviewed by CSI were returned within 15 days of the agency’s comment period ending, and 55 percent were returned within 30 days. Those rule

packages with longer turnaround times constitute rules where the CSI process was achieving its mission of challenging proposed rules to make them more business-friendly.

The data also show a significant decrease in the number of business comments submitted during these reviews (296 in 2015, compared with 825 in 2014), but a relatively stable percentage of rule packages on which the stakeholders commented. The reason for the drop-off is unknown but will be explored in 2016 and beyond, as well as continued efforts to make the rulemaking process as accessible as possible for stakeholders.

Strategy 2: Lead partnerships with agencies and business associations to implement CSI projects that further the CSI vision

Two metrics that help measure the degree of success in meeting the objective of embedding the CSI principles in the long-term culture of state government are instances of agencies pursuing their own initiatives to make doing business easier, and the degree to which adherence to the CSI principles are reflected in the agencies’ rulemaking activities. With respect to the first, a sampling of agency initiatives is described in Appendix A. Regarding the second, the continuing downward trend in the number of revised Business Impact Analyses, along with data illustrating the work being done by agencies before submitting rules to CSI, suggests that agencies are addressing and resolving more business impacts, and many have become more adept at clearly demonstrating and explaining the public interest being achieved by the rules. Additionally, the business survey showed that 89 percent of the respondents who participated in the rulemaking process felt agencies were either very receptive or somewhat receptive to business input, versus 11 percent who felt the agencies were not receptive.

In 2015, the CSI Office also initiated a third track – in addition to the rule review and ombuds tracks that it has historically operated along – to partner with agencies on proactive, often longer-term initiatives intended to make Ohio more business-friendly. Two ongoing initiatives, modernization of the Ohio Business Gateway and implementation of Ohio’s Global Reach to Engage Academic Talent (GREAT), have been undertaken and are described in this report.

Strategy 3: Implement a communication plan to promote outreach to and seek input from the business community

Effectively communicating CSI as a resource to the business community has remained a challenge and opportunity for improvement. Over the course of 2015, the CSI Office developed a more formalized communication plan to increase outreach activity to Ohio businesses through different channels, both directly and through business associations. As a result, 2015 was a transitional year for the office, with 2016 being the first full year in which the new communication plan is implemented. Data from the survey showed that 60 percent of the respondents were at least somewhat familiar with CSI. Moving forward, the goal will be to increase the percentage that answers “very familiar” while driving down the percentage that responds “not familiar.”

Strategy 4: Utilize the Small Business Advisory Council to represent the business community in implementation of the CSI vision

The Small Business Advisory Council increased its interaction with the business community by having two of its five meetings “on the road” and hosted in local communities. The Council convened in Wilmington in February and Dayton in September. In addition to allowing local businesses and attendees to hear from and interact with senior agency officials, these meetings set aside time for roundtable discussions so that attendees were able to converse directly with the Council members and talk about the regulatory issues that impact their business operations. This has proven successful and the Council will continue to hold regional meetings. Additionally, moving forward each member will undertake individual activities to help communicate with the broader business community. This will be in addition to the activities the Council already participates in as a whole to communicate directly with businesses

Strategy 5: Operate an ombuds function to assist businesses with regulatory issues and identify broader areas of concern

In 2015, the CSI Office received 84 suggestions and requests for assistance either directly through the CSI web site, the CSIOhio@governor.ohio.gov email address, or indirectly via referral. Tax issues constituted the largest segment at 11 percent, although it bears noting that there was no common strand across the wide variety of tax issues raised.

As in past years, the CSI ombuds function is measured largely through “success stories” which demonstrate the ability of the CSI Office to intervene and get results for businesses facing real-world regulatory obstacles. The stories outlined in this report, for example, describe CSI efforts to assist businesses obtaining necessary building permits and navigating other agency permitting processes. In all cases, we have attempted to help businesses reduce the impact of regulations without undermining the benefit of regulations to public health and safety.

Strategy 1: Review business-impacting rules to ensure business engagement and to balance the regulatory purpose with the economic impact

	2015
1. <u>Number of rules reviewed</u>	2,316
• Amended	1,308
• Rescinded	202
2. <u>Number of rule packages reviewed</u>	317
3. <u>Regulations Impacted by CSI Process</u>	
• Number of CSI recommendations issued	4
• Number of CSI rule packages tabled ¹	24
• Total number of packages affected ²	153
• Changed during CSI process	47
• Changed in Early Stakeholder Outreach	141
• Number of revised BIAs received	58
• Number of rule packages rejected by CSI	0
4. <u>CSI review times (# of rule packages)</u>	
• 1-30 days	174 (55%)
• 30-60 days	80 (25%)
• 61+ days	63 (20%)
5. <u>Percentage of recommendations implemented</u>	100%
6. <u>Number of motions to invalidate by JCARR</u>	0
7. <u>Number of comments received through the electronic notification system</u>	296
• % of rule packages with at least one comment	34%

Since January 1, 2012 all proposed rules that impact business (new, amended, rescinded, and no-change rules being reviewed under Ohio’s five-year review requirement) are submitted to the CSI review process. In 2015, CSI reviewed 2,316 rules, which were presented in 317 rule packages. In previous reports, we have discussed an emphasis by both the CSI Office and the Joint Committee on Agency Rule Review (JCARR) to reduce a backlog in agency five-year rule reviews, which inherently drives more rule filings but also ensures that business regulations are

¹ This measure tracks rule packages that after being submitted for review, were withdrawn or tabled due to questions or challenges from CSI staff. In some cases, the rules are permanently withdrawn, while in other cases they are put on hold while the agency reengages stakeholders and/or revises its rules or analysis to better justify their impact.

² Some rule packages may change in both the early stakeholder outreach and the CSI review process. Therefore, the total number of packages affected may not sum.

subject to the CSI analysis. This emphasis appears to continue to be a driver in the volume of rules being reviewed. The figure of 2,316 rules reviewed in 2015 is slightly lower than the 2,476 rules reviewed in 2014. In contrast, approximately 1,500 rules were reviewed in both 2012 and 2013.

Table 1: 2015 Rule Reviews by Agency

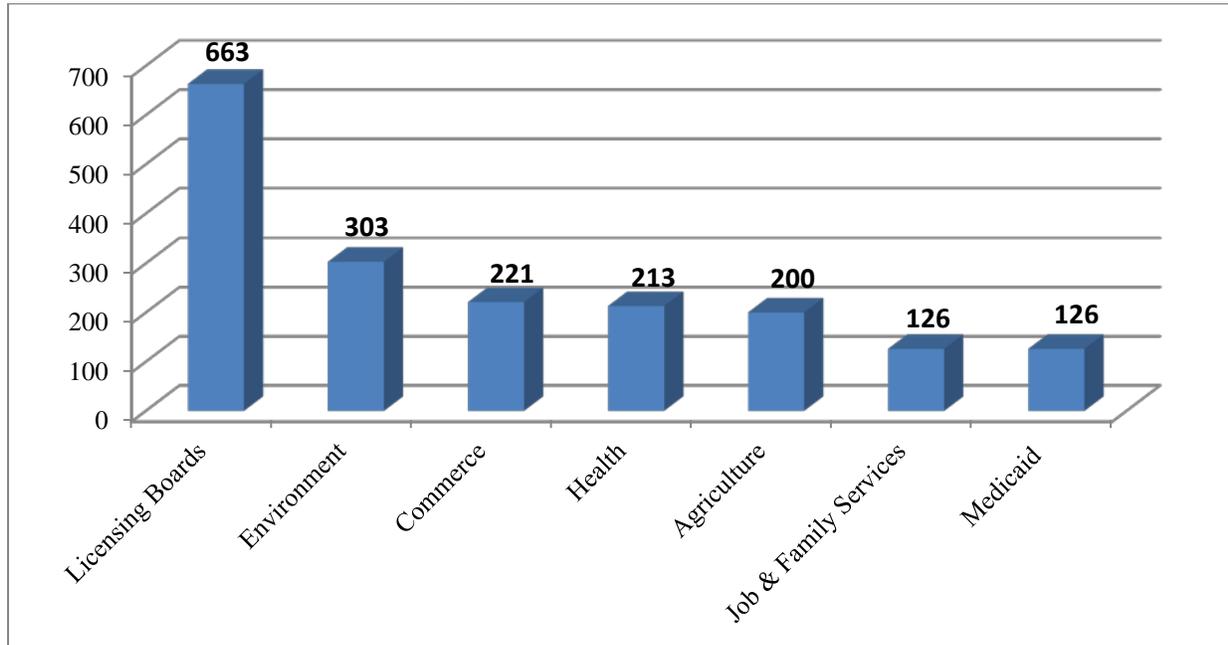


Table 1 above illustrates the distribution of rules submitted to CSI from the highest-volume agencies, and as in previous years, professional licensing boards submit the most rules. The percentage of total rules filed by licensing boards in 2015 (28.6 percent) is slightly down from previous years, when they accounted for approximately one-third of rules submitted. However, the table does highlight the significant impact of regulation from Ohio's licensing requirements, which supports CSI observations and other analysis about the nature of Ohio's licensing requirements. This trend may present opportunity for further policy exploration.

One other trend shown by the data is that the CSI Office is operating at a high level of efficiency with respect to the length of time it takes to review a rule package. It is important to understand that the primary mission of the CSI rule review is to ensure that business-impacting rules meet the CSI standards. This necessarily involves challenging agencies, questioning rule provisions and/or analysis, and when necessary requiring that agencies do additional work on their rules. The objective of the CSI Office is to push back aggressively on rules that don't meet CSI standards or that need additional work, but to process the remaining rules as efficiently as possible.

In 2015, approximately one-third of the rule packages reviewed by CSI were returned within 15 days of the agency's comment period ending, and 55 percent were returned within 30 days. Again, those rule packages with longer turnaround times constitute rules where the agencies

were asked to provide additional information, conduct additional outreach to stakeholders, make changes in response to CSI analysis and/or stakeholder comments, or perform additional work on their rule packages to meet the CSI standards. While very few rule packages are rejected or subject to a formal CSI recommendation for change at the end of the review, significant work does occur on a number of these packages before receiving a recommendation to move forward with rulemaking. However, the data demonstrates that those rules that do not require additional work are being reviewed quickly.

One of the five revised CSI strategic objectives listed previously is to increase transparency and accessibility in the rulemaking process. Two metrics that help measure the impact of the rule review strategy are the number of comments submitted by stakeholders and the percentage of business survey respondents who indicated they had participated in an agency rulemaking during the calendar year. For the 317 total rule packages reviewed during this time period, 296 electronic comments were submitted by stakeholders. This is a marked decrease from the previous year's adjusted figure of 825. Indeed, since the rule review process began in 2012 this figure had climbed annually from 309 to 360 to 825. There is no obvious explanation for the drop-off in 2015. The percentage of rule packages that received at least one public comment experienced a more subtle dip to 34 percent from 38 percent.

While the number of comments received is a figure that CSI has tracked since the rule review process took effect, 2015 is the first year CSI surveyed the business community regarding participation. Data from the business survey indicates that 16 percent of the respondents participated in a least one agency rulemaking during 2015. Since this is the initial survey of the business participation rate in the rulemaking process, the results will provide a benchmark to measure future years against.

Increasing stakeholder participation in the rule review process continues to be an emphasis of the CSI Office, as the rule review process is built on a foundation of stakeholder involvement in the regulations that impact them. The data in 2015 show a significant decrease in the volume of participation but a relatively stable percentage of rule packages on which the stakeholders comment. This suggests that the CSI Office put additional energy into outreach and education about the rule review process. As described later in this report, implementation of a formal communication plan is a strategy put in place in 2015, and will be a vehicle to target outreach toward participation in the rule review process.

Rule Review Highlights:

This section is intended to help illustrate both the way in which the rule review process works, as well as the way in which the CSI Office can impact rules beyond those reflected in the statistics described above.

Construction Demolition and Debris Ground Water Monitoring Fee – The Ohio Environmental Protection Agency (OEPA) submitted a rule proposing to retain the fees for ground water monitoring of the construction and demolition debris industry. After extensive meetings with the Construction and Demolition Association of Ohio and CSI, the OEPA reassessed the current fund balance and future expenditure estimates. Ultimately, the OEPA determined that continuing

the fee was unnecessary both currently and for the foreseeable future because sufficient funds were on-hand from previous years' fee collections. Consequently, the OEPA revised the Business Impact Analysis and proposed rescinding the rule because of its adverse impact to businesses and because of the lack of necessity of the ground water monitoring fee for the foreseeable future.

Dairy Recordkeeping – A rule package was submitted to CSI by the Department of Agriculture pertaining to recordkeeping requirements for dairy dealers. The required records detailed the financial relationship between dairy producers and dairy dealers. The CSI Office questioned the need for the Department to mandate recordkeeping for financial transactions between two private businesses. Additionally, as noted by the Department in the Business Impact Analysis, the records are already maintained in the regular course of business. The Department reevaluated the policy in response to the inquiry by the CSI Office and determined that the rule did not serve a purpose. The Department has submitted a version of the rule package that will rescind the rule.

Juice Processing – The CSI Office worked with raw juice companies, the Ohio Department of Agriculture (ODA), and the Ohio Department of Health (ODH) in order to assist companies with the expansion of their juice processing businesses. At the time, Ohio regulations allowed businesses to produce raw, unpasteurized juice for consumers as long as the juice was produced on-site where it was sold. In order for the raw juices to be sold at multiple locations (licensed under the same business name), ODH and ODA had to update their rules. The changes the Departments made to their rules now allow companies to utilize a “central kitchen” model where raw juice companies produce their product in a central kitchen and deliver it to their own satellite establishments, where the product can be sold. The work on these rules included careful analysis to ensure that none of the changes undermined the food safety precautions necessary to protect the public.

Caseworker Visitation Requirements – The Ohio Department of Job and Family Services (ODJFS) submitted a rule package that provided caseworker visitation requirements for businesses operating in the children's services area. The rules were amended to implement guidance received from the federal government, but in the process were eliminating the ability of public agencies at the county level to contract with private agencies to conduct required monthly visits. During the CSI rule review, several comments were received expressing concerns about the impacts to both public and private agencies. As a result, despite the federal requirements that must be addressed in the rules, the Department is working closely with the association representing the private agencies to mitigate the impact and ensure that the role of the private agencies is protected.

Hospice Cancer Reporting Liability – The Ohio Department of Health submitted a rule package that established requirements for the Ohio Cancer Incidence Surveillance System. During the CSI public comment period, a statewide association submitted suggestions for mitigating the potential impacts to members of the hospice industry. Specifically, its concerns were with reporting requirements in the rules and the possibility that a hospice physician treating a cancer patient at the end-of-life – as opposed to an oncologist attempting to treat the cancer itself – might be liable for civil penalties if information was not reported. As a result of the CSI process,

a compromise was developed that provided clarity to the requirements and eliminated the concerns of physicians providing this important end-of-life care.

Other States Workers' Compensation Coverage – The Ohio Bureau of Workers' Compensation (BWC) submitted a rule package to CSI to create a new optional policy offering for Ohio businesses with employees who frequently work in other states. The proposed rule responds to a need that has been identified in the business community due to gaps in coverage that are difficult and/or expensive to fill when those employees are out of state. BWC engaged in a robust stakeholder outreach process in developing the rule, during which it heard strong support for providing other states coverage, but also received a significant amount of feedback on the logistics of the coverage. The BWC made a number of changes to the rules and has demonstrated flexibility in offering to revisit the rules with stakeholders as the implementation of the new coverage unfolds.

Strategy 2: Lead partnerships with agencies and business associations to implement CSI projects that further the CSI vision

Historically, the CSI Office has operated along two tracks to improve the business climate in Ohio. The first was the review of business-impacting administrative rules, as described in Strategy 1 of this report. The second track is the operation of an ombuds function to help businesses overcome roadblocks in dealing with regulatory agencies, as described in Strategy 5. However, in reviewing the CSI strategic plan in 2014, it was determined that opportunities exist for the CSI Office to work with state agencies more proactively to address issues that will improve the business climate, but not necessarily as a result of specific regulatory frustrations from businesses.

These partnerships tend to be larger policy initiatives that develop over longer timeframes than any specific rule review or regulatory ombuds issue, so by nature there will be fewer occurring at any one time and each may be ongoing for longer periods of time. In 2015, two such initiatives have commenced, described below.

Ohio Business Gateway Modernization Project

The Ohio Business Gateway represents a key touchpoint for businesses in Ohio. The Gateway is the primary online source for business information, tax filing, and other services offered by the state to the business community. It was originally created in 2002 and has grown since then in the number of services available. A recurring concern the CSI Office has heard from the business community is that the existing Gateway, while functional, is difficult to navigate and cumbersome to use. Consequently, in 2015 Lt. Governor Mary Taylor assumed the role of Chair of the Ohio Business Gateway Steering Committee, and through CSI, began spearheading an ongoing inter-agency project to modernize the Gateway.

CSI engaged in an intensive process to understand the current needs of business users and envision the future of the Gateway. After significant outreach to the business community through a survey, focus group, and interviews it was determined that a full re-platforming would be required to reach the desired state of a more flexible, scalable, and secure Gateway. The goal of the project is to reimagine the Gateway such that it serves Ohio's business community and makes doing business in Ohio easy and efficient by providing e-Government services that are simple and secure. The intensive planning phase has been completed and the second phase focused on implementation strategy and system design is coming to a close. In the meantime, in response to feedback from businesses about current challenges with the Gateway, targeted changes were made in December that are designed to make it easier and more efficient for businesses using the existing Gateway to complete transactions and receive support. The project is ongoing in 2016.

Ohio GREAT

Ohio's Global Reach to Engage Academic Talent ("Ohio GREAT") is an initiative developed by the Ohio Department of Higher Education to help address the workforce needs of Ohio's business community as well as the desire of postsecondary institutions to

see a statewide strategy with regard to international students. Since the initiative was kicked off in 2015, CSI has been traveling throughout the state, meeting with business organizations to actively promote the program as a useful resource and to obtain input from businesses about how the initiative can best meet their needs. The program seeks to promote Ohio as an international destination to pursue postsecondary education, and encourage international students to remain lawfully in Ohio – gaining valuable experience and contributing to Ohio businesses – for the full length of their student visas (currently up to 29 months after graduation). The initiative has the potential to benefit Ohio businesses through productive relationships with higher education and access to innovative talent, to benefit Ohio higher education by making the state a destination for postsecondary students from around the world, to benefit partner countries by maximizing the knowledge and experience their students bring home with them after the expiration of their visas, and to benefit students – both foreign and native Ohio students – by creating specific career opportunities and experiences for both as well as exposure to cultural differences that will benefit them throughout their careers and lives. The partnership between CSI and Ohio GREAT continues into 2016.

From the beginning, the CSI Office has recognized that improving regulation is as much about attitude as it is about any specific regulation. A major effort of CSI has been to incorporate the CSI values within agencies themselves so that regulators are practicing these values in their daily activities. Just as the regulatory processes will be more effective through compliance than through enforcement, the CSI process will be more effective if it becomes a part of the agency cultures than if it relies on the CSI Office to “fix” regulations. Two metrics that help measure the degree of success in meeting the objective of embedding the CSI principles in the long-term culture of state government are instances of agencies pursuing their own initiatives to make doing business easier, and the degree to which adherence to the CSI principles are reflected in the agencies’ rulemaking activities.

CSI initiatives by agencies independent of CSI Office

The CSI process encourages agencies to initiate improvements to their regulations on their own. While the CSI Office does not have to spearhead every initiative, agencies have been asked to report on those initiatives so CSI efforts occurring organically within the agencies can be catalogued. Examples of such initiatives undertaken by the agencies and provided to the CSI Office can be reviewed in Appendix A.

Compliance among agencies

Draft rules and Business Impact Analyses should address unnecessary business impacts prior to being submitted to CSI for review. As such, tracking the number of CSI recommendations helps identify whether this understanding is occurring or not. For 2015, the following are some key statistics from the rule review process demonstrating agency compliance:

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Number of Rule Packages Reviewed	277	396	317
CSI Recommendations	22	14	4
Rule Packages Rejected by CSI	2	0	0
Rule Packages Tabled	7	20	24
Revised Business Impact Analyses	101	105	58
Percent Rules Packages with Revised BIA	36%	26%	18%

The figures above suggest that many agencies have better incorporated the CSI mindset into their institutional cultures. Both the number of CSI recommendations and revised Business Impact Analyses have decreased year-over-year. Moreover, the table provided under Strategy 1 shows that a significant amount of work is being done by agencies during their early stakeholder outreach, before the rules are submitted to CSI, to get the rules aligned with the CSI mission. This cumulative data indicates that agencies are addressing and resolving more adverse business impact issues independent of the CSI Office. Likewise, the decreasing number of BIAs needing to be revised indicates that many agencies have become more adept at clearly demonstrating and explaining the public interest being advanced by the rules, though there is still work to do across the board. In 2015, 24 rule packages were tabled at some point of their lifecycle, meaning the CSI Office put the rules on hold (either temporarily or permanently) due to questions or challenges from CSI staff or stakeholders.

Additionally, the business survey asked respondents who had participated in a rulemaking during 2015 how receptive they thought the agency involved was to input from the business community. Respondents characterized agencies as being “very receptive” 39 percent of the time and “somewhat receptive” 50 percent of the time, with only 11 percent of respondents finding the agency “not receptive.” Being mindful that 2015 was the initial year in which these questions were posed to the business community, it is difficult to know how to accurately ascribe the significance of the figure beyond that of establishing an initial benchmark against which future years will be measured. Nonetheless, these initial survey figures seem to corroborate the conclusions drawn from the aforementioned year-over-year improvements.

In evaluating the broader business climate in Ohio, measuring the changes in the regulatory climate is important but may also be the most difficult to measure. Moreover, regulatory reform is but one piece of the state’s overall economic development efforts and by itself does not drive Ohio’s economic performance. However, there are performance indicators that can help identify whether CSI is having an impact, and the CSI Office will constantly seek to identify additional measures that can help judge the overall impact of its efforts. The measures that CSI uses to track progress are spelled out in detail in Appendix B. Understanding and tracking where Ohio stands, the role that regulations play in the perception of our state, and any impact of CSI on that perception are important measures to guide our operations.

Again, while the 2015 business survey is not scientifically statistical in nature, it does provide useful feedback in the same way that a customer satisfaction survey does. As this is the first year for which CSI surveyed the business community, the initial results will provide a benchmark to measure directional trends against in future years.

In the survey, two questions in particular are intended to help measure how the business community feels about Ohio's current regulatory environment. Specifically, 44 percent of respondents felt that Ohio's regulatory environment had gotten better over the last five years, compared with 13 percent who felt it had gotten worse. As far as a letter grade for the current regulatory environment, 3 percent gave Ohio an A, 47 percent gave a B, 37 percent gave a C, and 13 percent gave a D or F.

Being mindful that 2015 was the initial year in which these questions were posed to the business community, it is difficult to know how to accurately ascribe the significance of the figures beyond that of establishing an initial benchmark against which future years will be measured. Nonetheless, despite progress, considerable room for improvement exists. Perception is reality, and the perception of Ohio's regulatory climate influences the state's ability to attract and retain jobs.

Strategy 3: Implement a communication plan to promote outreach to and seek input from the business community

As mentioned earlier, the perception of Ohio’s regulatory climate influences the state’s ability to attract and retain jobs. As a result, it is important that the CSI Office effectively communicate its successes and its failures so that stakeholders have an accurate perception of Ohio’s regulations. Communication flowing in both directions is critical to the success of the initiative.

The CSI website (www.governor.ohio.gov/CSI) is intended to facilitate more public input into the regulatory process. Rule packages under review in the CSI Office are updated online to include the Business Impact Analysis (BIA), the comment period time frame, CSI’s recommendation, the agency response, and a link to allow the public to comment on each package. Visitors to the website also have access to a fact sheet about CSI with updated statistics, the CSI Office Strategic Plan, annual and semi-annual reports, a blank BIA form, and information about the Small Business Advisory Council.

The CSI Office compiles a “Week in Review” document, highlighting the office’s activities and information about rule packages under review. The Week in Review is posted on the website and promoted via social media. In 2015, the CSI Office began emailing the Week in Review directly to stakeholders to more proactively share this resource. CSI utilizes social media to engage users and communicate with businesses and individuals impacted by regulations.

Nonetheless, effective communication has remained a challenge and opportunity for improvement. Over the course of 2015, the CSI Office developed a more formalized communication plan to increase communication activity through different channels to Ohio businesses both directly and through business associations. As a result, 2015 was a transitional year for the office, while 2016 will be the first full year in which the new communication plan is utilized.

Analysis: Through social media, direct outreach, and working with the Small Business Advisory Council, the CSI Office seeks to communicate with Ohioans and Ohio businesses in as many ways as possible. By communicating successes, this goal is focused on establishing credibility so that Ohio’s changing business climate will continue to be recognized by Ohio job creators. In 2015, the CSI Office compiled the following key metrics on its communication efforts:

- 582 Twitter followers and 356 Facebook “Likes”
- More than 92 speaking engagements to business-related groups
- 616 people signed up through the CSI web site to receive updates
- 5 meetings of the Small Business Advisory Council.

A continuing objective of the CSI Office is to promote public awareness of the office as a resource for the business community. To help measure the success in meeting this objective in 2016, CSI will be tracking the total number of people who have signed up to receive Periodic Updates and annual survey results on the business community’s awareness of CSI and its activities. While the number of people signed up to receive Periodic Updates is a figure that CSI

has historically tracked, 2015 is the first year CSI surveyed the business community regarding its awareness of CSI. Consequently, the initial survey result will provide a benchmark to measure future years against.

For the business survey, the breakdown into percentages for respondents characterizing their degree of familiarity with CSI is as follows:

- Very familiar 25%
- Somewhat familiar 35%
- Not familiar 40%

This being the initial measurement of the degree to which the business community is aware of CSI and its activities, it is difficult to know how to accurately ascribe the significance of the initial figure. Nonetheless, starting with 60 percent of the respondents at least somewhat familiar with CSI is a solid foundation. Moving forward, the goal will be to increase the percentage who answers “very familiar” while driving down the percentages for the two other answers.

Although the CSI message has a higher probability of being accepted by the business community when it circulates organically within the business community (see Strategy 4 related to the Small Business Advisory Council), speaking engagements delivered directly by the Lt. Governor and CSI staff are still very useful. In addition to introducing persons to CSI who were previously unfamiliar with it, CSI Office staff has the advantage of being subject matter experts on Ohio’s regulatory process, and having a far broader exposure to the innumerable different issues that arise within it. In 2015, Lt. Governor Taylor spoke to public groups 29 times about the Common Sense Initiative and regulatory reform, including chambers of commerce, business roundtables, rotary clubs, and other groups. CSI representatives spoke to an additional 63 similar public groups.

As stated above, the objective of all of this activity is to cultivate an environment in which the business community actively participates in the regulations that impact them. To measure that prospectively, CSI will be using the results of the annual survey, including tracking the percentage of business respondents who indicated that they had participated in an agency rulemaking during the previous calendar year. For calendar year 2015, the initial percentage was 16 percent, which will constitute the benchmark against which CSI will measure the impact of future activities.

Strategy 4: Utilize the Small Business Advisory Council to represent the business community in implementation of the CSI vision

Description: One of CSI’s ongoing objectives is to cultivate an environment in which businesses are active participants in the rulemaking process for regulations that impact them. For the Common Sense Initiative to be as effective as possible, businesses and/or organizations that support businesses have to participate in the rulemaking process and represent their respective interests directly. That message has a greater chance of being heard and acted upon by the business community when it is delivered by fellow business persons who believe in what CSI is trying to accomplish and the effectiveness of CSI’s operations.

A business that has had a positive interaction with CSI and mentions it to other local business owners is one mode for having that message delivered. However, it is a passive mode over which CSI has limited ability to proactively manage. A complementary proactive approach consists of the Small Business Advisory Committee interacting with the business community in their capacity as Council members. To facilitate this, two of the Council’s five meetings in 2015 were held “on the road” and hosted in local communities – Wilmington in February and Dayton in September. In addition to allowing local businesses and attendees (all Council meetings are open to the public) to hear from and interact with senior agency officials, these meetings set aside time for roundtable discussions so that attendees can interact directly with the Council members (see Appendix C for the roster) and talk about the regulatory issues that impact their business operations. While the Council has held regional meetings since 2013, the coming year will see a change in that members will also undertake individual activities to communicate with the broader business community. This will be in addition to the activities the Council already participates in as a whole to communicate directly with businesses.

At its 2015 meetings, in addition to specific CSI-related information, the Council heard from and spoke with Cabinet directors and agency senior staff on major issues that affect small businesses, including:

Education and Workforce Preparation

The Chancellor of the Ohio Board of Regents provided the Council an overview of the Kasich Administration initiatives to better align primary, secondary, and post-secondary education with present and future workforce needs. These initiatives included:

- increasing access to college credit by training more high school teachers to teach college-level courses and encourage student participation;
- strengthening Ohio’s school counselor system by establishing standards so students can have improved access to higher quality career and higher education advice;
- a continued commitment to mentoring by increasing the program’s budget
- holding down tuition costs by restricting two- and four-year schools to tuition increases of no more than the greater of two percent over what the institution charged in the previous academic; and,

- working with public colleges and universities and the business community to embed into the curriculum of degree programs work experiences (including co-ops and internships) for in-demand jobs, such as computer science.

Human Services Innovation

The Director of the Ohio Department of Job and Family Services (“ODJFS”) met with the Council to discuss her efforts to have the agency take a more holistic approach by focusing more on client outcomes. This shift toward a case management approach puts a particular focus on persons aged 16-24 who, from their indicators (e.g., had a child before turning 21 or dropped out of school, etc.) are most at risk of failing to make the transition to a gainfully employed adulthood. By more tightly integrating the State’s human services and educational resources with workforce development programs, the goal is for clients to become “work ready” with useful skills needed by employers, rather than placing them into jobs that develop no long-term useful skills.

Environmental Issues

The Council met with the Director of the Ohio Environmental Protection Agency, who talked about the State’s ongoing efforts to combat harmful algal blooms through new laws that regulate the application of phosphorous and manure on agricultural fields. He also discussed federal environmental regulations that would impact Ohio through lowered ozone limits and carbon emission rules. The Director also touched on a Supreme Court of Ohio decision invalidating all 1,761 of Ohio’s existing Total Maximum Dissolved Load limits (“TMDLs”) for water and requiring them to be re-promulgated through the rulemaking process, creating an administrative challenge in how best to address rulemaking for 1,700 different TMDLs.

Professional Licensing

The Council discussed a U.S. Supreme Court case *North Carolina State Bd. of Dental Examiners v. FTC* in which the Court held that the state board of dental examiners had violated federal antitrust laws in prohibiting non-dentists from performing teeth-whitening procedures. Specifically, the Court held that because the board was comprised primarily of practicing dentists and because its actions in enforcing the ban failed to meet criteria demonstrating that the board was acting as an agent of the state’s public interest rather than in its own industry-specific interests, its actions constituted an impermissible restraint of competition. The Council and the CSI Office compared North Carolina’s processes with Ohio’s, and discussed the broader impacts that state-sanctioned professional licensing can have on business.

Improving Internal State Agency Operations

The Council met with the LeanOhio office to discuss actions that had been done to embed Lean Six Sigma performance improvement within State of Ohio operations since the previous meeting between SBAC and LeanOhio. With 700 State employees that have attended LeanOhio training and 70 having attained Black Belt status, Ohio is a national leader with its internal community of Lean expertise. The Council questioned how the graduates maintain the discipline. LeanOhio replied that the Black Belts and the various agency Lean points-of-contact meet on a quarterly basis with LeanOhio to discuss new opportunities for enterprise-wide performance

improvements. There was general discussion about opportunities to foster greater participation by local governments and higher education in Lean techniques.

Biennial Budget

The Director for the Office of Budget and Management gave the Council a presentation on the proposed biennial budget. Each of the specific tax reform proposals contained in the budget were discussed with emphasis on the underlying philosophy to drive growth by shifting Ohio's tax system away from excessive reliance on income taxes and toward consumption taxes. The Director also addressed at length the proposed changes in funding for K-12 education, again emphasizing the philosophy underpinning them in the desire to better direct more funding to those districts with the greater projected need driven by student body growth and the lesser ability to self-fund those projected needs. Finally, the budget proposals in the area of healthcare and the restructuring of human services programs were discussed.

Strategy 5: Operate an ombuds function to assist businesses with regulatory issues and identify broader areas of concern

As part of its efforts to foster a business climate that promotes a balance between public safety and economic growth, CSI has always functioned in an ombuds capacity to assist businesses with regulatory issues lying outside the formal rulemaking process. In 2015, the CSI Office received 84 suggestions and requests for assistance either directly through the CSI web site or the CSIOhio@governor.ohio.gov email address, or indirectly via referral. This figure is down from 122 in 2014. Tax issues constituted the largest segment at 11 percent, although it bears noting that there was no common strand across the wide variety of tax issues raised. Matters involving doing business with the State (including MBE/EDGE matters) were second at 10 percent. Persons commenting on the State Medicaid Department’s plans to comply with new federal Home and Community-Based Services (HCBS) rules constituted the third largest grouping at 7 percent. Economic development, professional licensing, education, building code, and environmental issues all tied as the next largest components at 5 percent each.

• Tax	11%	• Professional Licensing	5%
• Doing Business with the State	10%	• Education	5%
• Medicaid HCBS	7%	• Building Code	5%
• Economic Development	5%	• Environmental	5%

Ombuds Success Stories:

Previous reports have established that the ombuds track of CSI operations is less quantifiable in terms of the number of regulations impacted. Reporting has focused on communicating stories of CSI successes to demonstrate change to the business community. Throughout its existence, these success stories have served to define the CSI operations and impact. As such, this section is intended to help illustrate the way in which the CSI Office can help resolve regulatory matters with agencies beyond rule review process.

Commercial Building Code – CSI was contacted by the Bellevue Development Corporation, a local economic development organization, about a building permit issue facing a local packaging company. The company planned to convert a storage facility to a manufacturing operation. The investment was made possible with the help of the Ohio Tax Credit Authority and JobsOhio, and would result in 150 new jobs. However, a variance request to allow the company to expand its facility was originally rejected by the state. Once contacted, the CSI Office followed-up with the Department of Commerce to identify the concerns and offer assistance in resolving them. Shortly thereafter, the needed variance was approved and the company was able to move forward with its project.

Air Emissions Permitting – In late 2014, an environmental consultant contacted CSI for assistance in finalizing a permit modification that had been in the works since 2012. A paving materials company was facing the possibility of not being able to operate at its chosen location due to an unresolved air emissions permitting matter the Ohio EPA (OEPA) was reviewing.

Working with OEPA, the consultant, and the company, CSI was able to facilitate discussions which led to a timelier issuance of the permit in September 2015.

Commercial Truck Inspection – A representative of a metropolitan chamber of commerce called CSI to raise an issue one of its members was experiencing. The business had just purchased five cement trucks, but was informed that inspection and approval of the vehicles would be delayed by over a month, meaning the business would not be able to use its new assets during that time. CSI contacted the Highway Patrol, which promptly contacted its field personnel and the business to determine how best to coordinate a more timely inspection. As a result, the inspections were completed in three business days, saving the business a month-long wait. Follow-up discussions are ongoing about the root cause of the delay and whether additional action is necessary.

Commercial Building Code – A Northwest Ohio company received assistance from CSI in working with the Ohio Department of Commerce on commercial building code issues in 2014. As a result, in 2015 when the company needed to make an internal determination of which state they would expand their facilities in under tight production deadlines, the company again contacted CSI to facilitate a meeting with the Department to determine how and if the firm and the State could work together to enable expansion in Ohio within the production deadlines. As a result of those discussions shepherded by CSI, the company chose to expand in Ohio, creating 25-30 new jobs for 2016.

Unclaimed Motor Vehicle Title Transfer – An automotive repair shop contacted CSI after experiencing difficulty in navigating the process for claiming title to a vehicle that had been abandoned by its owner at the shop. CSI reached out to the Bureau of Motor Vehicle Title Support Section, which worked with the business and the county title office to eliminate confusion and identify the documentation needed by the county. As a result, the business was able to quickly resolve the situation and complete the transaction.

MBE Certification – CSI was contacted by a business owner concerned about an apparent delay in his application for certification as a Minority Business Enterprise (MBE). This delay meant that the business was missing opportunities to bid on certain contracts. CSI contacted the Department of Administrative Services Equal Opportunity Division regarding the business owner. After it became apparent that the Department was waiting for additional tax documents that had been requested from the business, Department staff called the business owner directly and was able to have the remaining tax documents sent, and DAS finished its review and approved the certification the following day. It also sent the business its MBE certificate electronically to allow for immediate use.

Liquor Laws – The Common Sense Initiative Office was contacted by a group of established entrepreneurs who operate pedal-powered commercial “quadricycles” that transport customers on tours of an area in a social setting. The entrepreneurs were seeking to expand their businesses by allowing customers to have alcoholic beverages on the tours, which required an exemption from state open container laws. Working with various stakeholders – including the Departments of Commerce and Public Safety – the CSI Office facilitated a common understanding of the purpose and use of the exemption, as well as assurances that the exemption would create no new

risks to public safety. This legwork helped pave the way for a legislative change that under certain restrictions allows for open containers on these commercially-owned "group cycles" with independent drivers (who are not consuming alcohol).

Tax Filing Form Approval – A representative of a statewide business association called CSI saying that it was getting an increasing number of calls from members concerned that they were unable to file certain state tax returns for business clients because the electronic version of the forms used in tax filing software platforms had not yet been approved by the Department of Taxation. CSI facilitated a conversation between the association and senior Department of Taxation IT staff to identify the problem and quickly resolve the matter.

APPENDIX A: EXAMPLES OF AGENCY CSI INITIATIVES

AGING

- Home Care Attendant Project – ODA amended a rule to reduce the vehicle-related requirements for home care attendants serving individuals enrolled in the PASSPORT Program. ODA no longer requires collision insurance for any vehicle. The state’s existing Financial Responsibility Act requires liability coverage that would cover damages to an individual being transported. Collision insurance isn’t necessary to protect individuals in the program and isn’t cost-effective for some inexpensive cars. Additionally, ODA no longer requires drivers’ licenses or liability insurance for home care attendants who do not transport individuals. The rule project indirectly eliminated the need to own a vehicle in order to serve an individual, so long as transporting the individual isn’t involved.

COMMERCE

- Safe Stay Hotel – For the Ohio Safe Stay Hotel program, the Department reviewed its own historical data and found that a significant percentage of hotels that underwent the annual fire inspection were routinely compliant. The Department worked with the hotel and lodging industry to develop the Safe Stay Hotel designation to recognize the efforts of compliant hotels, to create and maintain a safer environment for their customers, and to provide an incentive to the rest of the industry. The designation will be available to hotels that have maintained licensure and avoided significant licensure violations for the prior two years; and that have avoided associations with criminal activity (e.g., prostitution or drug activity) for the prior five years. Achieving the Safe Stay Hotel designation allows the hotel to be noted as such in a registry of hotels maintained by the State Fire Marshal and to utilize the designation in its marketing materials.
- Compliant Contractor Initiative – Commercial contractors who qualify will be able to choose to renew their license annually or every three years, where previously only the annual option existed. They will also be able to choose to meet the continuing education requirement of 8 hours for one year (reduced from 10) or 24 hours over the course of three years (reduced from 30). Some of the qualifications required for these options to be available are no complaints filed, proper insurance coverage, timely continuing education, and timely license renewal.
- Exceptional Customer Service – The Department launched a four month-long baseline customer survey across all divisions in the first half of 2015. During the summer, the Department mapped out the call center infrastructures used by each division in order to lay the groundwork for integrating a Customer Relationship Management (CRM) tool with the existing VoIP phone system. A project management plan is being developed to move towards restructuring the call centers and introduce a CRM ticketing module. This will allow the Department to more efficiently distribute surveys, gather feedback, and manage metrics reporting. Once complete, a specialized customer service survey will be developed and implemented. The new survey will identify specific service opportunities by combining customer opinion-based service quality metrics along with operational process metrics. Daily data collection will allow the Department to develop monthly service trends in areas such as first call resolution, response time, escalation rate, and resolution rate among others.

OHIO EPA

- Processing Surface Water Permits Electronically – With an expectation of bringing turnaround time for surface water discharge general permits to a quick two business days, Ohio EPA recently launched the agency’s new Surface Water Tracking, Reporting and Electronic Application Management System (STREAMS).

Although few states process the volume of surface water discharge permits (7,000 per year) managed by Ohio EPA, the traditional and somewhat cumbersome procedure is familiar to environmental regulators across the country: managers at construction sites, restaurants and many other small operations complete applications by hand; paperwork is mailed via USPS to state environmental regulators; staff devotes time and resources to data entry and reviewing each document to ensure the permit meets administrative standards; and staff also reviews for clerical errors and insufficient or missing payments. Follow-up with applicants to fix these simple errors can be even more time-consuming.

Ohio EPA’s new STREAMS uses a smart document online that catches errors before the application is complete, and documents are submitted electronically to the agency’s Division of Surface Water, minimizing errors and data entry time. Payments can be made with credit card or by debiting a bank account through Ohio’s Automated Clearing House – all confirmed within seconds. Permits holders also can submit monitoring reports electronically.

Every general permit is still reviewed by staff to ensure that the applicant meets the criteria to qualify. But Ohio’s new STREAMS makes the permitting processing more efficient, shaving valuable days off the process.

HEALTH

- Asbestos and Lead Licensing – The programs successfully implemented an online application system for asbestos and lead licensure that enables all applicants to complete and submit their application, supporting documents, and pay fees online. This change makes the licensing process more convenient for applicants and reduces the time necessary for the submission and overall processing of these occupational licenses.
- Campgrounds – The rules for campground licensure were revised this year and reduced from twenty-four rules down to six in an effort to consolidate the rules and improve the clarity of the licensure requirements for campground operators in Ohio. The rule revisions also enable campground operators to apply for a waiver or variance from the regulatory requirements and include an exemption from licensure to motor sports raceways participant camping areas.
- Health Care Services – In response to changes in the adult cardiac catheterization industry and the need for greater structural flexibility in cardiac catheterization service operation, ODH worked directly with the regulated community to develop a three-tiered system for the operation of adult cardiac catheterization services. The new structure will allow for a significant reduction in costs for services meeting the requirements to provide catheterization services without an open heart surgery service.
- Nurse Aide Registry – ODH implemented a new work flow process to improve customer service that enables the unit to reduce the call center wait times and process nurse aide work

verifications and reciprocity requests within 24-48 hours. Nurse aide forms were updated and made available on the website for easier access, and nurse aides are now encouraged to utilize e-mail when submitting required documents resulting in faster processing of requests.

- Sewage Treatment Systems Program – In order to facilitate the contractors' registration process at the local health districts, the program made available on their webpage a listing of contractors whose surety bonding paperwork and proof of liability insurance has been received by ODH. The list is available by category of registration.
- Supplemental Nutrition Program for Women, Infants, and Children (WIC) – The ODH Women, Infants and Children (WIC) Program successfully completed the Electronic Benefits Transfer (EBT) transition statewide to all retailers participating in the nutrition program. EBT replaces the paper benefit system, in which WIC participants' food benefits were printed on paper coupons. WIC benefits are now issued to a smartcard which can be used much like a credit or debit card in authorized retail locations, thus increasing efficiency, speeding up payment to retailers, and significantly reducing the potential for fraud. The Ohio WIC EBT project was completed five years ahead of the federally mandated deadline and 42 percent under budget. Ohio anticipates an annual cost savings of \$1.9 million with EBT implementation.
- X-Ray Registration – New procedures were implemented to improve direct customer service. The Individual Responsible for Radiation Protection change form is now available for online completion and submission. Internal procedures were modified to enable staff to answer phone calls by the second ring and stay with customer until the task/question is completed. The need for vendor sales persons to submit public records requests was reduced by placing x-ray equipment listing (by business category) on the ODH website. Additionally, to assist businesses in maintaining compliance and avoid disruptions to their operations, program staff now initiates a call 15 days prior to the expiration of a registration as a reminder of the need to renew. This has resulted in fewer expirations and enforcement actions in 2015.

MEDICAID

- Telemedicine – The Department is implementing "Telemedicine" as a Medicaid-covered service. This service is the direct delivery of services to a Medicaid eligible patient via synchronous interactive, realtime electronic communication that comprises both audio and video elements. The provision of the Telemedicine service will affect specific Medicaid community providers statewide. Licensed practitioners such as MDs, DOs, and psychologists will be able to provide and receive reimbursement for this service.
- Presumptive Eligibility – Changes to this rule clarified the presumptive eligibility determination policy and added former foster care children as a group for whom presumptive eligibility determinations may be made. Medicaid providers are eager to execute agreements to become Qualified Entities so that they can participate in the PE program. The advantage to providers is that many of their uninsured patients can become covered on the spot, therefore assuring the provider of receiving payment for the services it has rendered.
- Resident Review – This rule allows facilities completing the resident review process to submit the form via an electronic system approved by ODM. It is expected that this automation of the resident review form will allow for a quicker turnaround and cost savings to the nursing facility.

TAXATION

- Cigarette Tax Payments – To enhance taxpayer convenience, ODT created an on-line portal through which cigarette wholesalers/distributors can now order and pay for cigarette tax stamps.
- Electronic Filing Improvements – Simplified and streamlined the process for paying employer withholding taxes by implementing electronic filing for payroll processors and developing the capability to accept bulk file upload through the Ohio Business Gateway.
- Electronic Filing Expansion – New rules for Horse Racing, Motor Fuel, and International Fuel Tax Agreement now let taxpayers file electronically using the Ohio Business Gateway, significantly streamlining the return filing process for those taxes.

TRANSPORTATION

- Minority Business Enterprise program – Although the goal for MBE set asides is 15 percent, in 2015 ODOT not only met that goal, but surpassed it, with 21.6 percent of funds spent on the program. This is the highest figure in ODOT history.
- Prequalification Audits – This increased the audit threshold requirement for contractors wanting to become prequalified. Working with the construction industry, ODOT made changes to its rules that lessen the burden on small contractors (under \$5 million in work performed) to require a financial statement rather than a full audit in order for a contractor to become prequalified by the department.
- Electronic Streamlining – ODOT is allowing contractors and consultants to access its internal computer systems -- after verification and authentication -- to accelerate payment processing and record keeping. ODOT is the first in the nation to allow direct access. This is possible through the establishment of an ODOT-controllable “virtual computer” system which allows an external contractor’s computer to act as a terminal.

BUREAU OF WORKERS’ COMPENSATION

- Prospective Billing – Provided approximately \$1 billion to private employers across the state as part of a transition to the industry standard of prospective billing. This transition provided employers the opportunity to select a payment plan that best fits their business needs and the ability to forecast their premium, as well as an overall base rate reduction.
- Reduced Premiums – Reduced private employer rates by 10.8 percent, bringing rate levels 21.4 percent lower than those in effect at the beginning of 2011.
- Out-of-State Coverage – Began implementing an Other States’ Coverage offering, providing Ohio employers an optional coverage for their employees working out of state. Employers that operate in border counties have been requesting this coverage for a number of years. In 2015, BWC issued a Request for Proposals, selected a vendor and passed rules through its Board of Directors.
- Medical Claim Coding – Transitioned to the ICD-10 coding methodology for medical claims to keep Ohio’s workers’ compensation aligned with the industry standard coding methodology. This transition avoided a potential administrative burden to health-care providers who otherwise would have to maintain a second coding system for workers’ compensation.

- Enhanced Care – Began an enhanced care pilot program on July 1, 2015, with the support of business, labor, medical and managed care organization stakeholders. The goal of the pilot is to improve the coordination of care for injured workers in order to return them to their jobs more quickly and save employers money in the process.
- Customer Service – Launched a customer service delivery initiative to make it easier to do business with BWC. Specifics included “How to” web videos and increased focus on customer outreach, and customer service training.

APPENDIX B – STATEWIDE MEASURES OF PROGRESS

Unemployment Rate (Ohio):

- December 2011 – 7.9%
- December 2012 – 6.7%
- December 2013 – 7.2%
- December 2014 – 4.8%
- December 2015 – 4.7%

(Source: Ohio Labor Market Information – www.ohiolmi.com)

Unemployment Rate (National):

- December 2011 – 8.5%
- December 2012 – 7.8%
- December 2013 – 6.7%
- December 2014 – 5.6%
- December 2015 – 5.0%

(Source: Ohio Labor Market Information – www.ohiolmi.com)

Private Investment Projects

- 2010 – 304 projects totaling approximately \$4.8 billion and 16,341 jobs created
 - 2011 – 468 projects totaling approximately \$6.5 billion and 28,213 jobs created
 - 2012 – 456 projects totaling approximately \$7.5 billion and 26,886 jobs created
 - 2013 – 409 projects totaling approximately \$6.0 billion and 20,686 jobs created
 - 2014 – 490 projects totaling approximately \$5.4 billion and 25,249 jobs created
- (Most Recent Data)

Note: Qualifying projects involve minimum \$1 million investment, 20,000 square feet, or 50 jobs.

(Source: Ohio Private Investment Survey, Ohio Development Services Agency)

Forbes Best States for Business and Careers

- | | |
|--|--|
| • 2011 Ohio Overall – 38th | • 2011 Ohio Regulatory Climate – 10th |
| • 2012 Ohio Overall – 33rd | • 2012 Ohio Regulatory Climate – 16th |
| • 2013 Ohio Overall – 29th | • 2013 Ohio Regulatory Climate – 7th |
| • 2014 Ohio Overall – 26 th | • 2014 Ohio Regulatory Climate – 6 th |
| • 2015 Ohio Overall – 15 th | • 2015 Ohio Regulatory Climate – 5 th |

Site Selection Top State Business Climate Rankings

	2011	2012	2013	2014	2015
Overall	9th	2nd	4th	5th	5th
Executive Survey Rank	8th	9th	10th	9th	11th
Competitiveness Rank	10th	3rd	6th	9th	9th
New Plant Rank	2nd	1st	2nd	6th	12th

Chief Executive Magazine *Best & Worst States for Business*

2011	Ohio Overall – 41st	Ohio Taxation and Regulation – 4.00
2012	Ohio Overall – 35th	Ohio Taxation and Regulation – 4.25
2013	Ohio Overall – 22nd	Ohio Taxation and Regulation – 5.31
2014	Ohio Overall – 27th	Ohio Taxation and Regulation – 5.49
2015	Ohio Overall – 22nd	N/A ³

CNBC’s *America’s Top States for Business*

2011	Ohio Overall – 23rd	Ohio Business Friendliness – 42nd
2012	Ohio Overall – 25th	Ohio Business Friendliness – 37th
2013	Ohio Overall – 28th	Ohio Business Friendliness – 33rd
2014	Ohio Overall – 18th	Ohio Business Friendliness – 33rd
2015	Ohio Overall – 23rd	Ohio Business Friendliness – 37th

³ As of the time of this report, the numeric value under the category of “Taxation & Regulation” was not yet available.

APPENDIX C: SMALL BUSINESS ADVISORY COUNCIL ROSTER



ORLANDO ALONSO
Columbus Pest Control, Inc.
Office: (614) 279-1587
Lonnie@columbuspestcontrolinc.com



MICHAEL BAACH
Philpott Solutions Group
Office: (330) 225-3344
mbaach@philpotsolutions.com



MICHAEL CANTY
Alloy Bellows & Precision Welding, Inc.
Office: (440) 648-3000
m.canty@alloybellows.com



THOMAS DEMALINE
Willoway Nurseries
Office: (440) 934-4435
tom@willowaynurseries.com



CRYSTAL FAULKNER
Cooney, Faulkner & Stevens LLC
Office: (513) 768-6798
cfaulkner@cfscpa.com



RICHARD FEDOROVICH
Bober Markey Fedorovich
Office: (330) 762-9785
rfedorovich@bobermarkey.com



MICHAEL FLOWERS
KBK Enterprises
Office: (614) 476-3548
m.flowers@kbkenterprises.net



SANDRA MILLIGAN
Milligan Workshops
Office: (419) 353-0099
sandy@milliganworkshops.com



LORRAINE WALKER
Silver Bridge Coffee Company
Office: (740) 612-6300
lorraine@silverbridgecoffee.com

