



# Common Sense Initiative

**Mike DeWine**, Governor  
**Jon Husted**, Lt. Governor

**Carrie Kuruc**, Director

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## **Small Business Advisory Council Meeting – Minutes**

**Thursday, August 22, 2019, 10:00 a.m.**

Emily Groseclose, Common Sense Initiative (CSI) Senior Policy and Business Advocate, called the meeting to order at 10:05 a.m., giving a brief overview of the agenda and requesting an approval of the minutes from the June 20, 2019 meeting. Members present:

- Mike Kahoe
- Carvel Simmons
- Crystal Faulkner
- Doug Barry
- Tyeis Baker-Baumann
- Greg Simpson

Mrs. Groseclose then introduced Brad Bales, Senior Director of Legislative Affairs for Governor Mike DeWine, who spoke about the recently passed state budget. Mr. Bales specifically addressed DeWine-Husted Administration initiatives related to small businesses, including opportunity zones and workforce development. Mr. Bales noted that the budget included funding to expand high school credentialing programs, with emphasis on in-demand career pathways. The budget also created the Manufacturing Mentorship Program to expose students to the process of advanced manufacturing.

Mr. Bales also discussed the influence of the *South Dakota v. Wayfair, Inc.* U.S. Supreme Court decision on the budget bill, with the addition of language to ensure that brick-and-mortar stores and online retailers are on equal footing in terms of collecting sales tax. Lastly, Mr. Bales spoke about the small business tax credit included in the budget, and the Bureau of Workers' Compensation (BWC) \$1.5 Billion employer rebate and 20% reduction in the average premium rate.

Carrie Kuruc, Director of the Common Sense Initiative, updated the Council on current regulatory reform efforts, including new requirements in the state budget that agencies must

create an inventory of all of their regulatory restrictions, and for every regulation an agency wants to add they must remove two current regulatory restrictions (“2 for 1”). Ms. Kuruc then introduced a panel to discuss regulatory reform, which included Greg Lawson from The Buckeye Institute, Kevin Boehner from the Ohio Chamber of Commerce, and Chris Ferruso from the National Federation of Independent Business (NFIB).

Mr. Ferruso stated that the NFIB represents 22,000 for-profit businesses in Ohio, and crafts policy through a balloting process with its members. The NFIB is supportive of Senate Bill 1, the 2 for 1 requirement, and a culture change in state government to ensure that the fiscal impact of regulations is better understood. The NFIB asks its members to list their problems and priorities every five years, and the number one response consistently since 1986 has been cost of healthcare, and the number two response now is unreasonable government regulations. Mr. Ferruso stated that the NFIB found it would take 21 weeks to read the entire Ohio Administrative Code (OAC), and that there are 246,000 restrictive words in the OAC. Another area of concern for businesses that Mr. Ferruso pointed out is vague agency policies that can cause confusion for business owners. He stated that the NFIB believes that all barriers to employment should be addressed to ensure that they are completely necessary and not overly burdensome.

Mr. Boehner highlighted Senate Bill 221, which adds to the definition of what constitutes an adverse impact on business and allows affected parties to petition for a legislative review of a rule that is not working as it should or is outdated. Mr. Boehner also stated that occupational licensing reform is important to the Chamber. He identified workforce as the biggest issue for their members, as well as outdated and duplicative occupational licensure requirements that add to that problem.

Mr. Lawson stated that the free market movement is focused on the regulatory environment and barriers to prosperity, and in recent years there has been a dramatic increase in occupational licensing, including many licenses that may be unnecessary or overly burdensome. The Buckeye Institute supports Senate Bill 255, which requires all licensing boards to be reviewed by the General Assembly. Mr. Lawson stressed the importance of addressing where a real need of licensure exists, to see when licensure is driven by an industry itself to crowd out competition, and to examine cases where bonding may be a better solution than licensing.

Lt. Governor Husted then provided remarks, noting that the goal of CSI is to eliminate duplicative, outdated and burdensome regulations, and that the office has begun the process of obtaining an artificial intelligence (AI) tool to identify such regulations. The Lt. Governor expressed hope that overtime the tool will have a real effect on regulatory reform.

Lt. Governor Husted took questions from the Council. In response to comments from Council Member Simpson regarding automation in the trucking industry, the Lt. Governor noted that there are cultural challenges related to automation, but there is a tipping point that leads to gradual adoption. Council Member Faulkner stated that automation could have a positive effect

on the licensing process and requirements. The Lt. Governor thanked the panel, Council Members, and staff for their efforts.

Mrs. Groseclose reminded the members that the next meeting is scheduled for Thursday, October 24<sup>th</sup> and called the meeting to a close at 11:39 a.m.