

2020 GCP Advocacy Review *A Look Ahead to 2021*

January 11, 2021

(Please note this article has been updated since its original posting in December of 2020)

It has been a tumultuous, even heartbreaking, year in many ways for far too many individuals and organizations in our region and beyond. Some throughout the Northeast Ohio business community continue to experience hurdles and tough decisions that are hard to contemplate, let alone navigate, as we look back on 2020 and look ahead to 2021. Although much of 2020 was upended by the pandemic, there were still notable organizational and member-driven successes due in large part to the leadership of the business community.

The Greater Cleveland Partnership (GCP), and its small business division the Council of Smaller Enterprises (COSE), take great pride in advocating on behalf of our more than 12,000 members' interests daily – no matter the conditions or obstacles that stand in the way of relief and progress. Some of 2020's achievements loom larger than others for our small, middle market, and large employers. But below is an outline of public policy issues accomplished and worked on that continue to help enable GCP businesses employ thousands, support our communities, and contribute towards paths of recovery. In addition, we look forward to 2021 and the policy opportunities and initiatives that may lie ahead as the political landscape shifts.

A Look Back

Access, Information, Collaboration

Access

Various GCP Virtual Conversations, “Coffee with the Candidates,” and advocacy forums were secured and hosted, connecting our members with elected officials and leaders. Some of this year's opportunities included U.S. Commerce Secretary Ross, Senator Portman, Senator Brown, Congressman Gonzalez, Congressman Joyce, Congresswoman Fudge, U.S. House Committee on Small Business Senior Policy Staff, Governor DeWine, Lt. Gov. Husted, Development Services Agency Director Mihalik, Ohio Senate President Obhof, Ohio Speaker Cupp, Representative Carfagna, Representative Greenspan, Senator Huffman, Senator Dolan, Senator Williams, Senator Antonio, Senate Minority Leader Yuko, House Minority Leader Sykes, former City Councilman Zack Reed, Justin Bibb, City Councilman Blaine Griffin, City Council President Kevin Kelley, and County Councilwoman Shontel Brown.

Information

The GCP Advocacy Team promotes the needs and priorities of the region on behalf of our members to local, state, and federal decision makers. Collecting and compiling daily federal, state, and local government COVID-19 advocacy updates, from March through the summer of 2020, became a significant clearinghouse that our members and stakeholders relied upon to access government resources, find support, and make sound decisions during troubling times. You can read our coverage of COVID-19 advocacy updates [here](#).

These vital endeavors included continuous advocacy updates and reports on GCP Advocacy Team actions to the GCP Board, GCP Executive Committee, Middle Market Committee, COSE Board, COSE

Executive Committee, Government Affairs Council, Small Business Caucus, GCP LEAD, RITE, Presidents' Council, *10,000 Small Businesses*, and various other external partners and entities.

Collaboration

A part of the way the GCP Advocacy Team serves our members is through important collaborations, including the following partnerships:

- National Small Business Association (NSBA): Celebrating more than 80 years representing America's small business owners, the NSBA is a staunchly non-partisan organization with members in every state and every industry in the nation. NSBA is a strong partner of GCP, among other organizations, on public policy issues that are of importance to the business community. Several GCP small business leaders serve on the NSBA Board of Trustees.
- Great Lakes Metro Chambers Coalition: The Great Lakes Metro Chambers Coalition is a collective of chambers of commerce across the Great Lakes region that jointly advocate on core policy issues, including water quality, immigration reform, trade, and transportation and infrastructure. Since its founding in 2008, the coalition has become a leading and effective voice on federal policy impacting the Great Lakes region. GCP is a founding member of this coalition and continues to serve as staff lead for the group.
- Cleveland Innovation Project (CIP): Meanwhile, the Cleveland Innovation Project is an initiative that has been leveraged to drive inclusive economic growth in the Greater Cleveland area. CIP was launched through collaboration with the Cleveland Foundation, Fund for Our Economic Future, JumpStart and TeamNEO. The CIP is supported by a Steering Committee and Workstream Teams of more than 100 business, entrepreneurial, institutional, and nonprofit leaders – including many GCP members. The focus is to set Cleveland on a trajectory of sustained vitality through focused investments (e.g., government/corporate) in innovation sectors where we have differentiated assets.

The GCP Advocacy Team was pivotal in soliciting support from our congressional delegation to bolster northeast Ohio's various applications related to the Economic Development Administration's (EDA) grant opportunity for CARES Act Recovery Assistance. See below for more information on this effort. In addition, GCP penned a letter to Congress in support of digital inclusion legislative efforts on behalf of the Greater Cleveland Digital Equity Coalition. The communication was signed by more than 70 leading organizations in the region.

- Greater Cleveland Partnership Political Action Committee (GCP PAC): Just as important as leveraging the above partnerships were GCP members and the GCP PAC continually being represented via in-person and virtual candidate fundraisers locally, lobbying at the Statehouse in Columbus, and through other important member connections to the CyberOhio Advisory Board, the Ohio Medical Marijuana Advisory Committee, etc.

Local Ballot Issues

Cleveland Metropolitan School District (CMSD)

While some ballot measures never came to fruition this year on topics related to term limits, minimum wage, or recreational marijuana – one crucial local issue received overwhelming support from the voters that GCP members continued to rally behind. Issue 68, the levy for the Cleveland Metropolitan School District, was approved. The 15-mill renewal and 5-mill increase will make it

possible for the District to continue the progress made under the Cleveland Plan, funding its operating budget for 10 years.

In July, the GCP Board of Directors announced its [support](#) for the CMSD's decision to limit its November levy to a 10-year term, instead of proposing a permanent tax levy ballot question. Due to the importance of the CMSD levy for future generations, and an increased level of accountability through a 10-year term, the GCP also moved to support the November levy increase because the initiative addresses a severe and urgent societal need in our community.

The operating levy will help maintain and improve the learning experience of Cleveland's students, prepare them for the future, and help guarantee a quality education for all students.

Cuyahoga County Health & Human Services (HHS)

In January, GCP announced the chamber of commerce's support for a 4.7 mill eight-year Cuyahoga County Health & Human Services levy that ultimately gained voter approval in March.

"As stated previously, it is our sincere hope the public, private, philanthropic sectors, and others can come together to better understand and examine a more cost-effective means of providing vital government services in our region to benefit the communities they serve," said Scott Chaikin, who serves as GCP Board Chair and Executive Chairman of Dix & Eaton. "Our members are proud to offer support for the latest health and human services proposal. We cannot afford to become complacent as a region, however, and working with public officials and our communities is a key ingredient to achieving the success and improvement we all desire."

State Highlights

Newly elected members of the Ohio General Assembly were sworn-in on January 4, 2021 and legislative activity will likely resume in late January or early February.

Throughout the past year, the GCP Advocacy Team and our members highlighted the importance of policy priorities that include:

- Strategies to incrementally re-open the state
- An increased need for JobsOhio to act quickly and more locally with the Northeast Ohio business community
- The encouragement of municipal governments and political subdivisions to share services and new delivery models to maximize services while removing duplication
- Taking additional steps to protect and help minority and women-owned businesses grow
- Enhancing efforts to enable transactions and government interactions through secure technology solutions
- Reducing the complexity of regulatory compliance utilizing new or existing processes
- Making low-interest loans available to small businesses for virus-related costs or loss of profits
- Maximizing existing tools to maintain and grow incentives that create jobs in the state, including the Job Creation Tax Credit program, Ohio New Market and Historic Preservation Tax Credit program
- Preserving the Ohio small business tax deduction on the first \$250,000 in business income
- Maintaining the commercial activity tax (CAT) rate and upholding the exemption level

- Maintaining funding for incumbent workforce training
- Addressing K-12 education funding challenges in the short-term and providing school districts the flexibility needed to combat financial demands
- Maintaining meaningful investment in the H2Ohio program

Other accomplished legislative items our members prioritized are also listed below.

Civil Liability

In September 2020, [HB 606](#) was signed into law. The legislation grants civil immunity to individuals, schools, health care providers, businesses, and other entities from lawsuits arising from exposure, transmission, or contraction of COVID-19. Lawsuits are still permitted in cases where someone is accused of helping to spread the virus through intentional or wanton misconduct or reckless disregard of the consequences. The immunity will run through September 30, 2021.

[Click here](#) for a state advocacy communication GCP signed-on to in support of the legislation, as part of a larger effort with various, diverse Ohio groups and organizations.

“Employers have reason to hesitate before making operating decisions due to risks associated with the coronavirus and the potential legal liability they may face,” said Kevin Johnson of NexGenInteractive and Chair of the COSE Board of Directors. “Protecting employers and health care providers is critical. GCP appreciates Governor DeWine, Senate President Obhof, and Speaker Cupp for their leadership on this issue. The legislation that was approved will offer necessary liability protection from litigation arising from the pandemic while we do all that we can to safeguard our employees in a very challenging environment.”

GCP/COSE small business leaders participated in the virtual event as Governor DeWine officially approved the bill.

Capital Bill

In early 2020, GCP supported projects with social and economic impact as part of the state’s capital bill. The [recommendations](#) included financing for over a dozen regional priority projects. While the process was different than in years’ past due to the coronavirus pandemic, the legislature and Governor [ultimately approved](#) projects that were among those advocated for by the Greater Cleveland Partnership.

Intrastate Crowdfunding

HB 312 – an initiative supported by GCP – will permit intrastate equity crowdfunding under certain circumstances. The bill has been signed into law and will be effective 90 days from December 29.

GCP and our partners have long been in favor of expanding access to early-stage capital and our members are appreciative of the legislature’s desire to implement creative financing and programming in Ohio. The goal of this initiative is a step in the right direction and GCP welcomes the opportunity to continue working with the Ohio General Assembly to foster a strong, vibrant business community in Ohio.

Digital Inclusion

This critical, urgent issue remains a leading member-driven priority and it was elevated further, with substantial input from Eaton and GCP's small, middle-market, and large businesses, since the GCP Public Policy Agenda was approved in late 2018 and unveiled in 2019. GCP continues to advocate for funding at the federal and state levels – even in the wake of \$3.2 billion that was approved in late December and tagged for the national Emergency Broadband Benefit Program – to address the digital divide and promote digital inclusion in Cleveland. Following a strong statement from Craig Arnold, Chairman and Chief Executive Officer of Eaton, the GCP board voted unanimously on the below resolution:

GCP Resolution to Prioritize and Accelerate the Closure of Greater Cleveland's Digital Divide

The number of Greater Clevelanders disconnected from the broadband and internet infrastructure so commonly available to others in our region causes significant and unacceptable hardships in education, health care and job access, among other issues. An inability to access or afford broadband connectivity furthers the disparities for those in our region with lower incomes or who reside in isolated geographies and disproportionately impacts people of color.

As such, the Greater Cleveland Partnership will immediately focus the organization's business leadership, strategy, advocacy and resource development skills and capacity to help effectively close this divide in Greater Cleveland. We will team with partners from other sectors, will build on existing work and will operate in an inclusive manner to reach this goal. We will endorse or co-create a specific plan of action and funding strategy, based on public, private, philanthropic and neighborhood input.

As part of this plan, GCP worked with members to encourage them to donate computer equipment to PCs for People – a non-profit dedicated to providing refurbished tech to low-income households. Thousands of computers were donated and companies developed ongoing relationships to donate equipment coming off lease. To donate or view the growing list of companies – see [link](#) (click the donate tab to view the list). GCP is also working directly with Lt. Governor Husted and the InnovateOhio initiative to support aspects of this work.

HB 6 Repeal

GCP released a statement urging state leaders to repeal and potentially replace HB 6 to benefit consumers and employers of all sizes and industries. The perspective of the northeast Ohio business community was approved by the GCP Board of Directors and serves as a strong continuation of our members' long-standing energy policy principles.

“We recommend a repeal and replace stance on HB 6 to remove the alleged stain of corruption on the law and to enable the restoration of the energy efficiency programs supported by our members,” said Joe Roman, President and CEO of the Greater Cleveland Partnership. “Our membership continues to encourage policies that provide incentives for businesses to leverage energy programming to foster growth. We recognize a level of flexibility may be needed to meet those goals, reverse HB 6, and balance Ohio's energy environment. Extending the use and access to nuclear power may be appropriate, but policy must harness additional solutions that exist and look toward

emerging sources.”

In 2019, HB 6 was signed into law. In part, it aims to raise approximately \$150 million a year in subsidies for two Ohio nuclear plants and two coal plants. GCP did not support HB 6, but emphasized the importance of reliable, competitive, and diverse energy sources. The organization remains committed to the development and administration of programming that provides access to and secures resources for employers to help offset utility costs.

The legislature held hearings on legislation that would delay charges associated with HB 6.

In late December, the Ohio Supreme Court affirmed a temporary stay of nuclear subsidies in HB 6 while ordering all parties to file supplemental briefs in the case as to any "undertaking" necessary to continue the stay. This issue will be the subject of additional efforts in 2021.

Mixed Use Development Projects

[Substitute Senate Bill 39](#) was signed by the Governor on December 29 and it will immediately authorize an insurance premiums tax credit for those investing in large, mixed-use developments. GCP was supportive of the bill, which is a crucial incentive for various regional economic development projects. The new credit program will offer up to \$100 million in nonrefundable tax credits to qualifying projects for FY2020-2023.

Benefit Corporations

[SB 21](#), legislation allowing companies to organize as benefit corporations, is a bill GCP supported that was signed by the Governor in December. The bill becomes effective in March 2021.

Benefit corporations usually have an expanded purpose beyond maximizing share value. They often consider and balance the impact of their decisions not only on shareholders but also on their stakeholders. And many benefit corporations offer annual benefit reports that assess their overall social and environmental impact. Included among some of the stated advantages of becoming a benefit corporation are an increased sense of purpose, a reputation for leadership, more transparency, and additional accountability when it comes to creating value for all. Many states have passed legislation, allowing organizations to form, convert, or merge into a benefit corporation.

Alternate Employer Organizations (AEOs)

Another bill that was signed by the Governor, [SB 201](#), creates Alternate Employer Organizations (AEOs). GCP argued the goal of this legislation was worthy of the legislature's and Governor's support.

Professional Employer Organizations (PEOs) provide services to their employer clients – often small and middle market businesses – by assisting with an employer's human resources services or employee benefits and payroll. These entities allow job creators to spend more time and focus on running the day-to-day operations of a successful enterprise.

SB 201 will create AEOs and they would function as a PEO, but the AEO would pay taxes under the federal Employer Identification Number (EIN) of its various client-employers – not the EIN of the PEO.

Simply stated, this will provide another option for clients to access programs that offer co-employment programs that can be highly beneficial to small and mid-sized businesses across Ohio.

An AEO offering in Ohio aims to bring down barriers some may find in trying to access pools for human resources services provided through co-employment programs. Service providers choosing to use the AEO format would gain no financial benefit, but an AEO aspires to offer their clients security and transparency.

Plastic Bag Bans

The Governor signed [HB 242](#) because the bill, which prohibits local governments from placing a tax or banning the use of certain containers like single use plastic bags, is only temporary. When Cuyahoga County introduced and later passed an ordinance that would ban single-use plastic bags countywide, GCP supported an amendment to delay the implementation of the ban pending further examination. We recognize that while plastic bags are harmful to the environment, bans like these have the potential to drive up use of paper bags, which are economically and environmentally costlier to produce. In the case of the Cuyahoga County ban, GCP was also concerned about the potential impact on retailers that make up our membership.

Anti-Discrimination Employment Law

HB 352 would reform the state's anti-discrimination statutes, in part, by decreasing the country's longest statute of limitation for workplace discrimination actions from six years to two years and requiring all actions alleging workplace discrimination to begin at the Ohio Civil Rights Commission. The bill has been sent to the Governor for his potential signature.

GCP welcomes conversations and initiatives that promote the importance of guarding against discrimination in the workplace. Meaningful laws and regulations are an undeniable necessity to protect those that have been impacted or may be impacted in the future. The degree to which employers – particularly small business employers – are regulated must also be continually evaluated.

From our members' point of view, HB 352 is also important for Ohio to continue to strive for a legal environment that embraces common sense approaches. Encouraging a robust, predictable business environment with strong workplace protections that highlight their importance is essential for our state to compete.

The legislature approved HB 352 in 2020 and the Governor may choose to sign the bill in January 2021.

Racism is a Public Health Crisis

The GCP testified in support of [SCR 14](#) and also supports [HCR 31](#), a resolution that would prioritize promoting racially equitable economic and workforce development practices. During a hearing in the Ohio Senate Health Committee, citizens, health care providers, business groups and others gave supportive testimony in addition to the GCP.

Prior to testifying at the state level, the GCP board voted in full [support](#) of declaring racism a public health crisis and to establish a working group to promote racial equity at the local level. State testimony asserted, "GCP believes that the business community has an important role to play in this work, which is why our organization is voicing support to declare racism a public health crisis."

SCR 14—in addition to efforts locally—would prioritize racially equitable economic and workforce development practices, an effort GCP has long-supported through the Equity &

Inclusion Division, which has worked since 2011 to close the racial disparities in jobs, income, and wealth by growing businesses owned by people of color.

SCR 14 includes bi-partisan support from state lawmakers and awaits additional hearings. To read GCP's full testimony in support of the resolution, [click here](#).

Workers' Compensation

Dividends

On November 2nd, the board of directors of the [Ohio Bureau of Workers' Compensation Board](#) approved a request to send \$5 billion in dividends to Ohio employers as part of state efforts to combat the impact of COVID-19 on businesses and the workforce.

It is the third and largest BWC dividend of 2020. Combined with a \$1.54 billion dividend the agency issued in late April, and a \$1.34 billion dividend just last month, total dividends from BWC to Ohio employers this year will be just shy of \$8 billion.

BWC said in a [news release](#) that it will apply the dividend to an employer's unpaid balances first, then send a check for the remainder in mid-December. It noted that the new, \$5 billion dividend "is approximately four times the total premiums BWC collected from its employer members in policy year 2019."

HVAC Assistance

COVID-19 Indoor Air Quality Assistance allows the following eligible Ohio non-governmental employers to receive financial assistance on a reimbursement basis for eligible inspections, assessments, maintenance, and/ or improvements to indoor heating, ventilation, and air conditioning ("HVAC") systems to control the spread of the novel coronavirus COVID-19: licensed nursing homes, licensed assisted living facilities, and adult day center. The \$30M program was made possible via CARES Act dollars allocated to Ohio.

The completed application and all required documentation must have been submitted to the BWC by December 30, 2020.

Small Business Relief Assistance

City of Cleveland

- An [Emergency Working Capital Program](#) was developed to assist specially impacted businesses with a loan of up to \$20,000 to reimburse for operating costs incurred for the months of March onward. The program is open to restaurants, personal care businesses, and storefront retail establishments. Up to 50% of the low interest loans (\$10,000) is forgivable for costs associated with the purchase of personal protective equipment.
- The Department of Economic Development also announced the [Winter Restaurant Operations Support Grant Program](#), which is designed to help provide restaurants with resources to offer safe outdoor dining experiences through the winter. The program will allocate \$500,000 (up to \$5,000 per business) in grant assistance to local restaurants to help support winter operations through purchases and rental of equipment like heaters or fire pits and other fixtures.

Cuyahoga County

- The **Small Business Stabilization Fund** assists small, neighborhood-based businesses throughout Cuyahoga County during the COVID-19 pandemic. The third round of applications for grant funding was open through December 3, 2020.

State of Ohio

- Numerous GCP/COSE members applied and were accepted for an **Ohio Small Business Grant**. Applicants may review submitted applications and acknowledge receipt of funds **here**. Governor Mike DeWine announced the designation of \$125 million of federal CARES Act funding to provide the \$10,000 grants to aid small businesses hurt by the current crisis.
- Designation of additional funding was also announced for bars and restaurants, higher education, and nonprofits and arts organizations. GCP was a key advocate on behalf of small business members, encouraging a portion of remaining CARES Act funds to be used for the creation of such a program. As policymakers debated where to direct federal CARES Act dollars, GCP urged that it was “critical that a portion of Ohio’s remaining allocation support our small businesses.”
- Lt. Gov. Husted also announced the creation of other new programs to help small and medium-sized businesses weather impacts from the COVID-19 pandemic. The Ohio Development Services Agency administers the programs. Below is more information on the programs:
 - The Ohio PPE Retooling and Reshoring Grant Program will provide awards of up to \$500,000 to small and medium-sized manufacturers so they can repurpose existing facilities to make PPE or reshore PPE production to Ohio.
 - The Ohio Minority Micro-Enterprise Grant Program will provide grants of \$10,000 on a first-come, first-served basis to help businesses owned and operated by minorities and women in response to the COVID-19 pandemic.

Go to Coronavirus.Ohio.Gov/BusinessHelp to learn more about these state programs and other resources available through the Office of Small Business Relief and Development.

Federal Highlights

The GCP Advocacy Team understands legislative and regulatory policy processes and how resulting rules and laws can impact business. We work in close collaboration with our members to ensure their needs are heard at the local, state, and federal levels of government and we generate support for meaningful change on their behalf. We were able to meet our members and communities needs through meaningful policy work activity related to, but not limited to the: Small Business Administration, Paycheck Protection Program (PPP), and several federal relief/stimulus packages focused on relief, recovery, development, and growth.

Latest Federal Relief Package

The most recent COVID relief/spending bill signed by President Trump in the waning days of December 2020 addressed key issues that we and many others had lobbied in recent months:

- **Clarified Tax Issues for Small Biz**

Clarifies that recipients of the Paycheck Protection Program (PPP) loans can claim normal tax deductions for related businesses expenses. This had been an issue raised by many GCP/COSE members.

- **More Small Business Funds**
Includes \$325B for small business aid including additional funds for a new round of PPP and Economic Injury Disaster Loans (EIDL).
- **Targeted Funding**
Includes \$12B for Community Development Financial Institutions (CDFI) and Minority Depository Institutions that play a large role in lending to low-income communities and communities of color.
- **Digital Divide**
Allocates \$7B for broadband. In our conversations with state leaders, we believe this funding provides a strong opportunity to address Cleveland's digital divide. We are working very closely with Lt. Governor Husted and his BroadbandOhio office on this issue.
- **Investment in Our Community**
Extends the New Markets Tax Credit (NMTC) program for 5 years. This is the longest Congressional extension in the history of the program. Cleveland has been a big recipient of NMTC funding over the years – especially through our affiliate, Cleveland Development Advisors.
- **Great Lakes Funding**
Provides \$330M for the Great Lakes Restoration Initiative. This number is the highest allocation in many years for a program aimed at protecting and restoring the Great Lakes. Concurrently, separate legislation passed Congress authorizing increases to this program over the next 5 years (up to \$475M in 2026).

In addition, states and local governments were granted an additional year to spend funds from the CARES Act which passed in late March.

CARES Act

The \$2.2 trillion, 800-page stimulus package has provided additional support to businesses of all size, sent direct payments to individual taxpayers, enhanced benefits to individuals out of work, added financial resources to state and local governments, and assisted hospitals with funding.

To help our members make sense of this extensive legislation, GCP's Advocacy Team created [this summary](#).

Immigration

The Great Lakes Metro Chambers Coalition (GLMCC), of which GCP is a leading member of, urged policymakers to consider place-based immigration policies as a path to economic recovery in response to new H-1B rules introduced by the Departments of Labor and Homeland Security. The new rules, which set higher prevailing wage rates and narrow the

definition of specialty occupations, threaten to make the visa program nearly unworkable for employers seeking to fill key positions.

The GLMCC also expressed its opposition to an Executive Order to suspend the entry of thousands of immigrants on a number of visas, including H-1B visas for highly skilled workers, H-2B guest-worker visas, J trainee visas and L intracompany transferee visas. In a letter to congressional stakeholders, the coalition stated, “the move to bar foreign citizens from coming to the U.S. on various work visas through the end of 2020 is detrimental to our region’s economic recovery. In the Great Lakes region, immigrants do not have a negative impact on the economy, rather, they provide one of the most promising solutions to economic revitalization.”

The GLMCC supports additional expansion, rather than contraction, of high-skilled immigration programs, because the group recognizes they are a critical source of population growth, job creation and innovation for the Great Lakes economy.

Water Resources Development Act

In a letter on September 23, numerous organizations representing the Great Lakes region urged key members of Congress to include key priorities for the Great Lakes in upcoming legislation to reauthorize the Water Resources Development Act. Greater Cleveland Partnership—as a leading member of the Great Lakes Metro Chambers Coalition—was among them.

Priorities include investments in the bipartisan Great Lakes Restoration Initiative; wastewater and stormwater infrastructure; Great Lakes Ports and the Maritime Transportation System; treating and eliminating harmful algal blooms; preventing and eliminating Asian Carp and other Aquatic Invasive Species; and shoreline protection and resiliency.

Economic Development Administration (EDA) Funding

Two key regional innovation initiatives were each awarded competitive grants of \$600,000 as part of the US Economic Development Administration’s (EDA) Build to Scale Program.

The Blue Economy Innovation Initiative—led by the Cleveland Water Alliance—is an industry challenge focused on growing the region’s water economy by providing innovators from all over the country the ability to conceive of, test, scale up and demonstrate innovative water technology directly with customers.

Cleveland State University, in partnership with MAGNET, was also awarded a grant as part of the Build to Scale Program.

GCP is grateful to U.S. Representatives Anthony Gonzalez, Dave Joyce, Marcy Kaptur, and Marcia Fudge and U.S. Senators Sherrod Brown and Rob Portman, whose support for these projects—and numerous other regional efforts—was critical. You can learn more about the Blue Economy Innovation Initiative, by [clicking here](#). To learn more about the EMDis Center, [click here](#).

GCRTA Federal Grant

The Greater Cleveland Regional Transit Authority (GCRTA) was recently awarded a \$15M grant for railcar replacement, including the purchase of 34 new heavy rail vehicles for the Red Line. An October 2019 report released by GCP highlighted the capital challenges facing GCRTA. The report noted that while several opportunities exist to redesign and rethink the organization's operations, "aging assets are a major concern, both for rail vehicles and for rail infrastructure." Recognizing these challenges, GCP advocated for federal funding in partnership with the Great Lakes Metro Chambers Coalition (GLMCC). GCRTA is an important public partner that provides more than \$300 million in economic impact to Cuyahoga County, including employment, earnings, and investment in the region. Public transit is an important part of Northeast Ohio's economic development system. This funding represents an important step in upgrading one of the oldest rail car systems in the country to accommodate future riders and employers. It is critical to the region's continued growth and vitality.

A Look Forward

So, how will the election results shape local, state, and federal public policy? How will the new political environment impact the economy, education, taxes, and other important policy issues as we navigate through a pandemic? Below are our insights as we look forward.

- **Ohio Is A Deeper Red**

President Trump won the state with roughly the same percentage margin as 4 years ago (8%). Ohio Senate Republicans built on their 24-9 seat majority by one seat. Sen. Dolan (R), earlier thought to be at-risk, won handily. The Ohio House Republicans also expanded their existing 61 seat majority by a few seats – despite a narrow loss from Rep. Greenspan (R).

Why It Matters:

Big decisions face legislators as they return from break for the 134th General Assembly. Budget discussions, both transportation and operating budget, will be the first challenging issue to address as the initial proposals will be released in the coming weeks. Maintaining veto-proof majorities may enable the legislators to exert strength in critical negotiations. Republicans envision minimal disruption in the General Assembly because of these outcomes.

- **Ohio Supreme Court Is More Centrist**

The composition of Ohio's highest court shifted from a 5-2 Republican majority to a 4-3 majority with former Secretary of State Jennifer Brunner unseating Republican Justice Judi French. Notably, in Ohio Supreme Court judicial elections party affiliation is not listed on the ballot. Three judicial seats currently held by Republicans will be on the statewide ballot in 2022, including the seat of current Chief Justice Maureen O'Connor who will not be permitted to run for the seat because of mandatory age limits.

Why It Matters:

The Ohio Supreme Court is the final adjudicator on state law issues and resolves many business litigation issues. Understanding how this Court evolves will be important to our members. Furthermore, the Ohio Supreme Court is expected to play a significant role in Congressional redistricting and in drawing General Assembly districts following the 2020 census.

- **Cleveland Turnout Dropping**

Voter turnout in the City of Cleveland continued its persistent slide. Votes cast in Cleveland in the presidential race fell over 10% from 2016 totals (down to roughly 133K). This is more than a 25% reduction from 2008 totals. Similarly, ballots cast in the Cleveland Mayoral election of 2017 were more than 45% lower than 2001 totals and more than 25% lower than 2009 numbers.

Why It Matters:

It will be difficult for our region to thrive without a strong central city with deep engagement of the electorate. Additionally, with the 2020 election behind us, many eyes will now turn to what looks to be an emerging competitive election for Mayor of Cleveland in 2021. The low turnout trend and dark money campaign we saw against CMSD's recent levy are important factors as we contemplate possible action and planning for this race.

- **Big Support for Local Tax Issues**

Eight of the ten local property tax ballot issues in Cuyahoga County were successful as were four of the six personal income tax issues. Many were proposed as increases and passed with large percentages including the Cleveland schools levy (which GCP supported) and the Cuyahoga County Public Library System increase (which GCP opposed).

Why It Matters:

The financial challenges facing many municipalities and political jurisdictions (from both COVID-19 and other factors) will force many to consider increasing taxes or finding more efficient ways to operate services. We look forward to continuing the discussions that were ignited with our tax study of 2019.

The news of Representative Marcia Fudge's nomination to serve as the Secretary for the U.S. Department of House and Urban Development also signals our region will have a strong voice at the highest levels of the new administration. We congratulate the Congresswoman and look forward to working closely with her in this capacity.

Reforms related to education, unemployment compensation, Ohio Minority Business Enterprises, and municipal taxes are likely among the many policy issues the GCP Advocacy Team will be engaged in throughout 2021. In the coming weeks, GCP will unveil its two-year Public Policy Agenda, an agenda that is put together with feedback that comes directly from our members.