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123rd Ohio General Assembly
Ohio Report No. 247, Volume 68 - Tuesday, December 28, 1999

INSPECTOR GENERAL FINDS NO EVIDENCE OF CONTRACT STEERING WITH MARCS PROJECT

There is no evidence to support the alleged contract steering or unreasonable cost overruns related to a massive state radio communications project, the State Inspector General determined in a report released Tuesday.

The report, which also exonerates a former chief of staff to former Governor George V. Voinovich, focuses on the state's development of the Multi-Agency Radio Communications System (MARCS), a system that, when completed, will be a single, integrated communications network for use by more than a dozen state agencies.

While not finding any fault with the awarding of the contract or personal involvement, Inspector General Thomas P. Charles said there was, ironically, a lack of communication between the agencies involved in the project.

The investigation was opened at the request of Senator Rhine McLin (D-Dayton), a former Controlling Board member who dissented on waiving competitive bidding for the first phase of the MARCS project. Mr. Charles added that his office pursued matters other than those addressed in the senator's July 1999 letter.

"It is clear that there were no appearances of impropriety regarding the selection process followed for the MARCS project," the report indicates. "There is also no evidence of any inappropriate cost overruns. There are sufficient control measures in place to ensure that the project will be completed on time and within budget." The project cost was initially estimated at \$150 million in 1992, although current projections put the price tag at \$271 million.

The contract steering allegations involve the selection of TRW over Ericsson to provide the bulk of the services for the project. The report indicates that concerns were raised because TRW planned to subcontract a significant part of the contract to the Slane Company, owned by a major Voinovich campaign fund raiser, and because the wife of the former governor's chief of staff lobbied on behalf of TRW.

The report concludes that Ericsson, which provided a significantly lower bid on the contract, was properly disqualified from the bidding process because it failed to meet 5 of 8 "critical requirements" listed in the project's request for proposal, not because Voinovich Administration officials encouraged Ericsson's elimination. Additionally, no evidence was found to support allegations that former Chief of Staff Curt Steiner directed employees to mail his wife, Jan Allen, documents related to the projects.

"During the course of our investigation, we received a plethora of accusations, innuendoes, speculations, rumors and hearsay about the project," the report notes. "Because of the project's magnitude, this office

believed that every piece of information we received should be diligently pursued and analyzed for any probative value.”

As for the lack of communication among involved agencies, the report indicates that the MARCS Steering Committee went almost three years without meeting, despite an agreement that it would meet on a monthly basis. “In our opinion, a project of this magnitude requires participation from many resources to ensure that the system will function as anticipated. . . . We believe it is important to have their input because they will be the primary users of the equipment and it is anticipated that the new system will have a significant impact on collective bargaining employees.”

Mr. Charles’ report provides a series of recommendations based on the investigation. For one, he said, the MARCS office, which should produce a quarterly report on current activities, should consider bidding tower sites where additional cost savings may be possible. The steering committee should resume meetings on a regular basis and a public education campaign should be implemented, he added.

Senator McLin said Tuesday she is satisfied with the report and urged the immediate implementation of the recommendations. “Inspector General Charles took the opportunity to clarify and clean up once and for all a project plagued with delay and both rumored and factual dysfunction,” she said. “Ohio needs this high-tech radio system, and this project can now proceed effectively if we heed these recommendations.” She added that “there are lessons to be learned from this thorough inspection. I would hope state departments and lobbyists will heed them in the future.”

The office interviewed 52 current and former public officials, including some private persons. Among them were a number of Statehouse lobbyists; lawmakers, legislative staff, past and present Controlling Board presidents, a number of Voinovich staffers and Mr. Voinovich himself.

SAFE GUN STORAGE BILLS INTRODUCED; LAWMAKERS TO SEEK SAME-SEX MARRIAGE BAN

Legislation aimed at preventing firearms mishaps was introduced in the House and Senate Tuesday, complete with a provision calling for secure storage of guns to protect minors and a requirement that gun dealers offer trigger locks with the purchase of any firearm. Penalties proposed under the bills range from a third-degree misdemeanor for improper storage to a fifth-degree felony for improper storage that results in serious physical harm or death.

The “safe storage” bills (HB 526 & SB 230), which would fulfill a key remaining campaign initiative for Governor Bob Taft, are sponsored by Rep. Ann Womer Benjamin (R-Aurora), chair of the Criminal Justice Committee, and Senator Grace Drake (R-Solon), chair of the Health, Human Services & Aging Committee.

Passage of tougher gun storage regulations next year is among several imminent goals mentioned by the governor in a recent year-end interview (See *Ohio Report* No. 245, Dec. 23, 1999). House Speaker Jo Ann Davidson (R-Reynoldsburg) said Tuesday that early March primary elections will result in a “fairly limited”

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time frame for the General Assembly's work in 2000, requiring speedy attention to pending issues such as the capital appropriations bill and juvenile justice legislation (SBs 179 & 181).

On the agenda early next year is the tobacco settlement allotment bill (SB 192), port authority legislation (SB 137) that stalled late in the last legislature, and a municipal income tax restructuring bill (HB 477). Speaker Davidson also noted a bill (SB 141) aimed at tightening regulations for large, so-called "mega farms" is high on the governor's agenda.

Speaker Davidson said she supports the safe storage bill in concept, but remains opposed to any amendment that would allow citizens the right to carry concealed weapons in some circumstances. Though she acknowledges there's "very strong support" in the House for such a provision, which has been attempted unsuccessfully before, Ms. Davidson noted Mr. Taft's stern opposition to such an amendment and maintained it wouldn't be a good fit in the safe storage bill. "I don't want to put the governor in a position where he has to veto his own bill," she said.

Key to the legislation introduced Tuesday is the prohibition of firearms storage "in a manner that results in a minor gaining improper access to the firearms." The identical bills would mandate the Office of Criminal Justice Services to prepare for gun dealers a brochure on the topic of safe storage. The third element would require federally-licensed gun dealers to offer trigger locks with the purchase of any firearms.

Provisions that appear to provide exemptions for hunters specify that adults would be liable under the proposed law only "if the minor does not have the lawful permission of the minor's parent, spouse who is eighteen years of age or older, or legal guardian to gain access to the firearm" and if "the minor is without the supervision or control of a person who is eighteen years or older."

Speaker Davidson said stricter gun storage laws are in order, especially considering the recent string of shooting incidents involving minors. She called gun regulations "a balancing act," but also noted states with storage laws have seen the rate of such accidents decline.

Same-sex marriages: Separately, a legislator who strongly backs a conceal-and-carry weapon law promised Tuesday to pursue another conservative-minded goal: a prohibition on same-sex marriages. Rep. James Jordan (R-Urbana) released a joint statement with Senator Jay Hottinger (R-Newark) vowing to soon introduce what they called the "Defense of Marriage Act," or DOMA.

The two lawmakers said they are in the process of gathering co-sponsors for the bill, which would mirror laws enacted in 30 other states. Senator Hottinger said the recent Vermont Supreme Court decision upholding benefits for homosexual couples makes the issue more urgent for Ohio.

"When we debated this bill last session, many of my colleagues said the time wasn't right for this bill because no real threat existed," Senator Hottinger said. "With the recent ruling in Vermont and the rising number of 'domestic partner benefits' cases in our state, there is no better time than now to address this issue."

The legislators said tougher laws would “protect the state against same-sex couples from Ohio getting ‘married’ in another state, then returning to demand that Ohio recognize their marriage under the full faith and credit clause of the U.S. Constitution.” Mr. Jordan said, “Plain and simple, we need this language in place right now to protect families from the non-traditional values others may try to bring into our state.”

CG&E REQUESTS \$927 MILLION IN TRANSITION COSTS IN NEW PLAN

Cincinnati Gas & Electric Tuesday became the third investor-owned electric utility to file its transition plan with the Public Utilities Commission of Ohio, asking the commission to allow it to recover \$927 million in transition costs.

The plan, the company said, continues a base rate freeze that has been in place since 1994. “Our rates today are lower than they were at this time five years ago, due to reductions in fuel costs,” CG&E President James L. Turner said. “In all likelihood, we’ll continue to have frozen rates for another six years, despite the potential for substantial increases in environmental compliance costs at our generating stations.”

Of the transition cost request, \$563 million relates to generation costs and \$364 million relates to regulatory assets. The company also announced that it asked to recover \$311 million in “carrying costs,” which CG&E spokesman Steve Brash said covers the cost of money associated with having costs on corporate books.

“The transition costs are included in the rates customers pay,” Mr. Turner said. “Under our plan, these costs would be recovered under the frozen rates, while customers gain the benefit of the 5% generation rate reduction and the ability to choose a competitive supplier in 2001.”

Dayton Power & Light and FirstEnergy have also filed their transition plans, required by the enactment of electric restructuring law (SB 3) approved earlier this year. The PUCO has 275 days from the date of submission to complete its review of the plans.

JCARR LETS CARDIAC CATHETERIZATION RULES STAND

Hospitals without open-heart surgery facilities will be able to perform cardiac catheterizations on low-risk patients under certain circumstances, the Joint Committee on Agency Rule Review decided Tuesday. The panel let stand a Department of Health rule on the procedures which requires transfer agreements with other easy-to-reach hospitals that offer open-heart surgery services.

The rule was proposed to comply with the Feb. 28, 2000, five-year review date of current rules (See *Ohio Report* No. 93, May 17, 1999). A report issued in October 1999 by ODH Director J. Nick Baird recommended the state allow diagnostic cardiac catheterizations to be performed on low-risk patients without on-site open-heart surgery capability. Heart catheterization is the process by which arteries are unclogged when physicians insert a balloon-like device into an artery to expand the vessel. Currently they can only be performed at hospitals that have open-heart surgery units, or meet other criteria. JCARR approved the rule Tuesday without additional testimony.

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According to the new rule, cardiac catheterization services can be performed on high-risk patients, and providers can perform high-risk and therapeutic interventions only if the providers have an on-site open-heart surgery service that is immediately accessible from the catheterization lab by gurney, and if an experienced cardiovascular surgical team is readily available on a 24-hour basis. Hospitals that do not meet those criteria can perform low-risk diagnostic cardiac catheterization procedures on low-risk patients.

In order for hospitals that do not have open-heart surgery facilities or surgical teams available to perform the procedures, they must meet a multitude of guidelines, such as:

- screening patients as low-risk patients prior to the procedure.
- establishing transfer agreements with a qualified, registered open-heart surgery hospital quickly accessible by emergency vehicle.
- establishing written protocol for the emergency transfer and care of patients who require emergency medical/surgical management during or immediately after the cardiac catheterization.
- maintaining a minimum of 150 cardiac catheterization procedures performed each year by each accredited physician.

The rule also requires the procedures must be performed in a “fully-permanent setting within the permanent frame of the building” of a registered hospital. The providers of cardiac catheterization services are required to provide notices to the director of the ODH prior to initiating the services and annually thereafter. The notices will detail the specific procedures that will be provided by the services and specifies the location at which the catheterization services will be performed, according to the rule.

Rep. William Ogg (D-Sciotoville) sought to have similar measures implemented through the budget bill by securing funding for hospitals to perform the procedures on adults who are perceived to have little risk of complications. The amendment was adopted in the House but did not survive the conference committee appointed to hash out differences between the House and Senate versions of the budget bill.

TAFT OPENS OEMA COMMAND CENTER, OFFICIALS DEEM OHIO SET FOR ‘Y2K’

Governor Bob Taft Tuesday paid a visit to the operations center in Northeast Columbus that will monitor the state’s transition to the year 2000. He and other state officials, including Lt. Governor and Public Safety Director Maureen O’Connor, reiterated their belief that state agencies are well-prepared for “Y2K.”

The Emergency Operations Center, a concrete-fortified communications hub, will be manned by representatives from most state agencies. Months of preparation at the site, which will keep tabs on year 2000 events in all 88 counties for the next several days, have been part of a statewide buildup for Y2K costing about \$130 million.

“Good communication is the key to a successful Y2K date transition,” Mr. Taft said. “Through the operations center, we will be in contact with the public, the media, local government and utility companies to ensure that everyone has accurate information to make responsible decisions. I encourage Ohioans to act responsibly and use common sense this weekend, so that we can all enjoy a safe and happy New Year’s celebration.”

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Mr. Taft has also taken to the airwaves with public service announcements recently, urging citizens not to call "911" emergency lines unnecessarily, or to pick up the phone at midnight. The governor said he worries about public overreaction more than any computer-related glitches that might come about Jan. 1.

Last week, the governor met with finance industry leaders who assured him the state's banks, savings and loans, savings banks and credit unions are prepared for the end of the year. His office reported all of Ohio's 492 state-chartered financial institutions have received the highest ratings for Y2K preparedness.

State leaders have similar assurances from utility companies. Don Mason, a state public utility commissioner, said Tuesday the commission has conducted on-site reliability reviews of Ohio companies and is satisfied with the preparedness.

Scott Johnson, director of the Department of Administrative Services, was named by Mr. Taft as the state's spokesman for the weekend. In addition to upgrading computers for Y2K, Mr. Johnson said all state agencies have developed contingency plans to work around unforeseen "glitches."

Among the operations center's duties will be to monitor the state's Y2K information line at 877-Y2K-OHIO (877-925-6446), and the PUCO and Ohio Consumers' Counsel public information line at 800-686-7826. All lines will be open 24 hours a day. The operations center will be manned continuously until Jan. 3.

MEETING NOTICE

The **Utility Radiological Safety Board** will meet at 1 p.m., Monday, Jan. 10 in Room 204B, Ohio Emergency Management Agency, 2855 W. Dublin Granville Rd., Columbus.

EFFECTIVE DATES OF BILLS SIGNED BY THE GOVERNOR

The effective date of Am. Sub. SB 164 (Judgeships) and Am. Sub. HB 119 (Campaign finance) is Dec. 22, 1999. The effective date of Am. Sub. SB 13 (First offender expungement); Am. Sub. SB 107 (Controlled substance law) and Am. HB 100 (Felonious assault) is March 23, 2000.

INTRODUCED IN THE SENATE (*Tuesday, Dec. 28*)

SB 230 FIREARMS STORAGE (Drake) Am. & En. 181 & 2923. Requires the Office of Criminal Justice Services to prepare and distribute to firearms dealers a brochure summarizing the safe storage of firearms laws; prohibits the storage of firearms in a manner that results in a minor gaining improper access to the firearms; and requires federally licensed firearms dealers to offer a trigger lock to the purchaser of any firearm.

ADOPTED IN THE SENATE (*Tuesday, Dec. 28*)

SRs 2219-2232. Honorary resolutions.

THE SENATE ADJOURNED UNTIL 9 A.M. WEDNESDAY, DECEMBER 29, 1999 (SKELETON SESSION)

INTRODUCED IN THE HOUSE (*Tuesday, Dec. 28*)

- HB 526 FIREARMS STORAGE (Womer Benjamin) Am. & En. 181 & 2923. Requires the Office of Criminal Justice Services to prepare and distribute to firearms dealers a brochure summarizing the safe storage of firearms laws; prohibits the storage of firearms in a manner that results in a minor gaining improper access to the firearms; and requires federally licensed firearms dealers to offer a trigger lock to the purchaser of any firearm.
- HB 527 SURGERY LICENSING (Buchy) Am. 4731. Requires the State Medical Board to discipline a physician for performing any surgery, including abortion, in an ambulatory surgical facility that is operating without a license.

SPEAKER'S APPOINTMENT (*Tuesday, Dec. 28*)

Ohio Legal Rights Service Commission: Hal Goodyear

THE HOUSE ADJOURNED UNTIL 11 A.M. THURSDAY, DECEMBER 30, 1999 (SKELETON SESSION)

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