



## September 2015 Government Affairs Update

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### LOCAL ISSUES

#### **OH&LA TAKES UP LICENSING EFFORT AGAIN LATER THIS MONTH**

OH&LA was the only industry or business organization to testify at a Columbus City Council Public Safety Committee hearing on proposed hotel/motel licensure. The proposal is intended to give the city more enforcement authority in combating high-crime nuisance properties.

Prior to the City Council returning from recess, OH&LA will provide additional input on the ordinance based on a thorough legal analysis and input from members and partners since the public hearing.

Columbus is committed to enacting legislation that will give more enforcement powers to authorities regarding high-crime properties, and OH&LA must work with Council members to help craft a model that protects hotels but doesn't protect criminal enterprises.

### STATE ISSUES

#### **STATE FIRE MARSHAL LAUNCHES SAFE STAY PROGRAM**

The State Fire Marshal has announced the start of "Operation Safe Stay," a voluntary program designed to recognize hotel and lodging properties that meet certain existing criteria and that wish to display or use a "Safe Stay" designation. "Safe Stay" provides positive reinforcement and incentive for compliance.

- None of the existing regulations regarding hotel licensure requirements are altered in any way
- No cost, fees or fines are associated with the program
- No grading, number of stars, or "red/yellow/green" system is used for Safe Stay
- Minor violations will not prohibit Safe Stay designations, when those are corrected during the course of inspections
- Hotels are not required to display designation or post it in a conspicuous space
- Ability for hotels, if they choose, to display designation and use in advertising, promotions and marketing
- List will be published on Division of State Fire Marshal's website

OH&LA was the only entity to provide public comments at a hearing at the Fire Marshal's office, and the only entity to provide testimony on the rule before a legislative review committee.

Our efforts have focused on ensuring the program provides opportunities for hoteliers to be recognized for compliance and to gain incentive to increase their compliance efforts each and every day. A secondary goal is to create a more collaborative working relationship with the Fire Marshal that will allow additional discussions on improving inspection processes and training, creating more consistency in enforcement, and other matters impacting hoteliers.

### **THREE ISSUES ON NOVEMBER STATEWIDE BALLOT**

Ohioans will vote on three important issues on the November 2015 ballot.

Issue 1 would create a bipartisan commission to create state legislative districts. The measure would also create new requirements for how those districts are drawn.

Issue 2 would require additional steps for voters to establish economic monopolies via citizen ballot initiatives. Issue 2 was put forth by the legislature in part because of the recreational marijuana legalization initiative on the ballot as Issue 3, which contains monopolistic provisions. Issue 2 is widely believed to preempt the legalized marijuana initiative if passed.

Issue 3 would create a monopolistic legalized recreational marijuana industry in Ohio. It would create more marijuana stores than McDonalds or Starbucks, legalize marijuana “edibles” like candy, and will benefit a few large investors backing the issue for their own benefit.

### **FEDERAL ISSUES**

#### **OVERTIME REGULATIONS COULD CREATE HOTELIER HEADACHES**

The Obama Administration, through the U.S. Department of Labor, declined to extend the comment period for proposed changes to overtime regulations beyond Sept 4. The changes would double the salary threshold from \$23,660 to \$50,440 for eligibility for overtime pay. Raising the threshold so drastically will have a potentially devastating impact for many in our industry.

AHLA pointed out to the U.S. Department of Labor that the majority of jobs offered in our industry already have starting wages above the minimum wage and employers currently have the flexibility to set salary parameters that foster a strong team environment, which allow for good benefits, higher pay, and workable schedules. The proposed changes forced upon hotels and hospitality will have a negative effect on that balance.

The national association also stated that the new rules would severely impact small business owners, especially those in rural communities, who operate under tight budget margins that can't offset the substantial increase in labor costs the proposed changes will undoubtedly create for employers. This will result in unintended consequences that will ultimately harm the very employees that the rule purports to help, preventing their advancement and opportunity and keeping the industry from continuing to grow and create jobs.

With the administration moving ahead without additional business and industry input, employers are advised now to examine the issue closely and consider proactive steps in anticipation of the changes, likely to be seen in 2016.