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GOVERNMENT AFFAIRS UPDATE

Associated General Contractors (AGC) of Ohio's *Government Affairs Update* provides information about government related matters of interest to the commercial building industry and AGC's advocacy efforts. It is e-mailed to AGC of Ohio members and available online at www.agcoho.com/advocacy.html. Direct questions and comments to Andrea Ashley, VP of Government Relations: andrea@agcoho.com or (614) 486-6446.

March 1, 2018

CAPITAL BUDGET & REAPPROPRIATIONS INTRODUCED; SWIFT PASSAGE EXPECTED

This week the Ohio House and Senate began hearings on the state's two-year capital appropriations budget for fiscal years 2019-2020. The Capital Bill funds the renovation, reconstruction and construction of state agencies, colleges and universities, and school districts, as well as some community projects.

The Ohio House and Senate took a unique approach by introducing companion measures – [House Bill 529](#) and [Senate Bill 266](#) – and including reappropriations for ongoing capital projects (there is usually a separate capital reappropriations bill for continued project funding approved during the previous biennia).

The legislation proposes \$2.62 billion in new spending, and approximately \$1.26 billion in reappropriations. The allocation of new funding includes: \$150 million in community projects, \$600 million for school facilities, \$514 million for local infrastructure projects and \$483 million for public colleges and universities. The state will issue bonds to cover most of the new spending.

Only two capital-related language provisions (aka policy changes) are contained in the bills. The most significant is designed to improve flexibility within the State Capital Improvement Program by allowing districts to receive greater than 10 percent of their annual allocation in the form of loans as opposed to grants.

The capital budget tends to draw bipartisan support as lawmakers like to campaign on monies allocated to local projects. The House and Senate caucuses and Administration hashed out much of the bills' details prior to their introduction, and no significant changes are expected during the legislative process.

Legislative leaders have indicated [HB 529](#) will be the vehicle. The bill should be voted out before the end of March to allow enough time the Governor's signature by April 1 and effective date of July 1, the start of the next fiscal year.

AGC EXPRESSES SUPPORT FOR BILL ADDRESSING CAREER INFO TO STUDENTS

AGC and the Ohio Contractors Association (OCA) yesterday provided [joint testimony](#) to the Senate Education Committee in support of [H.B. 98](#), legislation that "will ensure organizations have the opportunity to present information about skilled trades to students – a right that currently does not exist in Ohio law."

The [testimony](#) describes the associations' iBuildOhio initiative that will incorporate outreach to schools. AGC and OCA said H.B. 98 would help the effort "by creating minimum access standards for employers and organizations like ours to present career information to Ohio high school students." Sponsored by Reps. Duffey (R-Worthington) and Boggs (D-Columbus), the bill unanimously passed the Ohio House and has had three hearings in the Senate Education Committee.

AGC LEADS INDUSTRY EFFORT TO THWART LEGISLATION UNDERMINING PUBLIC CONSTRUCTION PROCUREMENT LAWS

After stopping a similar effort during last year's state operating budget deliberations, the construction industry came together in opposition to [HB 471](#), a bill designed to allow a third-party administrator to perform public improvement work under its DAS maintenance contract. After an interested party meeting involving most construction associations and labor with a statehouse presence, as well as several conversations with AGC staff, the bill's sponsor recognized the [industry's concerns](#) and decided not to move forward with the measure.

SHARE YOUR FEEDBACK ON OHIO EPA DRAFT CONSTRUCTION STORM WATER GENERAL PERMIT *Input Needed by March 16*

The Ohio EPA is asking for feedback on its [draft](#) General National Pollutant Discharge Elimination System (NPDES) Permit for Storm Water associated with construction activity. View the public notice, [fact sheet](#), and [draft](#) general permit on the [Ohio EPA website](#).

AGC of Ohio plans to submit comments in conjunction with other industry associations and would appreciate input from members about the [changes to the permit](#). Member feedback is needed no later than March 16 to allow enough time to review them and draft a response for the EPA. Forward your comments and questions to Andrea Ashley: (614) 486-6446 or andrea@agcoho.com.

If interested in submitting comments directly to the Ohio EPA, the deadline is April 4. Find information about the proposal from the EPA [here](#).



ON THE NATIONAL FRONT... *Information courtesy of AGC of America*

SUPPORT ADOPTION OF MULTIEMPLOYER PENSION COMPOSITE PLANS

Tell Congress to Approve Composite Plans

Congress recently introduced the AGC-supported Giving Retirement Options to Workers Act (GROW Act), HR 4997. As such, AGC urges you to support the bipartisan bill by [contacting your U.S. representative and U.S. senators](#). The bill would authorize the adoption of composite plans and strengthen the multiemployer pension system.

The legislation was jointly developed and supported by employer and labor organizations. The composite plan is a hybrid of a defined contribution and a defined benefit plan in that it shares risk, provides lifetime income to participants, and limits employer obligations to negotiated contributions. H.R. 4997 is a separate initiative from efforts to address the funding challenges of the PBGC and critically funded plans. AGC is encouraged by the bipartisan bill and will be calling for its swift consideration and enactment alongside our labor partners.

CONGRESS READIES FOR ACTION ON INFRASTRUCTURE

Tell Congress to Invest in Infrastructure NOW

Congress will commence work on infrastructure legislation in early March, as the Senate and House have set hearings on [the president's infrastructure plan](#). And, as a part of the recent [bipartisan budget agreement](#), lawmakers are considering spending \$20 billion over the remainder of fiscal year 2018 and through fiscal year 2019. As such, it is critical that the construction industry lets Congress know that the time for infrastructure investment is now. [Contact your U.S. representative and U.S. senators](#) right now so that they understand that investing in and improving our nation's infrastructure helps our nation prosper.

IRS RELEASES UPDATED WITHHOLDING CALCULATOR AND NEW FORM W-4

The Internal Revenue Service (IRS) yesterday released an updated Withholding Calculator on IRS.gov and a new version of Form W-4 to help taxpayers check their 2018 tax withholding following passage of the Tax Cuts and Jobs Act in December. The IRS urges taxpayers to use these tools to make sure they have the right amount of tax taken out of their paychecks.

The [Tax Cuts and Jobs Act](#) made changes to the tax law, including increasing the standard deduction, removing personal exemptions, increasing the child tax credit, limiting or discontinuing certain deductions and changing the tax rates and brackets.

If changes to withholding should be made, the [Withholding Calculator](#) gives employees the information they need to fill out a new [Form W-4](#), Employee's Withholding Allowance Certificate. Employees will submit the completed W-4 to their employer.

The withholding changes do not affect 2017 tax returns due this April. However, having a completed 2017 tax return can help taxpayers work with the Withholding Calculator to determine their proper withholding for 2018 and avoid issues when they file next year.