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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 9, 2018

CAPITAL BUDGET & REAPPROPRIATIONS PASS HOUSE

On Wednesday the Ohio House passed [H.B. 529](#), the \$2.63 billion capital appropriations bill on a bipartisan [92-3 vote](#). The nays were Tom Brinkman (R-Cincinnati), Dean (R-Xenia), and Dever (R-Madeira).

The two-year spending measure now goes to the Senate, who has already held hearings on a companion bill with the same appropriations, [S.B. 266](#). In addition to new spending, the legislation includes \$1.26 billion in reappropriations.

[H.B. 529](#) allocates: \$600 million for school facilities, \$514 million for local infrastructure projects, \$483 million for public colleges and universities, \$222 million for health and human services facilities, and \$150 in community projects. View the [LSC Capital Item Analysis](#), which includes all capital projects by [county](#) and a [community projects](#) by county.

The Senate is expected to pass [HB 529](#) swiftly since it must 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.

OHIO PUCO TO ADDRESS STATE & FEDERAL MOTOR CARRIER RULES AT AGC SAFETY MEETING

During the May 11 AGC of Ohio Safety Meeting, Lillian Lancaster, a safety investigator for the PUCO's Transportation Enforcement Division, will provide and update on state and federal Motor Carrier Safety Rules, addressing both the interstate and intrastate regulations.

Safety Meetings are free of charge and open to all AGC of Ohio members. It will begin at 9:30 a.m., and the presentation will be first on the agenda. Other topics regularly addressed during safety meetings include OSHA regulatory and enforcement activity, workers' compensation issues, and any other items of interest. To attend, RSVP to Andrea Ashley at andrea@agcoho.com or (614) 486-6446.

AGC OF OHIO NEEDS YOUR FEEDBACK!

Input needed by March 16

AGC of Ohio needs contractor feedback on the draft construction stormwater general permit and design certification legislation that could impact commercial building. Forward your comments and questions to Andrea Ashley at andrea@agcoho.com or cell (614) 949-2739.

Ohio EPA Draft Construction Storm Water General Permit

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.

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

Interior Design Certification Legislation

A bill was recently introduced that involves certifying interior designers for commercial buildings: [House Bill 504](#). At least two areas of potential concern for contractors have been identified:

1. Would there be any overlap in what is being proposed and contractors' responsibilities, or instances when a contractor might submit plans directly to a building dept (not prepared by an architect)? In particular, the definition for "practice of interior design" on p.2 of the bill's [analysis](#) and p.2 of the bill's [text](#).
2. Additionally, the bill requires the Ohio Board of Building Standards (OBBS) to implement and enforce the certification and renew interior design certificates; AGC has traditionally taken issue with attempts to expand OBBS authority outside of building code development and building department/inspector oversight.

[H.B. 504](#) was introduced and had its first hearing last week. Please review the bill's [analysis](#) and [text](#) and let AGC know how the legislation could impact your business.

HELP AGC ADVOCATE FOR YOU - *Contribute to AGC of Ohio Action today!*

Fundraising is part of the political process, and a healthy PAC is vital to AGC's success at the Statehouse! Make checks payable to AGC of Ohio Action (non-corporate contributions only). Sole proprietors, partnerships and unincorporated associations, which include limited liability companies under Ohio campaign finance law, may use company funds to contribute; such contributions should include the name of the entity and individual making the contribution.



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

PRESIDENT IMPLEMENTS STEEL AND ALUMINUM TARIFFS

AGC Provides Helpful Tips for Contractors; [Contact President & Congress to Stop the Tariffs](#)

On March 8, President Trump signed proclamations to impose a 25 percent tariff on steel imports and a 10 percent tariff on aluminum imports, with limited exceptions. [AGC previously urged the President](#) to abandon the tariffs because of their negative impacts on the construction industry. AGC members are still encouraged to [contact the president and their congressional representatives](#) to stop these tariffs. In addition, AGC has provided two memos for construction contractors—[one for direct federal and federally-assisted construction contracts](#) and another for [private construction contracts](#)—as they grapple with anticipated steel and aluminum price increases.

These tariffs will have an almost immediate impact on the cost of aluminum and steel purchased for construction projects, as the construction industry consumes 43 percent of American steel according to the American Iron and Steel Institute. The proposed tariffs on steel and aluminum will also have a direct and negative impact on construction employment, putting more than 28,000 construction jobs at risk according to a recent, nonpartisan study. Alarmingly, this figure does not even account for jobs that could be impacted by affected nations' retaliatory trade measures. AGC will continue to press the White House and Congress to stop these tariffs.

NEW STEEL & ALUMINUM TARIFFS WILL HURT CONSTRUCTION FIRMS BY RAISING MATERIALS COSTS WHILE POTENTIAL TRADE WAR WILL DAMPEN DEMAND

Independent [Studies](#) Suggest the Construction Industry Could Lose Nearly 30,000 Jobs as a Result of Administration's New Tariffs as Many Firms Will be Forced to Absorb Increased Costs

The chief executive officer of the Associated General Contractors of America, Stephen E. Sandherr, released the following statement in reaction to President Trump's announcement that he will impose new tariffs on imported steel and aluminum products:

These new tariffs will cause significant harm to the nation's construction industry, put tens of thousands of high-paying construction jobs at risk, undermine the President's proposed infrastructure initiative and potentially dampen demand for new construction projects for years to come. That is because the newly-imposed tariffs will lead to increases in what construction firms are forced to pay for the many steel and aluminum products that go into a typical construction project.

Firms that are already engaged in fixed-price contracts may be forced to absorb these costs, forcing them to cut back on new investments in equipment and personnel. Higher steel and aluminum prices will make the kind of infrastructure work President Trump supports more expensive, forcing federal, state and local officials to cut back on projects they can fund. And the likely trade war these new tariffs prompt will diminish demand for private investment in infrastructure as well as construction demand for manufacturing, shipping and distribution facilities.

Considering the damages these new tariffs will inflict on the construction industry, it is easy to understand why recent, independent [studies](#) estimate that nearly 30,000 construction workers will lose their jobs because of these new tariffs.

The bottom line is that any short-term gains for the domestic steel and aluminum industries will likely be offset by the lower demand that will come for their products as our economy suffers the impacts of these new tariffs and the trade war they encourage. A better way to cultivate a stronger domestic steel and aluminum industry is to increase federal funding for infrastructure projects that will boost demand for these and many other products.

DOL LAUNCHES PILOT WAGE VIOLATION SELF-REPORTING PROGRAM

On March 6, the U.S. Department of Labor's (DOL) Wage and Hour Division (WHD) [announced](#) a new nationwide pilot program, the Payroll Audit Independent Determination (PAID) program, which intends to facilitate the resolution of potential overtime and minimum wage violations under the Fair Labor Standards Act (FLSA). According to WHD, the program's primary objectives are to resolve such claims expeditiously and without litigation, to improve employers' compliance with overtime and minimum wage obligations, and to ensure that more employees receive the back wages they are owed—faster.

Under the pilot program, employers will be encouraged to audit their practices, flag any minimum wage or overtime violations they find, and report them to WHD. Employers will then work with WHD to correct their errors and ensure workers are paid as quickly as possible. However, employers are not allowed to participate if they are repeat offenders, in litigation, or currently under investigation for wage and hour violations.

WHD will implement this pilot program nationwide for approximately six months. At the end of the pilot period, WHD will evaluate the effectiveness of the pilot program, as well as potential modifications to the program, to determine its next steps. More information and Q&A's on the program can be found [here](#).