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OHIO

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BUILDING

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GAS TAX INCREASE IMINENT

There's old saying in governmental circles – *"No Man's Life, Liberty or Property are Safe while the Legislature is in session."* This certainly is true this year! Although, I would argue in certain instances paying more is worthwhile.

The Ohio House and Senate are engaged in full contact politics. Freshly-minted Ohio Governor Mike DeWine has taken the recommendation from a transportation study group and is seeking to increase Ohio's gasoline tax – the primary funding mechanism for our transportation system.

The recommended amount of the increase is \$0.18 per gallon indexed to inflation. The current tax rate of \$0.28 hasn't been raised since 2005. Each additional penny would equate to roughly \$66 million in annual income. Ohio has estimated that there is over a billion-dollar shortfall for anticipated needs. This new money would also assist local governments in their respective highway needs.

There's no question in my mind that the taxes—or more appropriately user fees—will be raised and raised significantly. These days, its not unusual to see large swings in the weekly costs of gasoline – sometimes moving up or down in the 10-20 cent areas.

The real issue will be when the two heads of each legislative branch decide upon is if \$0.18 indexed is the right number and if the increase should be divided into more palatable sized bites. There's no question that the funds are needed and the AGC of Ohio endorses the increase in the user fee.

It just makes sense that an improved and healthy infrastructure leads to more growth and more stability. More buildings and manufacturing facilities get the green light to locate or expand here as we maintain and improve our ability to move products throughout the state and region.

Now, the Ohio House and Senate are exploring the method of delivery. Does the increase stay in the transportation budget (makes the most sense)? Or will the Senate move to separate this into a stand-alone measure or the state operating budget bill and then load it up with other sought-after measures?

The cleanest and quickest way is to keep the user fee increase in the transportation budget. Then comes the decision whether to bite the bullet and increase all at once or phase it in over a period of years?

I'm of the school of thought to do it NOW! It's needed and it's imperative that Ohio address its long-suffering transportation system. This should have been addressed in the previous administration, but that group was busy pursuing higher elective office – all which served to acerbate our current dilemma.

RJH

Average private employer workers’ comp rates to drop 20 percent

COLUMBUS — The Ohio Bureau of Workers’ Compensation (BWC) Board of Directors today approved a 20 percent reduction in the average premium rate it collects from private employers. The reduction is BWC’s largest in nearly 60 years.

“We’re pleased to continue the trend of falling rates with a reduction that will save Ohio private employers more than \$200 million next year,” said BWC Administrator/CEO Stephanie McCloud.

McCloud said safer workplaces resulting in fewer and less costly workplace injury claims and continued lower inflation of medical costs are among the factors that make the reduction possible. Claims have fallen 18 percent since 2010 to 85,136 in 2018.

The cut follows a 12 percent reduction last July for private employers and 12 percent rate reduction for public employers — counties, cities, schools and others — that went into effect Jan. 1. Overall, the average rate levels for the 242,000 Ohio employers in the BWC system are at their lowest in at least 40 years.

The 20 percent rate cut represents an average statewide change. The actual total premium paid by individual private employers depends on a number of factors, including the expected future claims costs in their industry, their company’s recent claims history, participation in various BWC rebate programs as well as assessments collected to fund the operations of the system. The board will consider these assessment rates during its next meeting in March.

The reduction will be effective beginning July 1.

Injury/Illness Summary for 2018 Injuries Must be Posted From February 1 to April 30

Construction employers must post a copy of OSHA’s Form 300A from February 1 to April 30, 2019, which summarizes job-related injuries and illnesses logged during 2018. The summary must be displayed in a common area where notices to employees are usually posted.

OSHA Relieves Contractors From Some Electronic Record Keeping

On January 24, OSHA published its final rule amending the record keeping regulation by rescinding the requirement for establishments with 250 or more employees to electronically submit information from OSHA Forms 300 (Log of Work-Related Injuries and Illnesses) and 301 (Injuries and Illnesses Incident Report). These establishments will continue to submit information from their OSHA Form 300A (Summary of Work-Related Injuries and Illnesses) as has been required in 2017 and 2018.

The final rule does not, however, alter an employer’s duty to maintain OSHA Forms 300 and 301 on-site. OSHA will continue to obtain these forms as needed through inspections and enforcement actions.

Businesses with 10 or fewer employees are exempt from OSHA record keeping and posting requirements. Visit [OSHA’s Recordkeeping Rule webpage](#) for more information on record keeping requirements.

This month's AGC Business Development Best Practices

The AGC Business Development Best Practices are an ongoing effort of the AGC of America Business Development Forum Steering Committee to bring more BD resources and best practices to the AGC membership. In February, the [AGC Business Development](#) Forum Steering Committee highlighted:

When you're offering specialized expertise in a closed-shop environment where low bid is king, labor sources are equal, and material pricing is tight, how can you differentiate yourself? What makes you stand out from your competition? In our latest BD Best Practice, Lou Filippone, Graboyes Commercial Window Company discusses [Business Development in an Open Bid Environment](#).

Are you an AGC member and interested in contributing a Best Practice article or presenting in a Business Development WebEd? As a volunteer, you and your company will be prominently featured to the largest and foremost audience in the construction industry! The Forum Steering Committee will also provide you with the necessary direction and support to make the process as easy as possible. If you are interested in getting involved, please contact paige.packard@agc.org. AGC Members can join the Business Development Forum by visiting our [Forum website](#) and clicking "[Join the Forum](#)".



SAVE THE DATE

!! NEW FOR 2019 !!

THE CONFERENCE WILL BE HELD ON A SINGLE DATE IN COLUMBUS

AUGUST 1, 2019

THE OHIO STATE UNIVERSITY

OHIO UNION - ARCHIE M. GRIFFIN BALLROOM

The Call for Speakers and additional conference information is in the works. Conference updates will be shared through distribution email, the OFCC website, and on Twitter and Facebook.

Sign up to receive updates | ofcc.ohio.gov

Co-Ops Bring Buying Power and Proven Business Tools to Family Owned Businesses

Independent retailers and contractors gain access to best-in-class administrative/marketing tools, credit card processing rates, insurance policies, and employee training

Family businesses are finally leveling the playing field against the national chains while retaining control of their enterprise, thanks to a Co-Operative approach that helps independent retailers, contractors and interior designers successfully compete by leveraging purchasing power and resources.

It is a way of doing business that resonates for John Taylor, a third-generation owner of a family flooring business in Ft. Myers, Florida. After 40 years as an independent business, Taylor joined Carpet One, a flooring co-op run by CCA Global Partners. Now 21 years later, Taylor's flooring business has grown from a single store to four locations.

“Joining a co-op has been not only a way for me to protect my flooring business from the onslaught of the big box retailers, but it has been a platform for my business to grow,” says Taylor. “Within the co-op, I have access to best-in-class administrative tools, credit card processing rates, insurance policies, employee training, and marketing tools.”

The work of co-ops like Carpet One is to identify the best of these services and tools, negotiate the best rates for its members, and then make them available with the training and education that is needed to implement them.

Unlike the franchise model, co-op members are not forced to follow a highly prescriptive and standardized formula. Instead they retain a high level of autonomy without having to pay stiff franchise fees.

In addition to adding three additional Carpet One stores, Taylor has also added two Pro Source locations – a wholesale floor covering business that is also managed under the CCA Global Partner network.

CCA Global is also a co-op. The company was co-founded by current chairman and CEO Howard Brodsky, who began as a flooring business owner. Witnessing the trend of large corporations causing independent family-owned flooring stores to go out of business, he felt there was an opportunity to introduce the co-op model to this sector.

After the flooring co-op grew to include several thousand members, Brodsky decided to establish CCA Global as a means to bring the co-op model to other home related products and services including lighting retailers and contractors.

Today, the co-op has expanded to include 14 divisions and more than 3,000 locations in North America. Illustrating that the model works well in just about any retail or service sector, the co-op model is now utilized for sporting goods retailers, bicycle shops, childcare facilities and even non-profit organizations.

“Virtually any market that is served by a number of family-owned businesses can benefit from forming a co-op,” says Brodsky. “The core principles of how to run a business are similar even if there are some market-specific dynamics. It comes down to equipping independent owners with the services to sustain and grow their business, and to do that at a scale where they can compete with large national companies.”

For more information on the CCA Global Partners cooperative model, please visit www.ccaglobalpartners.com.

Upcoming Events

AGC of Ohio Convention

March 10 –16, 2019 The Westin Playa Conchal Beach & Golf Resort Playa Conchal, Costa Rica Learn More:

Rjh@agcoho.com

AGC Ohio Scholarship Golf Outing

May 17th, 2019

NorthStar Golf Club

Learn More: Parker@agcoho.com

OFCC Conference

August 1, 2019

The Ohio State University—Ohio Union

Sign up @ ofcc.ohio.gov

ConstrucTalk

Do you have new employees or has someone received a promotion?

Has your company received an award or recently done anything newsworthy that you would like to share?

Send your information to Taylor Hobbs at editor@agcoho.com.

SAVE MONEY!

[Businesses and Employees](#)

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