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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.

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OHIO SENATE LEADERSHIP PUSHES TO TAKE WORK AWAY FROM PRIVATE CONTRACTORS AND GIVE IT TO LOCAL GOVTS, FURTHER SLASHES GAS TAX PROPOSAL

Last night, the Ohio Senate passed its version of the state's Transportation Budget hours after the Senate Transportation, Commerce & Workforce Committee made a host of changes and approved the legislation, [H.B. 62](#). The committee slashed the Governor's \$0.18 gas tax proposal to \$0.06 (the House had approved \$0.107). The \$7.94 billion spending measure is a reduction of \$904 million from the budget proposed by Gov. DeWine.

In what is worthy of an episode of the Twilight Zone, conservative Senate Republicans and their leadership pushed to increase force account limits on roads and bridges. (A force account is the monetary limit in which local governments can do work with their own workforce; projects over the force account limit must be put out for bid to contractors; AGC and a coalition of other industry associations regularly oppose any limit increases.) While the Republicans were ultimately pushing to expand government at the cost of private businesses, Senate Democrats pushed to remove the increases.

While the force account increase survived the committee process, it was ultimately removed on the Senate floor. Senate President Larry Obhof (R-Medina) wanted [H.B. 62](#) to pass with some Democratic votes, but Democrats withheld their votes until Senate leadership agreed to amend the legislation to restore force account limits to their current statutory thresholds, along with two other unrelated items.

The two-year spending bill was amended on the Senate floor to exclude force account increases, and the final legislation passed on a 24 to 6 vote with three Republicans and three Democrats voting against it: Teresa Fedor (D-Toledo); Matt Huffman (R-Lima); Tina Maharath (D-Canal Winchester); Rob McColley (R-Napoleon); Michael A. Rulli (R-Salem); and Vernon Sykes (D-Akron). Senators Maharath, McColley and Sykes also voted against the bill in committee.

Next week the Ohio House and Senate will hash out the major differences between their respective versions, including the gas tax increase.

While most AGC of Ohio members may not directly benefit from an increase in Ohio's motor fuel tax, AGC supports it because well maintained and new roads spur economic development that results in increased building construction. Given the political posturing and shenanigans that have gone with the transportation budget—the legislature's first budget of the General Assembly and considered a preview of what's to come with other budgets like the state operating budget that usually contains policy impacting commercial builders—we think it's important to recognize those senators that stood up for contractors' best interests... our construction champions.

Senate Construction Champions for the Transportation Budget:

- **Nickie Antonio (D-Lakewood):** Vocally pushed for increased funding and other contractor issues during the committee process; she voted against the bill in committee, but ultimately voted for it on the Senate floor after it was amended.
- **Stephanie Kunze (R-Hilliard):** Bucked fellow Republicans during the committee process and voted against tabling a Democratic amendment to remove the force account limit increases.
- **Peggy Lehner (R-Kettering):** The only Senate Republican that publicly stated on the Senate floor that the \$0.06 gas tax increase was inadequate and that she hopes it is further increased during the conference committee deliberations.
- **Nathan Manning (R-N. Ridgeville):** Bucked fellow Republicans during the committee process and voted against tabling a Democratic amendment to remove the force account limit increases.
- **Minority Leader Kenny Yuko (D-Richmond Hts) and the entire Minority Caucus:** Senate Democrats under Sen. Yuko's leadership pushed for increasing transportation funding and removing the force account increase.

EDGE ELIGIBLE COMPANIES AND GRADUATION DATES REMAIN MOVING TARGET

On Monday, AGC of Ohio sent an EDGE Update that included a link to the [spreadsheet](#) provided to AGC of Ohio by the Ohio Dept. of Administrative Services that included EDGE participants graduation dates. The spreadsheet was provided after AGC made a Freedom of Information Act (FOIA) request to the department stemming from an Ohio Inspector General's [report](#) highlighted concerns with the DAS Equal Opportunity Division's (EOD) process for approving EDGE companies and failure to remove those whose terms have expired or are no longer considered financially disadvantaged. EOD last year [announced](#) it would be graduating EDGE participants according to EDGE's regulatory term limits.

Earlier this year EOD informed AGC that companies whose terms are expiring would be granted until October 1, 2019 to ensure their affairs are in order before their EDGE certification is ended. It appears EOD continues to change its mind, as AGC was forwarded an email midweek from EOD Program Manager Todd McGonigle stating that *"all companies that were extended to 10/1/2019 and those companies no long in the program due to 10 year time-limit from 01/01/2019 to current; have be reissued certification until 12/31/2020 and contacted by phone."* (Note, this is a direct quote from the email.)

AGC encourages members to confirm the EDGE subcontractors status on the EOD [website](#). Since the EOD's latest decision appears to fly in the face of the IG's report, time will tell if there are any related actions or repercussions to it.