



Quality People. Quality Projects.



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.

September 26, 2019



OHIO FACILITIES COMMISSION ANNOUNCES NEW EXECUTIVE DIRECTOR

Chair of the Ohio Facilities Construction Commission (OFCC), Director Kim Murnieks, announced this afternoon the appointment of Cheryl Lyman as OFCC's new Executive Director. Cheryl has previous experience with the Commission as a fiscal officer, and most recently served as a fiscal officer for The Ohio State University. AGC of Ohio congratulates Ms. Lyman on her appointment and looks forward to working with her in the role.

(l-r): Cheryl Lyman, Kim Murnieks, Jon Walden

BILLS OF INTEREST TO CONTRACTORS

The following is a list of bills of interest to commercial contractors that have been introduced during the 133rd General Assembly, which began this year; it includes AGC of Ohio's advocacy on the legislation. For more information, contact Andrea Ashley at AGC of Ohio (614) 486-6446 or andrea@agcoho.com.

HB4 - WORKFORCE CREDENTIALS (RICHARDSON T, ROBINSON P): To permit the Governor's Office of Workforce Transformation to develop industry-recognized credentials and certificate programs. 7/17/2019 - Referred to Committee Senate Transportation, Commerce and Workforce

- **AGC Action:** AGC spoke with the Ohio Dept. of Education and Higher Education about the legislation, its intent and potential impact on existing credential and certificate programs. AGC is supportive of the efforts to create a clearinghouse of industry-recognized credentials and certificates.

HB6 - CLEAN AIR PROGRAM (CALLENDER J, WILKIN S): To create the Ohio Clean Air Program, to facilitate and encourage electricity production and use from clean air resources, and to proactively engage the buying power of consumers in this state for the purpose of improving air quality in this state. 7/23/2019 - SIGNED BY GOVERNOR; Eff. 10/22/19

- **AGC Action:** AGC monitored the legislation that includes subsidies for Ohio nuclear facilities. Some AGC members involved in energy projects expressed interest in the legislation, and the Ohio Building Trades supported it. Opponents are pushing a referendum to place the issue on the 2020 ballot.

HB22 - OFCC ODE-SCHOOL BUILDING AMENITIES (ANTANI N): To require the Ohio Facilities Construction Commission and the Department of Education to conduct a study regarding certain school building amenities. *2/19/2019 - House Primary and Secondary Education, (First Hearing)*

HB62 - TRANSPORTATION BUDGET (OELSLAGER S): To increase the rate of and modify the distribution of revenue from motor fuel excise taxes, to make appropriations for programs related to transportation and public safety for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of those programs. *4/3/2019 - SIGNED BY GOVERNOR; eff. 90 days, Taxes eff. 7/1/19*

- **AGC Action:** AGC expressed support of the gas tax increase contained in the budget when meeting with legislators, and strongly opposed the increase to force accounts that was added by the Senate. (A force account is a monetary threshold where government entities can perform work with their own workers in lieu of hiring private contractors to do the work.) The force account increase was ultimately removed, and the state's gas tax was increased by 10.5 cents and diesel by 19 cents per gallon.

HB72 - CAPITAL IMPROVEMENTS FUND (ROGERS J, CERA J): To create the Supplemental State Capital Improvements Pilot Program funded by a temporary transfer from the Budget Stabilization Fund and to make an appropriation. *2/20/2019 - Referred to Committee House Finance*

HB78 - PREVAILING WAGE-PUBLIC IMPROVEMENTS (RIEDEL C, MANCHESTER S): To allow political subdivisions, special districts, and state institutions of higher education to elect to apply the Prevailing Wage Law to public improvement projects. *2/20/2019 - Referred to Committee House Commerce and Labor*

- **AGC Action:** AGC spoke with House leadership and representatives about the bill, and at this time no one expects any movement on it.

HB79 - INDUSTRIAL COMMISSION BUDGET (OELSLAGER S): To make appropriations for the Industrial Commission for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of Commission programs. *6/27/2019 - SIGNED BY GOVERNOR; eff. 6/27/19*

HB80 - BWC BUDGET (OELSLAGER S): To make appropriations for the Bureau of Workers' Compensation for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of the bureau's programs. *7/22/2019 - SIGNED BY GOVERNOR; Eff. Immediately*

- **AGC Action:** AGC monitored the bill and met with House leadership staff to learn more about the policy that was added to the bill, including language designed to discourage the misclassification of workers. All of the controversial policy was later removed, including the misclassification language.

HB84 - CAPITAL IMPROVEMENTS-SEWER LATERALS (HOLMES G): To expressly include, as eligible projects under the State Capital Improvements Program, water and sewer laterals located on private property. *3/27/2019 - House State and Local Government, (First Hearing)*

HB115 - REGULATORY RESTRICTION REDUCTION (RIEDEL C, ROEMER B): To require certain agencies to reduce the number of regulator restrictions and to amend the versions of sections 106.021 and 106.03 of the Revised Code that are scheduled to take effect August 18, 2019, to continue the provision of this act on and after that effective date. *4/10/2019 - House State and Local Government, (Second Hearing)*

- **AGC Action:** AGC consulted with government agencies to learn about the bill's potential impact on construction regulations and building codes. Similar language was adopted in the state's operating budget; see HB166 for additional detail of related AGC efforts.

HB159 - INDEMNITY PROVISIONS-PUBLIC IMPROVEMENT CONTRACTS (BLESSING III L): To regulate the use of indemnity provisions in professional design contracts related to public improvements. *4/30/2019 - House Civil Justice, (Second Hearing)*

HB166 - OPERATING BUDGET (OELSLAGER S): To make operating appropriations for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of state programs. *7/18/2019 - SIGNED BY GOVERNOR; Eff. Immediately*

AGC Action: AGC advocated and continues to work on several issues that were in the budget:

- Regulatory reduction language was added late in the budget process. While it may prove beneficial in some instances, the provisions did not include the same language protecting life-safety regulations that was included in other regulatory reduction bills (HB 115 and SB 1). AGC is working with impacted state agencies and other associations to assess the provisions' impact on meaningful, necessary regulations (i.e. building codes) and determine the best course of action.
- The bill's welding standards provisions were modified at AGC's request to do away with an unnecessary bureaucracy that was being created within the Dept of Industrial Compliance, address inappropriately assigned responsibility for structural steel welds to contractors not performing the welding, and some other minor changes.
- AGC was part of a coalition of nine industry groups that had construction removed from a mentorship program designed for manufacturers that did not account for the risk and unique concerns of minors on multiemployer, active jobsites.
- AGC supported language that authorizes the Superintendent of the Division of Industrial Compliance to administer and enforce the building code on behalf of political subdivisions or health districts, which will local building departments an optional tool to help address any staffing issues and ensure efficient plan review and timely building code inspections.
- Also of concern to some contractors were the bill's tax proposals impacting business income. AGC shared the appropriate information and legislators' contact information with those members. The bill ultimately retained the current deduction of \$250,000 and the three percent cap on income above that, but it excludes attorneys and lobbyists from the deduction.

HB218 - PUBLIC-PRIVATE PARTNERSHIPS (PATTON T): To authorize certain public entities to enter into public-private initiatives with a private party through a public-private agreement regarding public facilities. *6/19/2019 - SUBSTITUTE BILL ACCEPTED, House State and Local Government, (Second Hearing)*

- **AGC Action:** AGC met with the bill's proponents to better understand what is being proposed, and has requested feedback from the Ohio Legislative Services Commission (the state entity that drafts legislation) as to how current public construction laws would apply under the proposal.

HB258 - OCCUPATIONAL LICENSE-APPRENTICESHIP (POWELL J): To require a licensing authority to issue an occupational license to an applicant who completes a registered apprenticeship program and meets other requirements for licensure. *6/5/2019 - House Economic and Workforce Development, (First Hearing)*

- **AGC Action:** AGC attended an interested party meeting with the bill's sponsor and other impacted business groups to learn more about the bill. Significant concerns were discussed about how the proposal would water down certain licensing criteria, especially those related to work experience. At this time it is uncertain whether or not there will be further action on the legislation.

HB263 - OCCUPATIONAL LICENSING-CRIMINAL CONVICTIONS (KOEHLER K): To revise the initial occupational licensing restrictions applicable to individuals convicted of criminal offenses. *6/12/2019 - House Commerce and Labor, (First Hearing)*

HB289 - ELEVATOR LAW (BALDRIDGE B): To revise the Elevator Law. *6/25/2019 - Referred to Committee House Commerce and Labor*

HB304 - ELIMINATE SEX-BASED WAGE DISPARITIES (CLITES R, HOWSE S): To enact the Ohio Equal Pay Act to require state contractors and economic incentive recipients to obtain an equal pay certificate, to require public employers to establish a job evaluation system to identify and eliminate sex-based wage disparities, to prohibit employers from seeking a prospective employee's wage or salary history, and to prohibit employer retaliation against an employee who discusses salary or wage rates with another employee. 6/30/2019 - Referred to Committee House Commerce and Labor

SB1 - REDUCE REGULATORY RESTRICTIONS (MCCOLLEY R, ROEGNER K): To require certain agencies to reduce the number of regulatory restrictions and to continue the provision of this act on and after August 18, 2019. 6/12/2019 - House State and Local Government, (First Hearing)

- **AGC Action:** AGC consulted with government agencies to learn about the bill's potential impact on construction regulations and building codes. Similar language was adopted in the state's operating budget; see HB166 for additional detail of related AGC efforts.

SB2 - STATEWIDE WATERSHED PLANNING (PETERSON B, DOLAN M): To create a statewide watershed planning structure for watershed programs to be implemented by local soil and water conservation districts. 6/19/2019 - Referred to Committee House Energy and Natural Resources

SB4 - SCHOOL FACILITIES ASSISTANCE (RULLI M): To make a capital appropriation for school facilities assistance. Passed Senate and Informally Passed House; 7/23/2019 - Re-Referred to Rules & Reference Committee

- **AGC Action:** AGC met with the bill's sponsor and expressed support for the additional capital funding.

SB7 - TEMP STATE OCCUPATIONAL LICENSES-MILITARY (LEHNER P, HACKETT R): Regarding temporary state occupational licenses for members of the military and their spouses. 5/22/2019 - House Armed Services and Veterans Affairs, (First Hearing)

SB8 - TAX CREDITS-OHIO OPPORTUNITY ZONE (SCHURING K): To authorize tax credits for investments in an Ohio Opportunity Zone. 5/8/2019 - House Economic and Workforce Development, (Second Hearing)

SB9 - HEALTH PLAN CLAIM INFORMATION (HUFFMAN M): To require health plan issuers to release certain claim information to group plan policyholders. 5/7/2019 - REPORTED OUT AS AMENDED, House Insurance, (Third Hearing)

SB11 - PROHIBIT DISCRIMINATION-SEXUAL ORIENTATION, GENDER IDENTITY (ANTONIO N): To enact the Ohio Fairness Act to prohibit discrimination on the basis of sexual orientation or gender identity or expression, to add mediation as an informal method that the Ohio Civil Rights Commission may use, and to uphold existing religious exemptions under Ohio's Civil Rights Law. 5/22/2019 - Senate Judiciary, (Third Hearing)

SB38 - WATER AND SEWER FUNDS-MUNICIPAL CORPORATIONS (SCHURING K): To revise the law governing municipal corporation use of water and sewer funds. 3/26/2019 - Senate Local Government, Public Safety and Veterans Affairs, (First Hearing)

SB39 - MIXED USE DEVELOPMENT PROJECTS-TAX CREDIT (SCHURING K): To authorize an insurance premiums tax credit for capital contributions to transformational mixed use development projects. 6/30/2019 - Referred to Committee House Economic and Workforce Development

SB50 - INCREASE SOLID WASTE DISPOSAL FEE (EKLUND J): To increase state solid waste disposal fee that is deposited into the Soil and Water Conservation District Assistance Fund, and to make an appropriation. 4/2/2019 - Senate Finance, (Second Hearing)

SB89 - CAREER-TECHNICAL EDUCATION (HUFFMAN M): With regard to career-technical education and the compensation of joint vocational school districts located in enterprise zones. *5/7/2019 - Senate Education, (Third Hearing)*

SB92 - WAGE DISCRIMINATION (MAHARATH T): To enact the 'Fair and Acceptable Income Required (FAIR) Act' and to revise the enforcement of the prohibitions against discrimination in the payment of wages. *3/20/2019 - Senate General Government and Agency Review , (First Hearing)*

SB109 - WORKFORCE SCHOLARSHIP PROGRAM (SCHURING K): To establish the Workforce Scholarship Program, to terminate the provisions of the Scholarship Program on December 31, 2023, to authorize tax credits for graduates of the Scholarship Program and their employers, and to make an appropriation. *4/24/2019 - Senate Finance, (First Hearing)*

SB136 - REGISTERED DESIGN PROFESSIONALS (HOTTINGER J, SYKES V): To establish a payment assurance program for registered design professionals. *6/18/2019 - Senate Government Oversight and Reform, (First Hearing)*

- **AGC Action:** AGC met with proponents of the bill prior to its introduction and is consulting with members to determine a position and/or recommended changes.

SB156 - DRUG SCREENINGS (GAVARONE T): To prohibit defrauding an alcohol, drug, or urine screening test. *6/12/2019 - Senate Judiciary, (First Hearing)*

- **AGC Action:** AGC has spoken with the sponsor and expressed support for the bill.

SB176 - LICENSE RESIDENTIAL CONTRACTORS (SCHAFFER T): To license residential only construction contractors and to make changes to the law regulating specialty construction contractors. *7/17/2019 - Referred to Committee Senate Transportation, Commerce and Workforce*

SB177 - ROOFING CONTRACTOR REGISTRATION (HOTTINGER J, THOMAS C): To regulate and require the registration of roofing contractors. *9/11/2019 - Referred to Committee Senate Transportation, Commerce and Workforce*