



**HOUSE HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE
INTERESTED PARTY TESTIMONY ON H.B. 668**

December 5, 2018 by:

**Andrea Ashley, Vice President of Government Relations
Associated General Contractors of Ohio**

Chair Duffey, Vice Chair Antani, Ranking Member Ramos and Members of the House Higher Education & Workforce Development Committee:

Thank you for the opportunity to testify on House Bill 668. The Associated General Contractors (AGC) of Ohio is a commercial construction association that represents large and small, union and open shop (non-union), commercial building and industrial (vertical) contractors from across the state. Many of our members work on public projects.

AGC of Ohio is a strong proponent of public procurement processes that are fair, open, competitive, consistent and transparent. Our association was very involved in the construction reform effort that resulted in significant changes in the state's public procurement laws in 2010 and understands the need for creative ways to finance, build and maintain our public facilities.

H.B. 668 authorizes state agencies, political subdivisions and schools to enter Public Private Partnerships, or P3's, for public facilities. Within these arrangements, facilities may be constructed, improved and maintained.

P3 arrangements are complex, and many construction-related questions can arise: Do public construction laws apply? How and when do they apply? While the facility is being maintained by an operator, how are renovations and improvements handled? What is considered maintenance versus an improvement or renovation?

It is important to make clear the application of public construction laws under these agreements. With the complexity of P3s, ambiguity can lead to unexpected expenses and potential litigation. Providing



clarity will prevent confusion and uncertainty for Ohio's construction industry, as well as the parties entering the public private partnership.

AGC of Ohio appreciates the outreach from the bill's proponents about the legislation, and hopes to work with them, Representative Patton and this committee to ensure the clear application of public construction laws in H.B. 668.