

**82<sup>ND</sup> HOUSE DISTRICT**

DEFIANCE, PAULDING, AND VAN WERT  
COUNTIES, AND ALSO THE NORTHWEST  
CORNER OF AUGLAIZE COUNTY

**Committees**

Economic and Workforce  
Development; Commerce and  
Labor; Vice Chairman of Higher  
Education

**COLUMBUS OFFICE**

VERN RIFFE CENTER  
77 SOUTH HIGH STREET 11<sup>TH</sup> FLOOR  
COLUMBUS, OH 43215-0253  
PHONE: (614) 644-5091  
REP82@OHIOHOUSE.GOV



**State Representative Craig S. Riedel**  
**Ohio House of Representatives**  
**Sponsor Testimony HB 115**

Chairman Wiggam, Vice-Chair Ginter, Ranking Member Kelly and members of the State and Local Government Committee, thank you for the opportunity to provide sponsor testimony for House Bill 115 as companion legislation to Senate Bill 1 sponsored by Senators Kristina Roegner and Robert McColley.

This legislation will require our state agencies to review their rules and regulations thoroughly, conduct a base inventory, and then reduce them by 30% at the department level in three years. If a state agency is not able to meet this reduction goal, then for every new regulation they propose to add, two must be removed.

In 2018, Senate President Obhof and several of the Republican caucus members stood in front of the press and announced the staggering statistics from a study done on Ohio's regulatory restrictions. The study was conducted by the Mercatus Center at George Mason University and it found that Ohio has the third highest number of regulations of the 22 states so far studied by the researchers with 246,852. According to their numbers, the average number of regulations per state is 148,682. The Ohio Lottery Commission alone has over 30,000 regulations and the Ohio EPA has over 28,000.

Ohio's businesses are currently under excessive regulation due to the rapid collection of new laws, which over time causes slow economic growth. It is important to create a less restrictive environment so that businesses can continue to grow without being hindered by unnecessary standards. Compliance costs often become most burdensome on independent business owners, especially in rural areas with small and family owned operations, where they do not have the resources and staff to assist them.

After reviewing the survey results from George Mason University's Mercatus Center that highlight Ohio's severe regulatory restrictions, I believe that House Bill 115 is the next step in regulatory reform. The Mercatus Center's study surveyed the top 10 industries targeted by state regulation in 2018. Among those 10, the number one is chemical manufacturing with 10,589 industry relevant restrictions. This study then identified the top 10 regulators in 2018 with the number one being the Ohio Lottery Commission with 30,351 restrictions.

House Bill 115 aims at challenging the current regulatory system and administration to bring Ohio closer to the median in comparison to surrounding states rather than do nothing and remain a strong outlier. From my experience working and living outside of Ohio, I know that these changes will bring Ohio to a competitive level compared to its surrounding states.

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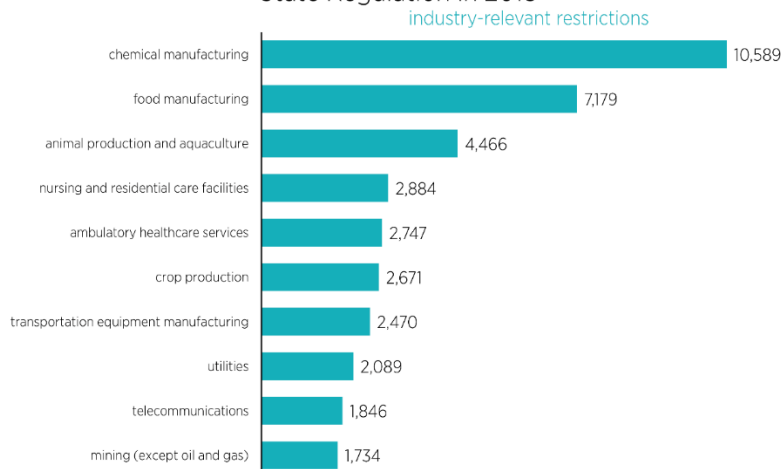
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In Conclusion, Ohio has the potential to become a more business friendly state and we can continue to build on job growth. Reducing burdensome regulations will be the first step in ensuring that Ohio becomes a front runner for businesses to relocate to our state. The more business friendly our state is, the more job potential our state has. I believe this reform is necessary to reduce government impact on Ohioans lives and businesses. We need to know how many restrictions we have, we need to systematically review them, and we need to eliminate the rules that are unnecessary.

I want to thank Representative Roemer for his leadership and work as my joint sponsor. In addition, I want to thank my Legislative Aide, Margaret Basie, for all of her help. To the entire committee, thank you for your time and attention as you thoughtfully consider this important matter.

At this time, I would respectfully request that the Committee hold their questions until Representative Roemer has had an opportunity to present his sponsor testimony at which time we would be happy to entertain any questions the Committee might have.

Top 10 Industries Targeted by Ohio  
State Regulation in 2018



Source: State RegData, "Ohio," <http://www.quantgov.org/data/>.  
Produced by James Broughel and Jonathan Nelson, February 2018.