

## March 3, 2021

Ohio House of Representatives Commerce and Labor Committee Chair Dick Stein

From: Beth Lear, Vice President of Government Affairs, Associated Builders and Contractors of Ohio

## House Bill 380 - Proponent Testimony

Chair Stein, Vice Chair Johnson, Ranking Member Lepore-Hagan and Members of the Committee,

Good afternoon. My name is Beth Lear. I am Vice President of Government Affairs for Associated Builders and Contractors of Ohio. Our members support House Bill 68.

This legislation represents an extension of the current Prompt Payment Act which has <u>proven</u> to be an effective tool in facilitating the proper and prompt payment of subcontractors and suppliers in the construction industry. The result? Ohio has avoided, in many cases, disputes and litigation.

Too often, construction owners assert their superior position by withholding payments for <u>properly</u> <u>completed work</u> with the only recourse being litigation, which forces contractors to incur legal fees and expenses to secure payment and reduces the net recovery of such contractors.

The bill does not place construction owners at a disadvantage since it specifically provides an exception where there are disputed liens and claims. Moreover, contractors must carefully consider whether to assert a claim since the bill provides for a possible award of attorney fees for the prevailing party.

We hope you agree House Bill 68 is fair and will positively affect Ohio businesses, our economy and civil justice system. The legislation simply applies the same requirements to owners that the Prompt Pay Act applies to contractors and project managers.

On behalf of the hundreds of contractors, subcontractors, suppliers and tradesmen and women who are members of the Associated Builders and Contractors of Ohio, we ask you to favorably consider House Bill 68 to help these men, women and businesses get paid in a reasonable amount of time.

Thank you.