

February 9, 2022

Ohio Senate Workforce and Higher Education Committee

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

House Bill 68 - Proponent Testimony

Chair Johnson, Vice Chair Cirino, Ranking Member Williams 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, also known as ABC of Ohio. Our members support House Bill 68.

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

On occasion, some private construction owners have asserted their superior position by withholding payments for <u>properly completed work</u>, the only recourse being litigation, which forces contractors to incur legal fees and expenses just to secure payment for themselves and their employees. It also reduces the net recovery of those contractors.

The bill does *not* place ethical construction owners at a disadvantage, since it specifically provides an exception when there are legitimate disputed liens and claims.

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

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

Thank you.