June 14, 2023

Hon. Mark Johnson State Representative 77 S. High St., 12th Floor Columbus OH 43215

Rep92@ohiohouse.gov

RE:

House Bill 203, House Commerce & Labor Committee

Dear Chair Johnson:

This is to express our industry's strong support for House Bill 203, a bipartisan initiative to implement prompt payment provisions for completed construction work.

Current Revised Code 4113.61 requires payment by a prime contractor to subcontractors within 10 days of receiving payment from the project owner. But nothing in the law requires the owner to timely pay for completed work. House Bill 203 would change that.

Each owner presumably has funding before initiating a project. The contractors add value to each owner's project on a strict project schedule. If the owner does not pay timely, all of the contractors and subcontractors end up serving as lenders for their own labor and materials. This is fundamentally unfair.

The National Electrical Contractors Association, Ohio/Michigan Chapter was founded in 1929 to serve the Northwest Ohio and Southeast Michigan Electrical Industry. The purpose and objectives of NECA are to represent, promote and advance the interests of the Electrical Contracting Industry and the consumers who use these services. We currently represent 29 member companies working throughout northwestern Ohio.

House Bill 203 is common-sense legislation long overdue. Thank you for your consideration.

Sincerely,

Todd Michaelsen OH/MI Chapter NECA

Cc: **Sponsors**