



Ohio Contractors Association

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House Commerce and Labor Committee Opponent Testimony on HB 327

Provided on May 21, 2024 by
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Chair Johnson, Vice Chair Manchester, Ranking Member McNally, and members of the Committee, thank you once again for the opportunity to testify on House Bill 327. We are now on the sixth iteration of this bill which we received yesterday afternoon. We do appreciate the efforts of the sponsors to listen to our concerns and to make some changes. The gap has narrowed, but major differences remain and for that reason I am appearing before you today as an opponent.

As I stated previously, we do not condone the hiring of undocumented workers. Our opposition rests solely with the inconsistencies and mechanics of the bill. Progress has been made to address some of our these concerns however, the significant issues remain:

- Why are the sectors of the construction industry, namely the public highway/civil and commercial building industries being targeted while the sector in greatest non-compliance, the residential construction industry, is exempt?
- Why is an administrative process – the e-verification process - considered to be an effective deterrent to hiring undocumented workers? Shouldn't focus be directed to the actual hiring and employment of undocumented workers?
- If the desire is to curb the employment of undocumented workers, why are we not hiring individuals to police conformance to appropriate work visa status instead of foisting an additional paperwork burden on compliant employers?
- Why does the mandate begin with the first employee for the construction industry and 75th employee for all others?
- Why are penalties associated with violations focused solely on the construction industry and unstated for every other "Employer"?

With these questions in mind, we cannot help but think that the proponents of this bill have placed a large target on the backs of our members. The target is unwarranted and contrary to the professionalism and pride in workmanship our largely union membership brings to their work. Our membership does not deserve the punitive penalties this legislation proposes.

We are grateful to the Chair and bill sponsors for making some revisions to the bill. However, there remain questions related to verbiage and application.

- The bill would require contractors to E-Verify individuals “assigned” to a project. Federal law only allows for an I-9 for individuals hired/employed. As such, the bill directly conflicts with federal law.
- This bill would appear to mandate e-verification for every employee being hired in the state by a prime or subcontractor whether they are working on a state project or not. I refer you to lines 96-98.
- Would you be willing to stop an active project like the I-70/I-71 split in downtown Columbus if the contract neglected to include E-Verify provisions by declaring a contract void? In that event, a contractor would be excluded from receiving payment for work that had already been performed. Language that would do this is in the current version of the bill.
- Federal law provides protections for the seasonal and transitory nature of highway construction regarding paperwork requirements and employment verification. It is unclear if the current version of the bill provides the same protection or instead creates an administrative burden specific to Ohio.

Based on these parameters, OCA, as representatives of the highway/civil industry in Ohio must oppose this bill. We do not and are not advocating for the employment of undocumented immigrants. However, there is a better way through the enforcement of existing laws. Thank you for the opportunity to present this testimony.