



HOUSE HOMELAND SECURITY COMMITTEE – Opponent Testimony, House Bill 205, 6.21.23

Chair Ghanbari, Vice Chair Plummer, and Ranking Member Thomas, my name is Jeff Dillon and I serve as the Ohio Legislative Director for Americans for Prosperity. Ordinarily I begin my remarks before a legislative committee with some boilerplate language offering my thanks for the opportunity to appear or other such niceties, but with respect to both process and policy, I'm afraid HB 205 leaves me no such opportunity for tactful decorum. AFP – Ohio strongly and unequivocally opposes this legislation, and I will tell you why.

AFP believes when government protects people's rights, important market signals can function. But when anticompetitive, cronyist policies that violate people's rights are put forward and enacted, the openness of the free market is eroded and opportunities for competition for knowledge, resources, and talented workers are significantly reduced and limited. HB 205 is exactly such a cronyist, anticompetitive proposal.

AFP's opposition to HB 205 should not come as a surprise to most members of this committee who were in office during the 134th General Assembly, as this bill is basically a retread of HB 235 from last session. My organization strongly opposed that previous bill during the committee process, in direct conversations with legislators, and with constituent outreach via our statewide grassroots network. For those of you who are new to this process, please allow me to briefly (as you have heard or will be hearing from industry experts more familiar with the technical facts and nuances of operations that would be affected by this proposal) touch on the details of why my organization so strongly opposes this bill:

- HB 205 creates a top-down, government mandated labor quota system which would require Ohio's refineries to only hire construction workers for maintenance and/or new construction projects who have completed a training program, which is offered almost exclusively by the unions pushing this legislation. This is an obvious cash grab, and it is inherently protectionist, anti-free market policy;
- HB 205 contains stringent and costly compliance provisions that would mandate excessive fines (\$10k/day/employee) of employers should any mandates be violated, should this bill be enacted;
- And, most importantly, HB 205 is a thinly veiled attempt to use government coercion in order to kowtow to the financiers of the campaigns of certain members of this body.

This is an inherently protectionist, anti-free market policy designed by cronyists, to directly benefit cronyism.

In a nutshell, government has no business dictating to private employers who they choose to hire. Government certainly has the authority to impose the heavy-handed mandates contained within HB 205, but that doesn't make it a good idea. Additionally, the notion that refining companies are not fully invested in and highly concerned with operational safety is ludicrous, as they are self-interested entities. What possible reason would they have for maintaining anything less than the highest standards for safety, when even relatively minor accidents can result shutdowns, delays, lawsuits, and insurance payouts? Businesses operating in a truly free market tend to do everything in their power to maximize profit, which in the refining business means safe, uninterrupted operational output.

I nor anyone sensibly opposing this bill is going to stand before you and try to argue that working with or around hazardous chemicals and compounds is not risky. When accidents occur in any line of work that result in serious injury or death, it is unquestionably tragic, and people understandably look for answers and seek to learn how to improve processes so similar incidents become less likely or unlikely in the future. Others opposing this legislation will have provided the committee with BLS statistics showing that refineries actually tend to be among some of the safest working environments compared to other manufacturing sectors, precisely because the industry is thoroughly committed to safety, because it inherently has every possible incentive for that commitment.

At the beginning of my remarks, I alluded to the process surrounding HB 205; not that there is any requirement to do so, but a cosponsor request was not circulated to all House members before this bill was introduced, per the usual custom. Additionally, this bill was introduced on June 6th, and was referred to committee the very next day, when it also had its first hearing in committee; this is also irregular practice. And now today, despite being fully aware of the opposition to the previous version of this bill, we find HB 205 starred for a vote on the committee agenda, indicating intent to rush the bill to the House floor essentially only two weeks after its introduction, before having even heard fact-based evidence and information from opponents. It is hard for a rational observer of the legislative process to look at this hurried push prior to the upcoming legislative summer recess and think anything other than cynical thoughts.

AFP – Ohio opposes HB 205 in the strongest possible terms. It is legislation rooted in the culture of cronyism that weakens our free market system, both in spirit and in practice. The arguments against the bill are rooted in fact and reality. The only explanation for the advancement of this legislation is the pure politics of convenience.

AFP – Ohio strongly urges members of this committee to vote no on HB 205, and all members of the House to vote no should it come for a vote on the House floor.

Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 3.2 million activists across the nation, a local infrastructure that includes 36 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit www.AmericansForProsperity.org.