



---

**SENATE INSURANCE COMMITTEE**  
**S.B. 116 - Opponent Testimony, June 7, 2023**  
**Presented by Andrea Ashley, VP of Government Relations**

Chair Hackett, Vice Chair Lang, Ranking Member Craig, and Senators on the Insurance Committee:

Thank you for the opportunity to express the Associated General Contractors (AGC) of Ohio's opposition to Senate Bill 116.

AGC of Ohio is a construction employers association that represents large and small, union and open shop (non-union), commercial building and industrial contractors from across the state. Our members build and renovate hospitals, offices, schools, wastewater treatment plants, warehouses and manufacturing facilities, mixed-use developments, and a host of other vertical structures.

Ohio is undergoing a building boom. Our state is projected to have about \$200 billion worth of non-residential construction through 2025. When Ohio is chosen above other states for large private investments, one of the factors commonly cited is our trained, skilled construction workforce.

In Ohio, construction is not a pass-through, it is a career. Our employers spend a significant amount of time and resources to train and retain their tradespeople. Contractors invest in apprenticeship and other workforce development programs; offer a myriad of benefits including healthcare and retirement; and provide appropriate personal protective and safety equipment.

Construction employers repeatedly identify bringing people into the industry as their top challenge. Complicating employers' ability to recruit and retain workers is the fact that construction is both cyclical and seasonal, primarily due to Ohio weather. This can be seen by simply looking at Ohio's construction jobs data. Employment starts to pick up in the spring, peaks in the summer months, gradually declines in the fall, and hits its lowest point in the winter with the highest level of construction unemployment.

---

Additionally, poor economic conditions have a drastic impact on the industry. On the vertical building side, construction employers are very dependent on private businesses' ability to make capital investments. And, the economic recovery of commercial building tends to lag the general economy by two to three years.

To be clear, construction employers and their tradespeople want to work. Craft labor is only paid for their hours worked, and they work as much as possible during the building season, knowing there is the chance of being laid off. Unemployment compensation is a significant pay cut, but it allows tradespeople to get by and helps keep them in the industry. Also note that many craft workers use the time off to update their work requirements, improve expertise or learn new skills (i.e. OSHA training, certifications, new technology, etc.). Additionally, construction employers tend to pay the maximum rate into Ohio's unemployment fund.

The changes contained in S.B. 116 will push many of our current skilled workers either out of the industry or out-of-state to warmer climates where building is less cyclical. And, slashing weeks and benefits will ultimately discourage people from even pursuing a construction trade. Given the amount of private and public construction investment in this state, Ohio needs to retain its current skilled tradespeople and recruit more into the industry.

Don't exacerbate Ohio's labor challenges. AGC of Ohio urges you to oppose S.B. 116.