

HOUSE COMMERCE & LABOR COMMITTEE HOUSE BILL 246 INTERESTED PARTY TESTIMONY

Provided Written Only on May 21, 2025 Contact: Andrea Ashley, Vice President of Government Relations Associated General Contractors (AGC) of Ohio

Chair Johnson, Vice Chair Lear, Ranking Member McNally, and Members of the House Commerce & Labor Committee:

The Associated General Contractors (AGC) of Ohio appreciates the opportunity to provide testimony as an interested party on House Bill 246.

AGC of Ohio is a statewide construction association representing large and small contractors, including open shop (nonunion) and union firms. Our members are engaged in commercial building and industrial construction, delivering projects such as hospitals, offices, schools, wastewater treatment plants, warehouses, manufacturing facilities, mixed-use developments, and other vertical structures. These are nonresidential contractors that operate in both the public and private sectors.

During the last General Assembly, AGC of Ohio was among the few organizations that actively opposed the prior E-Verification legislation. That bill included unclear and inconsistent definitions, focused more on administrative requirements than on addressing the actual hiring of unauthorized workers, and included penalties that risked unintended consequences for well-intentioned employers.

We believe House Bill 246 represents a substantial improvement. Key provisions in this version include:

- Simplified and clearer definitions;
- The inclusion of labor brokers, whose work within the nonresidential construction industry requires particular attention and treatment;
- A tiered penalty system based on the number and recurrence of violations, appropriately targeting those who knowingly hire unauthorized workers or repeatedly fail to comply with E-Verification mandates; and
- Expanded discretion for the Attorney General and the courts, allowing for more balanced enforcement.

We appreciate the sponsors' and proponents' willingness to engage with industry stakeholders throughout the drafting process. Their collaborative approach has resulted in legislation that better addresses the complexities of the construction industry while prioritizing enforcement against bad actors.

Thank you for the opportunity to provide this testimony.