



OHIO ROOFING CONTRACTORS ASSOCIATION

**Proponent Testimony before the
House Small Business Committee
November 18, 2025
James F. Horner (Fred Horner) President
Ohio Roofing Contractors Association**

Chairman Ghanbari, Vice Chairman Dean, Ranking Member Upchurch, and Members of the Ohio House Small Business Committee:

My name is Fred Horner and I am the current President of the Ohio Roofing Contractors Association (ORCA.) Along with being the President of ORCA, I am also the owner of Advanced Industrial Roofing located in Massillon, Ohio where we employ nearly 100 employees.

I would like thank you for the opportunity to provide written proponent testimony on House Bill 568 (Mathews, Santucci), legislation to establish a reasonable limit on retainage in private construction contracts. ORCA represents roofing contractors across Ohio, including large and small firms, union and non-union shops, and companies working across all sectors of the roofing industry.

Under current law, there is no statutory limit on the amount of retainage an owner may withhold from a contractor or subcontractor on private construction projects. HB 568 addresses this problem by prohibiting construction contracts or subcontracts for private projects valued at more than \$1 million from including provisions that require or permit retainage in excess of 5% of the contract or subcontract's value.

For ORCA members, this change is significant. Excessive retainage creates substantial cash-flow challenges for contractors, subcontractors, and material suppliers, many of whom have fully completed their work but must wait months for the release of funds. These delays strain payroll, hinder the purchase of materials, and limit the ability to invest in workforce training and safety.

Capping retainage at 5% strikes an appropriate balance. It preserves an owner's ability to ensure satisfactory completion while also promoting fair and timely payment practices. By creating a uniform standard, HB 568 will strengthen Ohio's construction industry, support businesses, and reduce the financial risk placed on contractors who have already fulfilled their obligations.

For these reasons, the Ohio Roofing Contractors Association respectfully urges your support for HB 568.

Thank you for your consideration.

James F. Horner (Fred Horner)

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