



## **Ohio Contractors Association**

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Ohio House of Representatives Transportation Committee  
House Bill 54 Testimony  
Ohio Contractors Association  
February 12, 2025

Chair Willis, Vice-Chair Daniels, Ranking Minority Member Grim, and members of the Transportation Committee, thank you for the opportunity to provide proponent testimony on House Bill 54, the transportation budget bill. My name is Chris Runyan, and I am the President of the OCA. Our Association is comprised of 200 contractor members along with another 260 materials and service suppliers in the heavy/highway construction sector. Our members perform the majority of Ohio's public sector infrastructure improvement work including building Ohio's vast highway and bridge network.

We are pleased the DeWine Administration has put forth a transportation spending proposal that utilizes the full purchasing power afforded by state and federal motor fuel tax revenues.

OCA and its members keep a close eye on the amount of funding that fuels the construction and maintenance of Ohio roadways. We worked collaboratively with the DeWine Administration in 2019 to increase the motor fuel user tax. At that time, for the long-term viability of maintaining the conditions of Ohio's road and addressing future economic needs of the state, Governor DeWine put forth a recommendation to the Ohio General Assembly to increase the state motor fuel tax by 18-cents and to include an inflationary adjustment to the tax rate. After a spirited debate, the result was a 10.5-cent per gallon increase for gasoline and 19-cent per gallon increase on diesel, and the creation of registration fees for electric and hybrid vehicles. An inflationary index for the tax rates was not included.

We are now nearly six years down the road. As Director Boratyn stated in her testimony, the unwelcome high rate of inflation has diminished the purchasing power of the motor fuel tax to a level that is effectively at its pre-2019 levels. The ability of ODOT to maintain core operations to sustain quality conditions, desirable corridor improvements, and support of dynamic economic development is now coming into question. I wish I could say I was surprised to be here talking about uncertainty with transportation funding but I'm not. The increases approved in 2019 were characterized as "short term" and that term is rapidly closing.

The funding provided in this bill is used to pay for the projects our members build. Without these funds there would be no work for our members to perform and the jobs those projects create would be lost. Some legislators have described the transportation budget bill as a jobs bill, our members can attest to that fact.

According to the latest information available to us, there are 13,000 private sector jobs directly related to the construction and maintenance of Ohio's highway network. That number balloons to 120,000 when including public employees, design consultants, system operations, and suppliers that support the operation and maintenance of Ohio's highway network. These are high paying, important jobs for Ohio's economy. Maintaining status quo for Ohio's transportation revenue will negatively impact these jobs.

We look forward to the release of the Strategic Transportation and Development Analysis study that Director Boratyn mentioned in her testimony. As we understand it, this study will shed more light on the infrastructure needs of Ohio compared to current and future revenue.

Regarding the policy components in the proposed budget, we are supportive of ODOT expanding the use of indefinite delivery/indefinite quantity contract authority. ODOT becomes more efficient and effective with authority to bid "task order" contracts as needed for maintenance work such as guardrail repair, lighting, minor bridge maintenance, and signal repair.

We worked with ODOT to define new force account parameters for chip and seal operations. The current authority was also impacted by inflation and the compromise we reached will allow ODOT to continue performing chip and seal pavement maintenance on two-lane roadways while allowing higher volume operations to be left to contractors.

ODOT's initiative to stem delays related to utility relocations is very much appreciated by the construction community. When utility relocation is necessary, ODOT will state in the project documents that either relocations will be complete before construction begins, or a schedule will be provided as to when they will be completed. The information provided is typically negotiated between the utility owner and ODOT. All too often, those dates are not met. Without the ability to influence the schedule of the utility owner in any way, the contractor must deviate from the planned construction sequence costing time and money or, if the impact is severe enough, pause all construction work. We understand this language is a means of achieving relocations in an agreed upon time frame and we are hopeful that it makes a difference.

As a benefit to our smaller contractors, we appreciate ODOT awareness that accounting and inflationary effects justify the audit threshold increase to \$10 million after many years of languishing at the \$5 million mark in determining when a financial review versus a financial audit is acceptable for pre-qualified ODOT contractors. This increase is many years overdue.

Finally, I would be remiss if I did not touch on work zone safety. Given the inherent dangers of working in and driving through a highway construction work zone, influencing a driver's speed is

a critical factor in assuring the driver's safety as well as those working behind barrels or barricades or under the guidance of a law enforcement officer or a flagger. With law enforcement spread thin performing their many other duties, automatic speed detection using cameras is a critical component for controlling speed, thereby preventing crashes and saving lives. Fourteen states and the District of Columbia now have legislation in place. Proponents in West Virginia are introducing enabling legislation this week. For the sake of workers and drivers alike, we are proponents for automated work zone speed detection cameras in Ohio.

This is a good budget that reflects the financial realities of today along with several operational adjustments needed for ODOT and the contracting community. Without question, hard revenue decisions are in our future. But return on transportation investment is one of the best paths towards future prosperity and growth for the citizens of Ohio.

Thank you for the opportunity to testify on HB 54. I am happy to answer any questions you may have.