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Chairman Roegner, Vice Chair Gavarone, Ranking Member Blackshear, and members of the Senate General Government Committee, I appreciate the opportunity to present sponsor testimony on Senate Bill 262.

This important legislation focuses on enhancing fairness, transparency, and accountability in Ohio's public construction process, particularly regarding the use of construction management at risk and design-build contracts. These alternative delivery methods are increasingly adopted for their flexibility, speed, and ability to foster innovation in public projects. However, this increased flexibility also brings the responsibility to ensure that contract terms are explicit, that changes are transparent, and that competitive fairness is preserved throughout the process.

Senate Bill 262 introduces several key improvements to address these issues. First, it mandates transparency in contract changes. When a public authority utilizes an industry-standard published contract for construction management at risk, design-build, or general contracting, any modifications must be clearly indicated. This can be done through strike-throughs, underlining, or cross-references. If changes are not adequately displayed, they will be deemed void, allowing the original industry-standard language to prevail. This provision ensures that all contractors and subcontractors understand precisely what they are agreeing to before signing, thus preventing any hidden or ambiguous alterations.

Additionally, the bill streamlines procedures for smaller projects, specifically those under \$4 million. It permits public authorities to request both qualifications and pricing proposals simultaneously. This change optimizes the process for small-scale projects, conserving time and resources for both public owners and bidders, while still upholding safeguards to ensure a best-value selection.

Moreover, Senate Bill 262 promotes consistency across various sections of the Revised Code, harmonizing standards so that the rules governing construction management at risk and design-build contracts maintain uniformity, regardless of which public entity oversees the initiative. This alignment reduces confusion and minimizes the risk of litigation for both contractors and public authorities.

It is also essential to highlight that while the reforms introduced in Senate Bill 262 enhance transparency and establish a structured process, they do not restrict public authorities' ability to reject proposals, pursue alternative delivery methods, or negotiate fair contracts. Public owners will still retain the necessary flexibility, but within a system designed to promote accountability.

The significance of this legislation cannot be overstated. Public construction represents a considerable investment of taxpayer dollars. Ohio has made substantial strides in modernizing our delivery systems, with the Ohio Facilities Construction Commission playing a pivotal role in implementing best practices. Senate Bill 262 builds on this progress by incorporating common-sense safeguards that aim to reduce disputes, enhance efficiency, and ultimately safeguard taxpayer money.

It is important to note that Senate Bill 262 was developed with input from various stakeholders in the construction industry, legal experts, and public authorities. The intent is not to favor one delivery method over another, but rather to ensure that regardless of the chosen method, the process remains transparent, fair, and accountable.

In conclusion, this legislation represents a meaningful reform in government practices that will bolster public trust in our expenditures of taxpayer dollars on public construction projects. I respectfully ask for your support of Senate Bill 262 and welcome any questions you may have.