

Ohio Senate Transportation Committee
Substitute HB 54

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Good morning, Chairman Patton, Vice Chair Schaffer, Ranking Member Antonio and members of the Senate Transportation Committee, I am Tom Rozsits, President & Executive Director of Ohio Concrete.

I am here to ask the committee to maintain language that was amended into Substitute HB 54 regarding ODOT's pavement selection process. The amended language is exactly what the 125th General Assembly did in their transportation budget in 2003 and as a result a healthy two pavement market existed for the next decade with competing bids and pavement selections.

The language would simply require ODOT to contract with a neutral third party to analyze the agency's pavement selection process including, but not limited to, life cycle cost analysis; user delay; "constructability" and environmental factors. The independent third party may be an individual or an academic, research or professional association with expertise in pavement selection decisions. The analysis will compare and contrast ODOT's pavement selection process with those of other states and national models.

The language would provide for the appointment of an advisory council, headed by the ODOT director, to approve the scope of the analysis and to select the neutral third party. The Flexible Pavements Association of Ohio and Ohio Concrete each have one seat on the panel. Others include a member of the Ohio Society of Certified Public Accountants; a member of the Ohio Society of Professional Engineers; a representative of major corporations appointed by the Speaker of the House; and a representative of small or independent business appointed by the President of the Senate.

Note that this language does not mandate the use of asphalt or concrete pavement, but simply has ODOT review their current procedures and implement improvements to their pavement selection process so that comparisons are "apples" to "apples".

Some would say, why are we asking that the legislature do this again? We did this more than 20 years ago and the current selection process is working just fine. Well, it might be working for asphalt companies, it is not working all that great for the concrete industry; the concrete industry is paving fewer miles of roadway in Ohio than over ten years ago.

In a little more than a decade, Ohio's pavement marketplace has devolved from a robust two-pavement competitive system into a single-pavement, asphalt-dominated system. As a result, the concrete pavement industry is now faced with competing against an effective pavement-type monopoly by the asphalt industry, which now has more than 95 percent of the ODOT paving market year after year. This erosion of healthy and spirited competition between the pavement industries is not only harming the concrete pavement industry in Ohio, but it also causes the Ohio taxpayer to suffer!

The Massachusetts Institute of technology (MIT) conducted a Paving Industry Competition in Ohio study in 2020 that showed inter-industry competition would lower the cost of both concrete and asphalt materials. As a result of lower material cost, Ohio would be able to pave more roadways on a fixed budget.

Concrete has long been known as a durable and minimal maintenance paving product. Its longevity and cost-effectiveness has been biased by ODOT's designers for the last decade. That's why it's imperative that as we look to rebuild and enhance Ohio's roadways, we do so with longevity and the best use of tax dollars in mind. This language will restore and ensure a healthier two pavement selection process.

Thank you for the opportunity to address the committee and I would be happy to answer any questions that the committee members might have.