

Interested Party Testimony
Senate Bill 246
National Electrical Contractors Association

Chairman Schuring, Ranking Member O'Brien and members of the Senate General Government and Agency Review Committee:

My name is Tom Shreves and I am the Executive Director of the Greater Cleveland Chapter of the National Electrical Contractors Association (NECA). I am here today speaking on behalf of the Cleveland, North Central Ohio, and Cincinnati chapters of NECA to offer interested party testimony on SB 246.

I want to start by thanking Senator Roegner and Senator McColley for their innovating thinking on opening up Ohio to greater competition in many industries which can benefit from the provisions on SB 246. NECA is a staunch supporter of competition, transparency and making sure that Ohio's laws and rules benefit both businesses and consumers. And while striking that balance can be difficult, it is possible.

A great example of how this balance has been struck is the Ohio Construction Industry Licensing Board (OCILB). The OCILB has the important task of granting licenses to Ohio's construction employers and overseeing the continuing education efforts of the industry. Over the years the OCILB has done an outstanding job of weeding out contractors whose poor workmanship and unscrupulous customer service put consumers in harms' way through the testing process and continuing education requirements that were included in the original licensing bill (HB – 434). That reasoning was sound then and remains sound today. The industry is now functioning at a high level, and the consumers of construction services can be assured that any licensed contractor they hire is familiar with the most recent electrical and safety codes and is hiring competent and well trained employees.

For this reason, we are asking the committee to consider amendments to SB 246 to exempt construction from the bill. The OCILB and the legislature have already recognized the value of granting licenses to out of state contractors. However, as you will see from my testimony, the ability of out of state contractors to do work in Ohio is based on them complying with the same safety standards as Ohio

companies and granting Ohio companies the same licensing opportunities in their states.

As I noted earlier, the provisions of the bill have merit for many industries, but we believe the consequences to the consumer are so significant it's worth revisiting the original reasoning for implementing the OCILB's process. Bear in mind that OCILB licenses contractors that deal in commercial and industrial work. The codes that govern safety for the wiring of buildings and the installation of boilers, plumbing, and HVAC units for buildings like the Honda plant in Marysville, the Amazon logistics facilities or the Ohio Statehouse are stringent for a reason. It should not be assumed that out of state contractors are adhering to these same stringent evaluation and education standards and should automatically be granted a license to perform this type of work in Ohio.

The OCILB currently recognizes licenses of companies from 16 other states. Notably, those states have been vetted to ensure that when their licensed contractors come to Ohio, they have been evaluated to the same standard as Ohio licensed contractors. Additionally, licenses are only granted to companies whose states extend the same courtesy to Ohio contractors. Certainly, the legislature would agree that contractors domiciled in Ohio should be able to compete on a level playing field with contractors from other states. To dismantle the excellent work of the OCILB by diminishing their ability to enter into reciprocal agreements would only serve to harm Ohio's construction consumers and businesses.

Mr. Chairman, I appreciate and respect the committee's time, so with that I will close and be happy to answer any questions the committee might have.