



**HOUSE INFRASTRUCTURE & RURAL DEVELOPMENT COMMITTEE  
PROPONENT TESTIMONY ON H.B. 91**

**April 28, 2021 by:  
Andrea Ashley, Vice President of Government Relations  
Associated General Contractors of Ohio**

Chair Stoltzfus, Vice Chair Dean, Ranking Member Brown, and Members of the House Infrastructure & Rural Development Committee:

Thank you for the opportunity to testify as a proponent of House Bill 91. AGC of Ohio is a construction association that represents large and small, open shop (non-union) and union, commercial building and industrial contractors from across the state. Our members work in both the public and private arenas. They construct hospitals, offices, schools, wastewater treatment plants, warehouses and manufacturing facilities, mixed-use developments, and a host of other vertical structures.

AGC of Ohio is a strong proponent of public procurement processes that are fair, open, competitive, consistent, and transparent. Our association was very involved in the construction reform effort that resulted in significant changes in the state's public procurement laws in 2010, and supports finding creative ways to finance, build and maintain our public facilities.

H.B. 91 authorizes state agencies, political subdivisions and schools to enter Public Private Partnerships, or P3's, for public facilities. Within these arrangements, facilities may be constructed, improved and maintained. P3 arrangements can be very complex, and our testimony will focus on the construction-side of the process. (Note that ODOT has its own P3 authority and related laws in place; this bill and my testimony do not apply to those laws.)

**HB 91 GIVES PUBLIC ENTITIES MORE TOOLS TO FUND NEW CONSTRUCTION AND IMPROVEMENTS:**

Under current law, some political subdivisions (i.e., universities) have the authority to enter P3 arrangements and others do not. HB 91 will provide more public entities an array of P3 options to build, improve and maintain their facilities, in addition to the other public procurement options already available to them.



**HB 91 SETS PARAMETERS TO P3 AGREEMENTS THAT WILL PROTECT THE PUBLIC INTEREST:**

Current laws do not provide consistent parameters governing the structure of the P3 arrangements nor the application of public construction laws throughout the duration of the P3. With the complexity of P3s and ambiguity in current law, many questions can arise. From a construction standpoint, some include: Do public construction laws apply? How and when do they apply? While the facility is being maintained by an operator, how are renovations and improvements handled? What is considered maintenance versus an improvement or renovation?

Such ambiguity can lead to unexpected expenses and potential litigation. HB 91 provides more clarity that will prevent confusion and uncertainty for Ohio's construction industry. The more definitive structure also benefits and protects the parties directly entering the public private partnership, as well as the public interest.

AGC of Ohio thanks Representative Patton and the initial proponents of this legislation for their outreach and willingness to work with us and better clarify the role of contractors and applicable public construction laws within the P3 arrangements.

AGC of Ohio supports giving the state and political subdivisions more ways to fund new construction and improvements. We urge this committee to favorably pass H.B. 91.