

Indiana/Kentucky/Ohio Regional Council of Carpenters

1909 Arlingate Lane

Columbus, Ohio 43228

January 17, 2022

Dear Chairman Merrin, Vice Chair Riedel, Ranking Member Sobecki and members of the Ways and Means Committee, thank you for allowing me to provide testimony for H.B. 482;

My name is Jason Clark and I'm am the Indiana/Kentucky/Ohio Regional Council of Carpenters Political Director. Our council represents 35,000 members across three states. We represent the Carpenters, Floor Layers, Piledrivers and Millwrights. In Ohio, we have four apprenticeship training facilities where our apprentices attend an accredited, four-year apprenticeship program in their respective trade and all of our programs have the industrial credential from the state of Ohio. We currently have 16,000 journeypersons and apprentices in Ohio participating in journey-level upgrade classes or working towards the completion of their apprenticeship program.

The IKORCC and our training facilities are all privately funded through our collective bargaining agreements. There is no out-of-pocket cost to our members and we accept no state funding. This investment provides a well-trained workforce that builds bridges, schools, businesses, hospitals and manufacturing sites with the quality and safety Ohioans deserve.

Over several decades the growing business practice of worker misclassification and tax fraud (cash under the table) has been impacting the construction industry. We find that some contractors use this business model to eliminate their responsibility to pay local, state and federal taxes along with all responsibility to state agencies. This has not only affected legitimate contractors, but the unforeseen amount of tax revenue lost is a disservice to all taxpayers. We build careers with a solid workforce in the construction industry and our legitimate contractors find it nearly impossible to compete against this tax fraud business practice.

I would like to personally thank Representatives Al Cutrona and Jay Edwards for introducing House Bill 482. A Tax Fraud Commission will shed light on just how devastating misclassification is in the state of Ohio. With the hope of a sensible solution on behalf of all good contractors and tax-paying Ohioans, I look forward to the passage of this legislation.

Respectfully,

Jason Clark
Senior Political Representative
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