

HOUSE COMMERCE & LABOR COMMITTEE – Proponent Testimony, HB 146, June 23rd, 2021.

Chairman Stein, Vice Chair Johnson, Ranking Member Lapore-Hagan, and members of the committee, thank you for holding this hearing and for the opportunity to provide testimony.

My name is Jeff Dillon, and I am the Ohio Legislative Director for Americans for Prosperity (AFP). As one of the largest grassroots organizations in the country, AFP is driving long-term solutions to some of the country's biggest problems. Our organization, and its thousands of activists across Ohio, are dedicated to breaking barriers that stand in the way of people realizing their full potential. Removing or reducing these barriers, in whatever forms they take, helps move our society toward one of mutual benefit, where people succeed by helping others improve their lives and by transforming their communities. Accordingly, I am here to express support for House Bill 146.

I thank you for this opportunity to testify in support of HB 146, which would end mandated use of prevailing wages for many Ohio public construction projects.

AFP activists in Ohio support HB 146 because prevailing wage mandates drive far higher construction expenses to taxpayers, requiring the state to raise taxes or reduce services and infrastructure projects as a result. Instead of basing construction wages on <u>flawed</u> surveys often dominated by union firms, whose membership is only about <u>15%</u> of private construction workers in Ohio, HB 146 would allow Ohio governments to seek competitive bids that improve greater consideration of the burdens placed on all Ohio residents.

Just as project labor agreements <u>have raised the cost</u> of construction projects significantly in Ohio, prevailing wage requirements similarly lead to billions of dollars of cost inflation annually

across federal and state projects in the United States. With neighboring states such as Michigan (2018) and Indiana (2015) already repealing mandatory prevailing wages for their construction, Ohio should be prioritizing the same cost savings.

The COVID-19 pandemic has caused disruptions and price increases in many construction-related industries, and AFP Ohio stands in strong support of HB 146, which would help relieve taxpayer burdens for construction projects in the Buckeye State, helping us recover in the near term and be in better fiscal position over the long term.

Chairman, thank you again for the opportunity to speak before your committee this morning, and I'll do my best to answer any questions the committee might have.

Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 3.2 million activists across the nation, a local infrastructure that includes 36 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit www.AmericansForProsperity.org.