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HB 88 Testimony

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Chairman Stein, Vice Chair Johnson, and Ranking Member Lepore-Hagan and Members of the House Commerce and Labor Committee:

My name is Valerie Pope and I am the Director of Government Affairs for the Ohio Roofing Contractors Association. The ORCA represents hundreds of roofing contractors across Ohio. We have a diverse membership of large and small, union and non-union contractors who perform all types of roofing in many different markets. As an association, we have been working for over thirty years to find a fair, efficient, and mutually beneficial commercial roofing licensing system for our members and for our customers. We strongly believe that HB 88 strikes the right balance.

We appreciate the committee and the House voting for passage of this bill last session.

HB 88 adds a commercial roofing license section to the existing specialty contractors licensing structure within the Ohio Construction Industry Licensing Board. We at ORCA are confident that this well-tested, contractor-driven system will work well for the licensing of commercial roofing contractors. ORCA members know exactly what we are getting into since the OCILB has been operating effectively for almost twenty years.

Not only has the OCILB been an efficient way to manage licensing while protecting the general public through their oversight of licensed commercial contractors, but the OCILB's efforts to enforce the law have also curbed destructive 1099 abuse across the currently licensed trades. By ensuring that all subcontractors working on a project are licensed appropriately, all of Ohio's public and private commercial building owners and the contractors performing work on their projects benefit by having this mechanism to create a level playing field across this critical part of our economy. The true economic benefit of construction spending is not realized when employment fraud is allowed to continue unchecked in the system.

The reality is, roofing systems have continued to become increasingly technical. The need to have qualified licensed contractors working on such a crucial part of any commercial building envelope is very important. ORCA Members believe that licensing and continuing education will make Ohio's public spaces safer and more efficient, especially for our critical first responders fighting fires or other disasters.

This bill provides an adequate system of grandfathering. It includes good oversight through a roofing section board that is required to have both union and non-union contractors equally represented. It is a financially reasonable licensing requirement at only \$60 per year with fair liability insurance requirements for contractors of all sizes at \$500,000. The OCILB has shown time and again that they are good partners with their contractors and the related industry organizations.

For all commercially licensed contractors - current, grandfathered or future -only one person per company must hold the license. That individual must assign the license to one company. So even in

cases where the company has not grandfathered, only one person per company must test and maintain the continuing education requirement. Testing is currently done by a third-party contractor to the state at multiple locations in multiple languages. The questions are randomly chosen from a pool of questions approved by each industry-specific section board. These questions are on code issues and business practices. All of the information is available on the OCILB's website and there is an experienced and excellent full-time OCILB program staff to answer questions.

This bill creates an accessible and level playing field for large and small contractors alike, including those classified as independent contractors. Too many hard-working Ohioans are getting stuck in a system where they are taking all of the risk while a contract broker is raking in all the profits by calling them a subcontractor rather than an employee. We need to protect Ohio's tax base and its economic growth potential by stopping 1099 abuse. Our members welcome the competition! It's better for consumers too by creating fair competition where everyone must play by the same rules.

We thank Representative Patton for his leadership in sponsoring House Bill 88. This is a practical and fair bill that is supported by the roofing industry and I urge you to support it as well.

Thank you again for your time and consideration of this important bill.