

TESTIMONY BEFORE THE  
HOUSE COMMERCE AND LABOR COMMITTEE  
OPPONENT TESTIMONY ON H.B. 235

Chairman Stein, Vice Chair Johnson, Ranking Member Lepore-Hagan, and members of the House Commerce and Labor Committee, thank you for the opportunity to provide remarks on H.B. 235. On behalf of the Ohio Business Roundtable, I am testifying as an opponent of this legislation.

By way of background, the Ohio Business Roundtable (OBRT) is comprised of nearly 100 presidents and CEOs of Ohio's top companies, 70 of which are headquartered in the state and one third of which are Fortune 1000 companies. Collectively, our members employ nearly 500,000 Ohioans and generate a revenue totaling over \$1.4 trillion.

The Ohio Business Roundtable appreciates this committee's intent to ensure Ohio's refineries operate as safely as possible. However, House Bill 235 does nothing to accomplish that goal. Instead, the bill amounts to a labor mandate that establishes a new classification system for workers on construction projects at Ohio's four refineries. The bill would force refinery contractors to only hire these workers under a new government imposed, mandated quota system that grows to 80 percent of a project's workers by 2024. Additionally, the bill requires refiners to maintain burdensome compliance reports that threaten refiners, their contractors and subcontractors with fines as high as \$10,000 per day, per employee should the mandates be violated.

Proponents of the bill will point out that the words "union" and "building trades" are absent in House Bill 235 as written. However, the proposed legislation requires refiners to hire employees who have completed certified apprenticeship programs, which are often associated with union-administered programs and similar to labor mandates pushed by unions in other states. This new eligibility requirement for workers at Ohio's four refineries will ensure refiners will no longer have the flexibility needed to hire the contractors they deem to be the safest and most experienced.

Beyond the implications for the oil and gas industry, our organization's paramount concern is the dangerous precedent this will set for labor mandates on other industries in our state. Should this bill become law, our members are concerned that there will be additional efforts to expand this mandate beyond the original industry targeted in the bill. Businesses around the state have taken note of this bill and have reached out to our organization sharing these "slippery slope" concerns.

We believe that Ohio's refiners, as well as all business owners, should be given the flexibility to find and hire the most qualified applicant to ensure the job is done as safely as possible. There is no doubt that union workers take the issue of safety extremely seriously. We do not intend to say otherwise. However, limiting the applicant pool to only apprenticeship-trained contractors and union workers does nothing to ensure safely completed work. Therefore, the Ohio Business Roundtable cannot support this bill.

Chairman Stein, we believe passage of HB 235 sets a dangerous precedent and will prove to be detrimental to our goal of becoming more economically competitive. The Ohio Business Roundtable respectfully asks that the committee reject this bill and allow businesses to make hiring decisions free from government intervention.

Thank you for the opportunity to testify. I am happy to answer any questions committee members may have.

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Director of Communications  
Ohio Business Roundtable