

Written Testimony to the Senate Judiciary Committee regarding Senate Bill 49 March 2, 2021

Chair Manning, Vice Chairman McColley, Ranking Member Thomas and members of the Senate Judiciary Committee, on behalf of the American Council of Engineering Companies of Ohio (ACEC Ohio) we are writing to express our support for Senate Bill 49.

ACEC Ohio is the voice of Ohio's engineering industry, comprised of 145 companies representing over 8000 employees that provide a wide array of engineering and other professional services for all types of construction and environmental improvement projects.

This bill establishes a payment assurance program for registered design professionals which includes engineers, architects, landscape architects and surveyors. Many of the companies we represent employ all named design professionals.

Engineering, architectural and surveying firms are typically involved very early in the construction project and perform services such as survey/layout work, soil borings and testing, and preparation of construction plans and specifications. Unfortunately, some projects in Ohio fail to move to construction for various reasons after services have been completed by the design professional or may even be constructed without payment for the services to the design professional. Under current law, a design professional has no protection as the design work does not improve the physical real estate and therefore the design professional cannot file a mechanics' lien. The design professionals are being harmed by this situation as they have been unable to collect fees for the services they have performed.

Design professionals are not looking to get in front of any other lien claimants, but to have a place in line and the ability to recover costs for the services performed. The bill focuses on commercial property and private work and will be subordinate to any real estate mortgage filed.

We appreciate the opportunity to share our support of Senate Bill 49.

Respectfully,

Beth Easterday

Beth Easterday President ACEC Ohio

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