

House State and Local Government Committee House Bill 145 June 19, 2023

Chair John, Vice Chair Dean, Ranking Member Brennan, and members of the House State & Local Government Committee, thank you for the opportunity to provide testimony in opposition to House Bill 145. My name is Ken Swink, and I am the Executive Director of the Southwestern Ohio Educational Purchasing Council, a Regional Council of Governments under Ohio Revised Code 167.081 representing 267 school districts and public entities. I am also the Chairperson of the Ohio Council of Educational Purchasing Consortia (OCEPC), representing the six Regional Council of Governments (COGs) that legally bid and procure construction services in the state of Ohio under current law, representing 1,061 members made up of school districts and public entities.

The OCEPC and its Regional COGs establish contracts that may be used by its members for the purchase of supplies, services and construction services. We are returning this General Assembly to continue to voice our opposition to this proposed legislation, as it does not create a level playing field. There are several reasons why this would not create a free market in Ohio:

An Ohio Council of Government is an Ohio political subdivision. It is subject to audit by the Ohio Auditor of State and must pay into one of the retirement systems for public employees. A Council of Government's membership consists of Ohio political subdivisions. These are Ohio governmental entities that are also subject to audit by the Ohio Auditor of State and which must also pay into one of the retirement systems for public employees. These out-of-state cooperatives are not subject to the same level of scrutiny in the current version of HB 145. Next, OCEPC members are required by Ohio Revised Code 167.081 to comply with competitive bidding requirements for construction services under Ohio law which ensure the selection of quality contractors who are bonded at the best possible price to the Ohio taxpayer, thus protecting the Ohio taxpayer.

Currently, Revised Code 9.48, either as it is currently written or as it is proposed to be amended under HB 145, does not specifically require these out of state contracts to comply with Ohio competitive bidding requirements thus necessitating for school administrators to determine if these out of state contracts comply with competitive bidding laws of this state or another state. In today's world, school board members and school administrators do not need more complications, ambiguity, risk, legal expenses or more questions about whether a contract will meet state law or whether these out of state contracts were selected through a less thorough vetting process.

Additionally, construction services permitted under Ohio Revised Code 167.081 are limited to just existing buildings, not the construction of new buildings. No such limitation is contained in HB 145.

We believe in competition. Unfortunately, HB 145 would do the opposite and create a distinct and unfair competitive advantage for these out of state contracts.

We respectfully urge this committee to reject HB 145 for the reasons stated. I am happy to answer any questions you may have, and you can find my contact information below.

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