

SENATE INSURANCE COMMITTEE S.B. 116 - Opponent Testimony Submitted Written Only, June 7, 2023

Chair Hackett, Vice Chair Lang, Ranking Member Craig and Senators on the Senate Insurance Committee:

Thank you for the opportunity to express opposition to Senate Bill 116 on behalf of a coalition of construction employers that includes the Associated General Contractors of Ohio, Ohio Contractors Association, Mechanical Contractors Association of Ohio, National Electrical Contractors Association of Ohio, Construction Employers Association, and The Builders Association of Eastern Ohio & Western Pennsylvania.

Our associations collectively represent thousands of construction industry employers and believe S.B. 116 would gravely hurt the industry's ability to recruit and retain a viable workforce.

Construction is dictated by both Ohio's economic conditions and weather conditions. Many outdoor activities cannot be performed during our state's cold winters and wet springs. During the winter months, owners rarely break ground for new buildings, and ODOT's construction program essentially shuts down. Rain delays sitework and hinders exterior trades. Additionally, poor economic conditions tend to have a disparate impact on the industry, which is dependent on the construction purchasers' financial ability to make capital investments.

Construction tradespeople want to work. They are only paid for the hours worked, and work as much as possible during the building season. They do not abuse the system, the cyclical nature of the industry forces them to use unemployment benefits when they are unable to work. And, many use the time off to update work requirements, hone their skills or learn new ones (i.e. OSHA training, certifications, new technology, etc.).

It is no secret that Ohio is currently experiencing an unprecedented amount of building and infrastructure investments that will drive our state's economy well into the future. Coinciding with the investments, the Administration and legislature has placed an emphasis on developing a skilled workforce, providing additional funding for career tech and higher education, workforce grants, etc. Construction employers also do their part. Our members spend hundreds of millions of dollars annually to train, recruit and retain skilled workers.

The unemployment benefit changes contained in S.B. 116 will undermine all of those efforts. They will push many of our current skilled workers either out of the industry or out-of-state to warmer climates. And, they will discourage people from entering the construction industry and exacerbate Ohio's current labor shortage.

We recognize the significant strides the General Assembly and the DeWine Administration have made to improve Ohio's economic climate and workforce. Please don't hurt those accomplishments. We urge you to oppose S.B. 116.