



March 19, 2021

Chair Kunze;

We want to take this opportunity to share with you the Ohio Municipal League's support for Sub. HB 74, the Transportation Budget, specifically the addition of the provision increasing force account limits for highway projects undertaken by an unchartered municipal corporation from \$30,000 per project to \$150,000 per project.

"Force account" refers to the instance in which, under Ohio law, a public official is authorized to act as a contractor on a public works project where the local government purchases its own materials and employs its own labor to complete the project.

Because of the coronavirus pandemic, the revenues resulting from the gas tax increase authorized in the previous Transportation Budget fell short of projections in 2020, and revenue collections have been depressed for many municipalities. Additionally, the overall cost of road maintenance including material, labor and equipment, is more expensive than they were when force account limits were last raised in 2003.

By increasing force account limits, municipalities will be able to defray the expense of these projects due to the increased cost of road maintenance. This is a permissive tool that enables cities and villages to utilize their own resources for smaller projects. Providing this increase in the force account threshold will relieve municipalities of the requirement to engage in the competitive bidding process for those projects, which lowers overall cost and enables projects to be completed more quickly. Municipalities will be able to employ their own workforce for these projects, enabling local leaders to keep costs down and remain good stewards of local taxpayer dollars.

The League supports the increase in the threshold for force account limits in Sub. HB 74, and we thank you for your time and consideration of this important issue.

Respectfully;

Kent Scarrett
Executive Director
Ohio Municipal League

Cc: Members of the Ohio Senate
Cc: Ray DiRossi, Director of Budget and Finance