



The Construction Conversation

Ohio's Legislative, Administrative, and Judicial Two-Way Newsletter

April 2025

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Legislative: Operating Budget Bill Construction Amendments

The Ohio Senate has begun hearings on the House-passed Operating Budget containing numerous substantive changes to construction law, notwithstanding the Constitutional requirement that bills contain only one subject. (Cont'd p. 2.)

Legislative: Internet Posting of Labor Notices

The Governor signed into law Senate Bill 33, which allows Ohio employers to post notices required by Ohio law to employees on the internet. (Cont'd p. 2.)

Legislative: Issue 2, Capital Improvement Renewal

State Issue 2 is set for a statewide vote on May 6th for renewal of the State Capital Improvement Program operated by the Ohio Public Works Commission for local infrastructure projects. (Cont'd p. 3).

Administrative: OFCC Design Manual and Dashboard

The Ohio Facilities Construction Commission approved an inflation rate of 4.95% in the latest Ohio School Design Manual, first published in 1997. (Cont'd p. 3).

Administrative: ODOT Construction

The Ohio Department of Transportation began its construction season for 2025 with a record \$3.2 billion in road, bridge, and safety projects. (Cont'd p. 3).

Administrative: Cincinnati Development

The Ohio Air Quality Development Authority issued bonds to finance \$6.6 million for clean air improvements in a new four-story development in Cincinnati. (Cont'd p. 3).

Administrative: Tax Credit Projects

The Ohio Tax Credit Authority approved assistance for four new development projects expected to create 384 new jobs in Ohio. (Cont'd p. 4).

Judicial: Court Cannot Overrule Arbitrator's Interpretation

A Court of Appeals has ruled that the trial court in confirming an arbitrator's decision cannot re-interpret the issues of fact and law, limited instead to narrow, statutory criteria for review. (Cont'd p. 4).

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Legislative: Operating Budget Bill Construction Amendments (Cont'd)

The Budget Bill, House Bill 96, is required by Ohio Constitution Article II, Section 22, which provides, “No money shall be drawn from the treasury, except in pursuance of a specific appropriation, made by law; and no appropriation shall be made for a longer period than two years.” The current biennial budget expires on June 30, 2025.

The Ohio Constitution, Article II, Section 15(D) states, “No bill shall contain more than one subject, which shall be clearly expressed in its title.” There is no question that the purpose of HB 96 is for operating appropriations as its subject.

Yet, the House listed innumerable statutory sections in the title, with no description otherwise of the bill’s 5,048 pages.

“[W]hen there is an absence of common purpose or relationship between specific topics in an act and when there are no discernible practical, rational or legitimate reasons for combining the provisions in one act, there is a strong suggestion that the provisions were combined for tactical reasons, i.e., logrolling. *** [A]n act which contains such unrelated provisions must necessarily be held to be invalid...”. *State ex rel. Dix v. Celeste*, 11 Ohio St.3d 141, 464 N.E.2d 153 (1984).

The Senate Education Committee, Government Oversight Committee, and Agriculture Committee each will consider several of the construction topics.

Legislative: Internet Posting of Labor Notices (Cont'd)

Sponsored by Senator Steve Wilson (R, Maineville) and Senator George Lang (R, West Chester), the goal of the legislation is for both increased access to employees, particularly for remote workers, and for employer ease of compliance.

Democrats opposed the legislation as failing to require additional on-site posting.

With only one hearing in the House Commerce and Labor Committee, the legislation passed the House with twenty Democrats voting against it. The Governor signed the bill, effective end of July, 2025.

See Ohio Revised Code sections 4109.08, 4111.09, 4112.07, 4115.07, 4123.54, 4123.83, and 4167.11, including:

- Ohio’s Minor Labor Law (excluding the list of minors employed by an employer);
- Ohio’s Minimum Fair Wage Standards Law (minimum wage and overtime);
- Ohio’s Civil Rights Law;
- Ohio’s Prevailing Wage Law;
- Ohio’s Workers’ Compensation Law;
- Ohio’s Public Employment Risk Reduction Program Law.

Legislative: Issue 2, Capital Improvement Renewal (Cont'd)

If passed, the Constitutional amendment would allow bond issuance of \$2.5 billion over ten years (\$250 million annually).

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Capital improvement projects would be limited to roads and bridges, wastewater treatment systems, water supply systems, solid waste disposal facilities, storm water and sanitary collection, storage, and treatment facilities.

Proponent committee “Strong Ohio Communities Coalition” has raised \$700,000.00 to urge passage. The single largest contributor has been the Ohio Contractors Association whose membership are highway contractors.

Administrative: OFCC Design Manual and Dashboard (Cont’d)

The moderate cost increase reflects lower inflation nationally, but does not include cost increases resulting from federal tariffs on foreign imported materials. Given warm spring weather, ground breaking of school projects statewide will begin soon.

Grant information is a leading indicator of new construction planned across Ohio, and is available on OFCC’s DataOhio portal. The Dashboard shows applications which received an award of funds through 2024. The information is organized by geographical region and by program.

Information such as American Rescue Plan Act grants include \$210.6 million for school safety, \$199.8 million for career technical schools, \$88.9 million for Appalachian Community Innovation Centers, and \$700,000 for MARCS radio programs.

For more information, see:

<https://data.ohio.gov/wps/portal/gov/data/view/grants-awarded>

Administrative: ODOT Construction

ODOT will start 955 orange barrel projects in 2025, over 5,538 miles of highway. Thirty-eight projects will exceed \$10 million in cost.

The Transportation Review Advisory Council (TRAC) approved 14 future projects, with \$13.8 million budgeted for design of \$319.3 in new construction.

Administrative: Cincinnati Development (Cont’d)

Energy-efficiency upgrades will be installed with a solar array, advanced HVAC systems, and LED lighting for an estimated 57.5% reduction in energy.

Citadel Beechmont LLC will construct additional warehouse, office, and storage space located at 3674 Beechmont Court in Hamilton County.

R2 Partners, founded by Barry and David Rosenberg, serves as the development team, whose project partner is Paul Schirmer.

Administrative: Tax Credit Projects (Cont’d)

EGLO USA will relocate its US headquarters to Solon, Ohio, for the manufacture of residential lighting fixtures, adding 89 full-time jobs.

Charter Next Generation proposes to create 125 full-time positions in Richland County, to expand its production capacity of specialty films and material science solutions.

APA Solar proposes 133 new full-time jobs to acquire a new manufacturing

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facility and office in Williams and Henry Counties. The company builds solar racking systems and components.

B-L Tool & Design will create 37 full-time jobs to expand its facilities in Putnam County, to offer automated equipment to automotive suppliers.

Judicial: Court Cannot Overrule Arbitrator's Interpretation (Cont'd)

A general contractor entered into a construction contract with an owner for a commercial agricultural facility. At the time of contract, the plans and specifications were not complete, as the original GC intended to pass on the project to an affiliated company.

During the course of construction, the affiliated contractor and owner did not enter into a revised construction contract, but entered into fourteen change orders. When the owner failed to pay, the affiliated contractor sued as an intended third-party beneficiary.

The arbitrator found that the affiliated contractor could not bring the claims, as not in privity of contract, and that the construction contract did not permit claims by a third-party beneficiary.

The affiliated contractor moved the trial court to vacate that decision under R.C. 2711.10, which the trial court did, re-adjudicating the case and allowing the affiliated contractor to assert his Change Order claims.

The Court of Appeals reversed. The arbitration statute is very narrow as to the reasons to vacate, such as fraud, or the arbitrator exceeded his authority.

Since the trial court re-judged the case, its decision to vacate defeated the expedited arbitration process to bring finality to the dispute through arbitration, as agreed to by the parties.

Feed Fat Co., LLC v. Custom Agri Sys., Inc., 5th Dist. Ashland, No. 24-COA-031, 2025-Ohio-897

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Join us in

The Construction Conversation Call-In

on

**Thursday, May 15, 2025
3:30 pm**

Luther L Liggett is inviting you to a
scheduled Zoom meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/87484148755?pwd=Q7b6qhcgCbcVWGCgIuUbQ0JYIfxgL1.>

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Meeting ID: 874 8414 8755
Passcode: 480504

929-205-6099
301-715-8592

