

# **The Construction Conversation**

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

June 2026

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### **Legislative: Form Contract Variations**

On June 18, 2026, Governor Mike DeWine signed Senate Bill 262 into law, to require identification of all variations to a form construction contract used on a public project. The law is effective in 90 days. (Cont'd p. 2).

### **Legislative: Data Centers Subsidy Paused**

On May 27, 2026, Governor Mike DeWine directed the Ohio Tax Credit Authority to pause granting of any new tax exemption request for new Data Centers, while the Ohio House and Senate Select Committees on Data Centers hears testimony. (Cont'd p. 3).

### **Legislative: Capital Bill**

On June 15, 2026, Governor Mike DeWine signed Senate Bill 450, the Capital Appropriations legislation appropriating \$3.7 billion for state-wide construction, effective immediately. (Cont'd p. 3).

### **Legislative: Voter ID**

On June 15, 2026, Governor Mike DeWine vetoed legislation that required photo identification at the time of applying for an absent voter's ballot. Without the Governor's signature, the Ohio General Assembly passed a November Election ballot initiative which, if passed, will require "photo identification in order to vote in person at a polling place". (Cont'd p. 3).

### **Legislative: Unemployment Comp Single Report**

On June 18, 2026, Governor Mike DeWine signed Senate Bill 263 into law, to allow professional employer organizations to file unemployment wage and contribution reports with the State on behalf of their clients in ONE filing, rather than individual reports for each client. (Cont'd p. 4).

### **Administrative: State Grants and Loans**

The Ohio Department of Development awarded \$27 million in affordable housing grants, while the Ohio Tax Credit Authority approved tax rebates on an estimated \$133 million in new payroll for \$1.8 billion in projects. (Cont'd p. 4).

### **Judicial: Insurer's Impossible Requirement**

The Sixth Circuit Court of Appeals reversed a finding in favor of an insurance company, finding that "An insurance policy is illusory when it is impossible to comply with one or more of the preconditions to coverage." (Cont'd p. 5).

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## **Legislative: Form Contract Variations** (Cont'd)

Sponsored by Senator Bill Blessing (R, Cincinnati), a licensed professional engineer, Blessing testified that the legislative purpose is “to ensure that contract terms are explicit, that changes are transparent, and that competitive fairness is preserved throughout the process.”

The bill passed both the Ohio Senate and the Ohio House unanimously.

The new law requires that public prime contracts identify any modifications to standard form language through strike-throughs, underlining, or cross-references.

If changes are not adequately displayed, the changes are void ab initio, allowing the original industry-standard language to prevail.

The new law applies to an “industry standard published” construction management contract form or a design-build services contract form.

The new law also requires the Ohio Facilities Construction Commission to promulgate administrative rules to apply the law to “a public authority, construction manager at risk, design-build firm, or general contracting firm utilizing a prescribed industry standard published contract or subcontract form”.

Typically, such forms utilized are those offered as the American Institute of Architects’ Contract Documents, or those drafted by the Ohio Facilities Construction Commission.

It is unclear whether the law applies to the Ohio Department of Transportation or

state-funded County highway projects.

## **Legislative: Data Centers Subsidy Paused** (Cont'd)

House Bill 957 and Senate Bill 374 would prohibit new data center tax exemptions, which accounted for an estimated \$1.6 billion in lost tax revenue.

Nevertheless, the Ohio Chamber of Commerce expressed support for data center incentives to keep Ohio competitive to new businesses with surrounding states.

The Ohio House of Representatives unanimously passed House Bill 646 to create the Data Center Study Commission.

The Ohio Senate then adopted a substitute bill with numerous material provisions, and voted it out of Committee. When interested parties could not reach consensus, the Senate returned the bill to Committee for further consideration.

The General Assembly then recessed with no further action on Data Centers until after the November General Election.

ConserveOhio sought to put a Constitutional ban on funding Data Centers on the November ballot, but failed to obtain the necessary signatures.

## **Legislative: Capital Bill (Cont'd)**

The Senate passed the bill unanimously, while the House passed the bill 95-3.

The bill appropriated \$25 million for construction at Central State University, provided that the school transfer oversight authority to the Department of Administrative Services.

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The bill appropriated \$600 million to the Ohio Facilities Construction Commission to fund 15 school projects with matching funds.

The bill appropriated \$208.3 million for local projects sought by individual legislators for their districts, detailed in the document accompanying this Newsletter.

Cuyahoga, Franklin, and Hamilton Counties each received \$22 million for local projects.

Finally, \$350 million from a budget surplus will fund a one-year property tax reduction for those who qualify for the homestead exemption.

## **Legislative: Voter ID (Cont'd)**

House Bill 472, sponsored by Representatives Christine Cockley (D, Columbus) and Jodi Salvo (R, Bolivar), would require a photo ID at the time of applying for a mail-in ballot. The bill passed the House with bi-partisan support.

But the Senate's substitute bill gained the opposition of Democrats as over-burdensome, particularly to elderly voters. The General Assembly passed the bill over Democrat objections.

However, the Governor vetoed the bill, citing practical complexities to administer the law, and no funding.

Separately, in party-line votes, the Republican House and Senate caucuses put a Constitutional amendment on the ballot to require photo identification to vote. The amendment will be identified as "Issue 3", the only Constitutional amendment on the November ballot.

## **Legislative: Unemployment Comp Single Report (Cont'd)**

Passed unanimously by both the Senate and House, the law will be effective in 90 days.

Revised Code §4141.242 currently states that a PEO is the employer for reporting purposes and requires that each shared employee of a single client employer be reported under a separate and unique subaccount of the professional employer organization.

The change to §4141.243 will provide clear authority for the PEO to file under one concurrent employer account, aligning with the intent of the common paymaster program.

Thus, the new law allows a PEO, alternative employer organization (AEO), or PEO "reporting entity" to elect to report shared employees of a client employer under the account and experience rate of the PEO, AEO, or PEO reporting entity under the Unemployment Compensation Law.

The new law also allows the Director of Job and Family Services to combine the rate of experience that existed on a client employer's account before entering a PEO or AEO agreement with the experience accumulated under the PEO or AEO agreement.

## **Administrative: State Grants and Loans (Cont'd)**

The Housing Grants cover 57 counties through the Welcome Home Ohio Program, covering both purchase and rehabilitation of homes. Local land banks, political subdivisions, and non-profit developers can apply.

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Historically, the Welcome Home Ohio program has funded nearly \$86 million for 727 homes in 63 counties.

The Ohio Tax Credit Authority approvals include the following projects:

- Opmobility Exterior USA, LLC in Rossford, Wood County, Ohio to build a manufacturing facility;
- Hikma Pharmaceuticals USA, Inc. in Bedford, Cuyahoga County, and Columbus, Franklin County, Ohio to expand facilities;
- Aerovironment, Inc. in Beavercreek and Xenia, Greene County, for a buildout of its manufacturing plant;
- Killer Brownie Ltd. in Springboro, Montgomery, Ohio to relocate production and warehousing into one facility.

The Ohio Air Quality Development Authority released its 2025 Annual Report, noting the issuance of \$407 million in bond financing, with an active portfolio of \$3.6 billion.

Oklo signed with Centrus Energy Corp. a letter of intent for Centrus to provide fuel for Oklo's 1.2 GW clean energy campus "Aurora" for Meta data centers, located in Pike County.

The Aurora campus is being developed by Kiewit Nuclear Solutions, a construction and engineering company. The work is expected to include over 700 full-time construction employees for several years.

## **Judicial: Insurer's Impossible Requirement (Cont'd)**

When a building in Cincinnati burned down during renovation, the owner sought casualty insurance coverage. The insurer denied coverage because the contractor failed to build a fence around the construction job site, a pre-condition under the Protective Devices Endorsement of the policy.

The Court of Appeals held that the policy must be read "from the standpoint of a layman, not a lawyer" to determine how a reasonably prudent person applying for insurance would have interpreted the policy language.

In reviewing the job site, the Court of Appeals found that "Building a fence around the entire property was impossible because the property shared a wall with its southern neighbor...". Because of this impossibility, the requirement is void.

Without any evidence that the lack of a fence caused the fire, the insurer was not prejudiced by voiding the requirement.

Accordingly, the Court of Appeals held that the insurer breached its coverage contract in not providing coverage.

*3371 Reading, LLC v. Liberty Mut. Grp., Inc.*, U.S.C.A. 6<sup>th</sup> Cir., 2026 Fed App. 0226N.

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## **The Construction Conversation Call-In**

on

**Wednesday, July 15, 2026  
3:30 pm**

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

Topic: June Construction Conversation  
Time: Wednesday, July 15, 2026 03:30 AM  
Eastern Time (US and Canada)  
Join Zoom Meeting

<https://us02web.zoom.us/j/81295777388?pwd=o6o4jDeBKb0nhS65w2CqmVTDJWb6Ua.1>

Meeting chat link

<https://us02web.zoom.us/jc/81295777388>

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