

Senate Commerce Committee

Aaron Jones 271-2609

SB 195-FN, relative to the purchase of steel products with the Buy America certification.

Hearing Date: February 7, 2023

Time Opened: 9:35 a.m.

Time Closed: 9:45 a.m.

Members of the Committee Present: Senators Gannon, Ricciardi, Innis, Soucy and Chandley

Members of the Committee Absent : None

Bill Analysis: This bill revises made in America contract requirements for certain state steel contracts.

Sponsors:

Sen. Carson

Sen. Ricciardi

Sen. Fenton

Sen. Lang

Sen. Abbas

Who supports the bill: Senator Sharon Carson, Senator Denise Ricciardi, Senator Tim Lang, Gary Abbott (Associated General Contractors), Amy Charbonneau (Continental Paving), Natasha Michelson (Hutter Construction), Adam Bates (Weaver Brothers Construction Co.), Wendy Hunt (Greater Nashua Chamber of Commerce), Patrick L'Heureux (Severino Trucking), Dale Sackett (Beck & Bellucci), Hollie Noveletsky (Novel Iron), Steve Chasse (SL Chasse Steel)

Who opposes the bill: No one

Who is neutral on the bill: No one

Summary of testimony presented in support:

Senator Sharon Carson

- This bill would make changes to the requirements for certain steel contracts with the Buy America certification.
- Last year, similar legislation had been signed into law; however, some provisions had been removed that steel manufacturers felt were important.
- This bill would make four changes that were not previously addressed in state statute.

- First, this would be applicable to large fabricated items instead of small items, such as nuts, bolts, or hinges.
- Second, this would only be applicable to state projects, not maintenance projects, that are \$1 million or more.
- Third, state funded contracts would have to identify steel products in the project documents, so that all bidders are aware of the requirements.
- Finally, a procedure would be set up for NH Administrative Services to allow for waivers when there are supply chain or availability issues.
- Senator Carson distributed proposed language to the Committee to address concerns that had been raised.

Gary Abbott, Executive Vice President, Associated General Contractors of NH

- **Senator Gannon** said his problem had been how much this would cost the state. He understood that there were companies in the state that would benefit; however, he wondered if it would benefit out-of-state steel companies too. Also, he wondered if it would cost a lot of money to benefit a few small companies in the state, while hurting localities when they build schools, hospitals, and other projects.
 - **Mr. Abbott** believed Senator Gannon had been driving to the policy question, which had previously passed the Legislature. This bill was not about whether the policy should be implemented or its cost; instead, it had been about clarity for contractors who have had to perform under the previous policy change. There are federal projects that the state has worked on, so the commercial construction industry has been familiar with it. From the perspective of contractors, costs are raised if products are eliminated. This bill would fix the vagueness of previous legislation, and it would allow NH Administrative Services to do a waiver in cases of cost and availability. Presently, it is the court system that can provide a waiver, which had concerned individuals that their projects would be held up. This bill would clarify that it is applicable to large commercial projects where fabricated steel is involved. It would provide transparency when a project is being designed by including in contractor documents what items are part of the requirements.

Hollie Noveletsky, Owner, Novel Iron

- Ms. Noveletsky said “fabricated” is the most important word in the bill.
- Fabricators buy raw materials from Bethlehem or elsewhere, and they complete their work in NH, so Ms. Noveletsky said this bill would benefit companies in the state.
- In Section G of the original statute, Ms. Noveletsky requested it be changed from the 2016 code of standard practice to the latest, so it did not have to be updated continuously.

Summary of testimony presented in opposition: None

Neutral Information Presented: None

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Date Hearing Report completed: February 8, 2023