

**As Passed by the House**

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**Am. Sub. S. B. No. 105**

**Senators Sykes, Schuring**

**Cosponsors: Senators Antonio, Craig, Fedor, Huffman, S., Maharath, Thomas, Williams, Yuko, Blessing, Brenner, Cirino, Dolan, Gavarone, Hackett, Hoagland, Hottinger, Kunze, Lang, Manning, Reineke, Romanchuk, Rulli, Wilson  
Representatives Edwards, Abrams, Blackshear, Brent, Brown, Carfagna, Carruthers, Cross, Crossman, Cutrona, Denson, Galonski, Ginter, Grendell, Gross, Hall, Hicks-Hudson, Hillyer, Holmes, Humphrey, Ingram, Jarrells, John, Jones, Kelly, Kick, Lanese, Leland, Lepore-Hagan, Lightbody, Liston, Loychik, Manning, Miller, A., Miller, J., Miller, K., Miranda, O'Brien, Oelslager, Patton, Pavliga, Plummer, Richardson, Riedel, Robinson, Russo, Seitz, Sheehy, Smith, K., Smith, M., Sobecki, Stephens, Sweeney, Sykes, Upchurch, Weinstein, West, White, Young, T., Speaker Cupp**

**A BILL**

To amend sections 122.921, 122.924, and 122.925 of  
the Revised Code to require political  
subdivisions to recognize state certifications  
of minority business enterprises, women-owned  
business enterprises, and veteran-friendly  
business enterprises.

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 122.921, 122.924, and 122.925 of  
the Revised Code be amended to read as follows:

**Sec. 122.921.** (A) As used in this section, "minority  
business enterprise" has the same meaning as in division (E)(1)  
of section 122.71 of the Revised Code.

(B) (1) The director of development shall make rules in accordance with Chapter 119. of the Revised Code establishing procedures by which minority businesses may apply to the department of development for certification as minority business enterprises.

(2) The director shall approve the application of any minority business enterprise that complies with the rules adopted under this division. Any person adversely affected by an order of the director denying certification as a minority business enterprise may appeal as provided in Chapter 119. of the Revised Code. The director shall prepare and maintain a list of certified minority business enterprises.

(C) Every state agency authorized to enter into contracts for construction or contracts for purchases of equipment, materials, supplies, insurance, or services, and every port authority shall file a report every ninety days with the department of development. The report shall be filed at a time and in a form prescribed by the director of development. The report shall include the name of each minority business enterprise that the state agency or port authority entered into a contract with during the preceding ninety-day period and the total value and type of each such contract. No later than thirty days after the end of each fiscal year, the director shall notify in writing each state agency and port authority that has not complied with the reporting requirements of this division for the prior fiscal year. A copy of this notification regarding a state agency shall be submitted to the director of budget and management. No later than thirty days after the notification, the state agency or port authority shall submit to the director the information necessary to comply with the reporting requirements of this division.

If, after the expiration of this thirty-day period, a state agency has not complied with the reporting requirements of this division, the director of development shall certify to the director of budget and management that the state agency has not complied with the reporting requirements. A copy of this certification shall be submitted to the state agency. Thereafter, no funds of the state agency shall be expended during the fiscal year for construction or purchases of equipment, materials, supplies, contracts of insurance, or services until the director of development certifies to the director of budget and management that the state agency has complied with the reporting requirements of this division for the prior fiscal year.

If any port authority has not complied with the reporting requirement after the expiration of the thirty-day period, the director of development shall certify to the speaker of the house of representatives and the president of the senate that the port authority has not complied with the reporting requirements of this division. A copy of this certification shall be submitted to the port authority. Upon receipt of the certification, the speaker of the house of representatives and the president of the senate shall take such action or make such recommendations to the members of the general assembly as they consider necessary to correct the situation.

(D) (1) Any person who has been certified as a minority business enterprise under this section may present the person's certification to a political subdivision as evidence that that person is eligible to participate in any public initiatives or strategies that the political subdivision has established to increase minority participation, representation, or inclusion in business opportunities, and in any programs the political

subdivision may have that set aside a certain amount of public 74  
contracts to award to any of the economically disadvantaged 75  
groups listed in division (E) (1) of section 122.71 of the 76  
Revised Code. 77

(2) When considering this evidence, a political 78  
subdivision shall defer to the department's determination that 79  
the person is both of the following: 80

(a) A member of the economically disadvantaged group 81  
indicated on the certification; 82

(b) An owner of at least fifty-one per cent of the 83  
business, including corporate stock if a corporation, and has 84  
control over the management and day-to-day operations of the 85  
business and an interest in the capital, assets, and profits and 86  
losses of the business proportionate to the person's percentage 87  
of ownership. 88

**Sec. 122.924.** (A) As used in this section: 89

"Women-owned business enterprise" means any individual, 90  
partnership, corporation, or joint venture of any kind that is 91  
owned and controlled by women who are United States citizens and 92  
residents of this state or of a reciprocal state. 93

"Owned and controlled" means that at least fifty-one per 94  
cent of the business, including corporate stock if it is a 95  
corporation, is owned by women and that such owners have control 96  
over the day-to-day operations of the business and an interest 97  
in the capital, assets, and profits and losses of the business 98  
proportionate to their percentage of ownership. In order to 99  
qualify as a women-owned business, a business shall have been 100  
owned by such owners at least one year. 101

(B) The director of development shall establish a business 102

assistance program known as the women-owned business enterprise	103
program and shall adopt rules in accordance with Chapter 119. of	104
the Revised Code to administer the program that do all of the	105
following:	106
(1) Establish procedures by which a business enterprise	107
may apply for certification as a women-owned business	108
enterprise;	109
(2) Establish standards to determine when a women-owned	110
business enterprise no longer qualifies for women-owned business	111
enterprise certification;	112
(3) Establish a system to make publicly available a list	113
of women-owned business enterprises certified under this	114
section;	115
(4) Establish a process to mediate complaints and to	116
review women-owned business enterprise certification appeals;	117
(5) Implement an outreach program to educate potential	118
participants about the women-owned business enterprise program;	119
(6) Establish a system to assist state agencies in	120
identifying and utilizing women-owned business enterprises in	121
their contracting processes;	122
(7) Implement a system of self-reporting by women-owned	123
business enterprises as well as an on-site inspection process to	124
validate the qualifications of women-owned business enterprises.	125
(C) Business and personal financial information and trade	126
secrets submitted by women-owned business enterprise applicants	127
to the director pursuant to this section are not public records	128
for purposes of section 149.43 of the Revised Code, unless the	129
director presents the financial information or trade secrets at	130

a public hearing or public proceeding regarding the applicant's 131  
eligibility to participate in the program. 132

(D) The director of development, upon approval of the 133  
attorney general, may enter into a reciprocal agreement with the 134  
appropriate officials of one or more states, when the other 135  
state has a business assistance program or programs 136  
substantially similar to the women-owned business enterprise 137  
program of this state. The agreement shall provide that a 138  
business certified by the other state as a women-owned business 139  
enterprise, which is owned and controlled by a resident or 140  
residents of that other state, shall be considered a women-owned 141  
business enterprise in this state under this section. The 142  
agreement shall provide that a women-owned business enterprise 143  
certified under this section, which is owned and controlled by a 144  
resident or residents of this state, shall be considered 145  
certified in the other state and eligible for programs of that 146  
state that provide an advantage or benefit to such businesses. 147

(E) (1) Any person who has been certified as a women-owned 148  
business enterprise under this section may present the person's 149  
certification to a political subdivision as evidence that that 150  
person is eligible to participate in any public initiatives or 151  
strategies that the political subdivision has established to 152  
increase the participation, representation, or inclusion of 153  
women in business opportunities, and in any programs the 154  
political subdivision may have that set aside a certain amount 155  
of public contracts to award to women-owned business 156  
enterprises. 157

(2) When considering this evidence, a political 158  
subdivision shall defer to the department's determination that 159  
the person is a woman, that the person owns and controls the 160

person's business, and that the person has owned the person's 161  
business for at least one year. 162

**Sec. 122.925.** (A) As used in this section: 163

"Armed forces" means the armed forces of the United 164  
States, including the army, navy, air force, marine corps, coast 165  
guard, or any reserve component of those forces; the national 166  
guard of any state; the commissioned corps of the United States 167  
public health service; the merchant marine service during 168  
wartime; such other service as may be designated by congress; 169  
and the Ohio organized militia when engaged in full-time 170  
national guard duty for a period of more than thirty days. 171

"State agency" has the meaning defined in section 1.60 of 172  
the Revised Code. 173

"Veteran" means any person who has completed service in 174  
the armed forces, including the national guard of any state, or 175  
a reserve component of the armed forces, who has been honorably 176  
discharged or discharged under honorable conditions from the 177  
armed forces or who has been transferred to the reserve with 178  
evidence of satisfactory service. 179

"Veteran-friendly business enterprise" means a sole 180  
proprietorship, association, partnership, corporation, limited 181  
liability company, or joint venture that meets veteran 182  
employment standards established by the director of development 183  
and the director of transportation under this section. 184

(B) The director of development and the director of 185  
transportation shall establish and maintain the veteran-friendly 186  
business procurement program. The director of development shall 187  
adopt rules to administer the program for all state agencies 188  
except the department of transportation, and the director of 189

transportation shall adopt rules to administer the program for 190  
the department of transportation. The rules shall be adopted 191  
under Chapter 119. of the Revised Code. The rules, as adopted 192  
separately by but with the greatest degree of consistency 193  
possible between the two directors, shall do all of the 194  
following: 195

(1) Establish criteria, based on the percentage of an 196  
applicant's employees who are veterans, that qualifies an 197  
applicant for certification as a veteran-friendly business 198  
enterprise; 199

(2) Establish procedures by which a sole proprietorship, 200  
association, partnership, corporation, limited liability 201  
company, or joint venture may apply for certification as a 202  
veteran-friendly business enterprise; 203

(3) Establish procedures for certifying a sole 204  
proprietorship, association, partnership, corporation, limited 205  
liability company, or joint venture as a veteran-friendly 206  
business enterprise; 207

(4) Establish standards for determining when a veteran- 208  
friendly business enterprise no longer qualifies for 209  
certification as a veteran-friendly business enterprise; 210

(5) Establish procedures, to be used by state agencies or 211  
the department of transportation, for the evaluation and ranking 212  
of proposals, which provide preference or bonus points to each 213  
certified veteran-friendly business enterprise that submits a 214  
bid or other proposal for a contract with the state or an agency 215  
of the state other than the department of transportation, or 216  
with the department of transportation, for the rendering of 217  
services, or the supplying of materials, or for the 218



construction, demolition, alteration, repair, or reconstruction 219  
of any public building, structure, highway, or other 220  
improvement; 221

(6) Implement an outreach program to educate potential 222  
participants about the veteran-friendly business procurement 223  
program; and 224

(7) Establish a process for monitoring overall performance 225  
of the veteran-friendly business procurement program. 226

(C) (1) Any person who has been certified as a veteran- 227  
friendly business enterprise under this section may present the 228  
person's certification to a political subdivision as evidence 229  
that the person is eligible to participate in any public 230  
initiatives or strategies that the political subdivision has 231  
established to reward veteran-friendly businesses or to increase 232  
the participation, representation, or inclusion of veteran- 233  
friendly businesses in business opportunities, and in any 234  
programs the political subdivision may have that set aside a 235  
certain amount of public contracts to award to veteran-friendly 236  
business enterprises. 237

(2) When considering this evidence, a political 238  
subdivision shall defer to the department's determination that 239  
the person meets the criteria established under division (B) (1) 240  
of this section. 241

**Section 2.** That existing sections 122.921, 122.924, and 242  
122.925 of the Revised Code are hereby repealed. 243