OHIO LEGISLATIVE SERVICE COMMISSION

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H.B. 284
136th General Assembly

Bill Analysis

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Version: As Passed by the House

Primary Sponsors: Reps. Hiner and White

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SUMMARY

- Requires the use of iron produced in the U.S. in certain state-funded projects, in addition to the existing requirement that those projects use U.S.-produced steel, and extends relevant penalties for failure to comply.
- Specifies that state-funded infrastructure projects and utility infrastructure improvement projects involving water works or sewage disposal must use U.S.-produced iron and steel.
- Specifies that the U.S. iron and steel use requirement only applies to iron or steel products that are to be permanently incorporated in a project.
- Adds maintenance projects to the kinds of projects subject to the bill's requirements.
- Requires the Director of Administrative Services to adopt rules establishing criteria for use by state agencies in giving preference to U.S.-produced iron and steel products.
- Requires that state institutions of higher education comply with the U.S.-iron-and-steel use requirement.
- Permits the Director of Transportation to exempt bridge projects from the requirement to use U.S.-produced iron products under certain conditions.
- Permits state agencies to waive the U.S. iron and steel use requirement under certain conditions.

DETAILED ANALYSIS

U.S. iron and steel – required

Current law mandates the purchase or provision of only U.S.-produced steel products in the construction, repair, or improvement of buildings and structures where the project is supported in whole or in part by state funds. The bill extends this requirement to U.S.-produced

iron products. The bill redefines the existing term "steel products" as "iron or steel products" and eliminates the existing term's references to specific industrial techniques, reflecting the new requirement to use U.S.-produced iron products and potentially expanding the kinds of steel products encompassed by the section.[1]

The bill specifies that only those iron or steel products that will be "permanently incorporated" in a project are subject to the U.S. iron and steel use requirement. The bill further specifies that certain electrical components are not considered "iron or steel products," and thus not subject to the bill's requirements, unless used for certain waterworks and sewer projects or electric transmission and distributions poles or posts.[2]

The bill extends existing penalties for failure to use U.S.-produced steel products – a fine equal to one-and-a-half times the purchase price of the products – to the failure to use U.S.-produced iron products.[3]

The bill also expands the kinds of projects to which the U.S.-iron-and-steel requirement applies from the construction, repair, or improvement of any building or structure to the construction, maintenance, repair, or improvement of any building, structure, infrastructure, and utility infrastructure project involving water works or sewage disposal.[4]

U.S. iron and steel – preference

The bill requires the Director of Administrative Services to adopt rules establishing criteria for use by all state agencies in giving preference to U.S.-produced iron and steel products.[5]

U.S. iron and steel – waiver and exemption

Existing law permits the Director of Transportation to authorize the use of a minimal amount of foreign steel products in a bridge project when the cost of the steel products does not exceed 0.1% of the total contract cost or when the Director determines that the specified products are not produced in the U.S. in sufficient quantity or otherwise are not reasonably available to meet contract requirements. The bill permits the Director to authorize the use of a minimal amount of foreign iron products in bridge projects if either of the same conditions are met.[6]

The bill further permits state agencies to waive the U.S. iron and steel use requirement if it would be contrary to the public interest to apply the requirement, U.S.-produced iron or steel is not available in sufficient quantity or quality, or if the requirement increases overall project costs by more than 25%. Such waivers must be issued in writing and include an explanation

[1] R.C. 153.011(A) and (G)(1).

[2] R.C. 153.011(A) and (G)(1).

[3] R.C. 153.99(B).

[4] R.C. 153.011(A) and 3333.071.

[5] R.C. 153.011(F); R.C. 125.09, not in the bill.

[6] R.C. 5525.21.

justifying the waiver. The bill directs the Ohio Facilities Construction Commission to create a standardized waiver form.[7]

Outside of bridge projects, the bill specifies that the use of iron or steel products not produced in the U.S. is permitted under either of the following conditions:

1. The project specifications do not separately identify iron or steel products, and the cost of the foreign products does not exceed 0.1% of the project's total iron and steel material costs or $2,500, whichever is greater;
2. The foreign iron or steel is a component, comprising 5% or less of the total materials cost, of an otherwise U.S.-produced iron or steel product.[8]

HISTORY

Action	Date
Introduced	05-20-25
Reported, H. Development	06-08-26
Passed House (96-0)	06-09-26

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[7] R.C. 153.011(D)(2).

[8] R.C. 153.011(D)(3).