



**Representative Paula Hicks-Hudson  
44<sup>th</sup> House District**

House Bill 534 Sponsor Testimony  
April 4, 2022

Chairman Hillyer, Vice-Chair Grendell, Ranking Member Galonski, and members of the House Civil Justice Committee, thank you for scheduling this important legislation for sponsored testimony and giving the opportunity to discuss our second bill to protect Ohio taxpayers.

In general, debarment and suspension procedures are intended to prevent waste, fraud, and abuse in State procurement and non-procurement actions. Debarment or suspension of an organization or individual excludes that company or individual from doing business with State Government. These exclusions are intended to ensure that only responsible companies or individuals participate in contracts and financial assistance awards with State government.

For example, this can include fraud under the Disadvantaged Business Enterprise program, falsification of documents relating to contract payments, falsification of credentials, or any other failure to follow the regulations and contract or financial assistance requirements.

A debarment results in an exclusion from State contracting and financial assistance government wide for a set period of time, one to three years. That is effective on the date the debarment decision is finalized. If circumstances warrant, the debarring official may impose a longer period of debarment. The length of the debarment exclusion is decided based on the circumstances and factors relevant to each party, and the length will begin counting at the date of any initial suspension exclusion.

Under current law, the Ohio Facilities Executive Director shall determine the length of the debarment period and may rescind the debarment at any time upon notification to the contractor. During the period of debarment, the contractor is not eligible to bid for or participate in any contract for a public improvement as referred to in section [153.01](#) of the Revised Code or for a project as defined in section [3318.01](#) of the Revised Code.

After the debarment period expires, the contractor may be eligible to bid for and participate in such contracts if the vendor is not otherwise debarred. At the Director's discretion the period for debarment may be changed.

Very simply, our proposed legislation would limit that discretion and make it harder for a contractor who has broken the public's trust to easily get a second or third or even more chances to defraud taxpayers.

Again members of this Committee, we thank you for the opportunity to offer sponsored testimony and are ready to respond to any questions.