



Lisa Sandberg

*Bill Analysis*  
Legislative Service Commission

## **S.B. 97**

125th General Assembly  
(As Introduced)

**Sens. Mallory, Brady, Carey, Dann, DiDonato, Fedor, Fingerhut, Goodman, Herington, Prentiss, Schuler, Stivers**

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### **BILL SUMMARY**

- Removes the terms "colored persons," "Negroes," and "person of color" from Revised Code provisions relating to contracts with minority business enterprises and life insurance.
- Broadens the application of the existing prohibition against discrimination in the sale and cost of life insurance to include all races.

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### **CONTENT AND OPERATION**

#### **Contracts for capital improvement projects**

R.C. 153.59 provides in part that, in awarding contracts for capital improvement projects, the Department of Administrative Services must ensure that equal consideration be given to contractors, subcontractors, or joint venturers who qualify as a minority business enterprise. A "minority business enterprise" is defined as a business enterprise that is owned or controlled by one or more socially or economically disadvantaged persons who are residents of this state. "Socially or economically disadvantaged persons" means persons, regardless of marital status, who are members of groups whose disadvantages may arise from discrimination on the basis of race, religion, sex, disability, national origin, or ancestry, or other similar cause. Such persons include, but are not limited to, Negroes, Puerto Ricans, Spanish speaking Americans, American Indians, Eskimos, and Aleuts. The bill removes the reference to these specified groups of persons. The bill also removes a reference to "Negroes" and replaces it with "African Americans" in R.C. 153.591 (regarding hiring hall contracts or agreements).

## Life insurance

Under current law, a life insurance company organized or doing business within this state is prohibited from doing any of the following (R.C. 3911.16):

(1) Making any distinction or discrimination between white persons and colored persons, wholly, or partially of African decent, as to premiums or rates charged for policies upon the lives of such persons;

(2) Demanding or requiring greater premiums from such colored persons than are at that time required by the company from white persons of the same age, sex, general condition of health, and hope of longevity;

(3) Making or requiring any rebate, diminution, or discount upon the sum to be paid on such policy in case of the death of such colored person;

(4) Inserting in the policy any condition or make any stipulation by which such colored person binds himself or his heirs, executors, administrators, or assigns, to accept any sum less than the full value or amount of such policy in case of a claim accruing thereon by reason of the death of the person insured, other than such as are imposed upon white persons in similar cases.

The bill removes the references to "white persons" and "colored persons" and replaces them with "on the basis of race" and makes other technical changes.

Current law also provides that any life insurance company that refuses the application of a colored person for insurance upon his life must furnish him with the certificate of some regular examining physician of the company, who has made examination of such person, stating that his application has been refused, not because he is a person of color, but solely upon such grounds of his general health and hope of longevity as would be applicable to white persons of the same age and sex. The bill removes the reference to "colored persons," "white persons," and "person of color" and provides that the life insurance company must furnish the applicant with the certificate of some regular examining physician of the company who has examined the applicant, stating that the application has been refused, not on the basis of race, but solely on the basis of the applicant's general health and hope of longevity as applicable to all persons of the same age and sex. (R.C. 3911.16.)

The bill also removes the references to "colored persons" and "white persons" from the law prohibiting a life insurance company from demanding or receiving from a colored person a different or greater premium than from a white person by allowing a discount or rebate upon a premium paid or to be paid by a white person of same age, sex, general condition of health, and hope of longevity

of any colored person, and replaces those references with "on the basis of race" (R.C. 3911.17).

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## **HISTORY**

ACTION	DATE	JOURNAL ENTRY
Introduced	06-03-03	p. 401

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