



Phil Mullin

*Bill Analysis*  
Legislative Service Commission

## **H.B. 437**

126th General Assembly  
(As Introduced)

**Reps. J. McGregor, Bocchieri, Uecker, Trakas, Yuko, D. Evans, Healy, Allen, Skindell, Collier**

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### **BILL SUMMARY**

- Requires public agencies and other entities receiving state funds to sell only Ohio products in their gift shops or as memorabilia or gift items.
- Requires the Department of Natural Resources to use only Ohio products in operating and maintaining its public service facilities in state parks.

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### **CONTENT AND OPERATION**

#### **General requirements to sell Ohio products in certain gift shops and as memorabilia or gift items**

The bill generally requires all of the following (R.C. 125.781 and 125.782):

- That all "departments, offices, and institutions" and all other entities that receive funds from the state and that *operate* a gift shop or make sales of memorabilia or gift items sell only Ohio products in the shop and as memorabilia or gift items.<sup>1</sup>

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<sup>1</sup> "Departments, offices, and institutions" has the same meaning as in the State Departments Law: every organized body, office, and agency established by the Constitution and laws of Ohio for the exercise of any function of state government, and every institution or organization that receives any support from the state (R.C. 125.78(A) by cross-reference to R.C. 121.01(C)-not in the bill). "Ohio products" has the same meaning as in the State Purchasing Law: products that are mined, excavated, produced, manufactured, raised, or grown in Ohio by a person where the input of Ohio products, labor, skill, or other services constitutes no less than 25% of the manufactured cost; mined products must be mined or excavated in Ohio (R.C. 125.01(E)-not in the bill).

- That all "departments, offices, and institutions" and all other entities that receive funds from the state and that enter into *contracts with vendors to operate* a gift shop or make sales of memorabilia or gift items require the vendor to sell only Ohio products in the shop and as memorabilia or gift items. All such contracts must contain provisions requiring the sale of only Ohio products.
- That the Department of Natural Resources use only Ohio products in operating and maintaining its public service facilities.<sup>2</sup>

**Exceptions to general requirements**

Under the bill, if *only one person* offers or bids to provide Ohio products needed by a department, office, institution, or other entity, the entity must solicit offers or bids for products produced in states contiguous to Ohio to fill its need. If *no person offers or bids* to provide Ohio products needed by a department, office, institution, or other entity, or if *no Ohio products or products produced in contiguous states* are available, the entity must attempt to procure similar Ohio products that can serve or be altered to serve the same function as the product originally sought to fill the entity's need. (R.C. 125.783.)

**Administrative rules and penalty for violating requirements**

The Director of Administrative Services is required to adopt rules in accordance with the Administrative Procedure Act to implement the bill's provisions. The rules must include standards and procedures for imposing the penalty for violating the bill's requirements (see the following paragraph) and must be developed in cooperation with the Director of Budget and Management. (R.C. 125.785.)

On a finding by the Director of Administrative Services pursuant to the latter rules of a violation of any of the bill's requirements or exceptions, the Director must give notice to the Director of Budget and Management and the department, office, institution, or other entity that committed the violation. The Director of Budget and Management then must reduce the total amount of money remaining available for use by that entity pursuant to its appropriation for the fiscal year by one-half of one percent. (R.C. 125.784.)

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<sup>2</sup> *"Public service facilities" has the same meaning as in the Ohio Public Facilities Commission Law: inns, lodges, hotels, cabins, camping sites, scenic trails, picnic sites, restaurants, commissaries, golf courses, boating and bathing facilities, and other similar facilities in state parks (R.C. 125.78(B) by cross-reference to R.C. 154.01(L)--not in the bill).*

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## **HISTORY**

ACTION	DATE
Introduced	12-01-05

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