



H.B. 519

126th General Assembly
(As Introduced)

Reps. Barrett, Skindell, Seitz, Yuko, Miller, Brown, Sykes, Fende, Key

BILL SUMMARY

- Requires that a minority-owned business enterprise (MBE) owned by a resident of another state be treated the same as MBEs owned by Ohio residents if the nonresident owner's state treats equally MBEs owned by Ohio residents and MBEs owned by their own residents.
- Requires that, in awarding capital improvement projects, the Department of Administrative Services ensure that equal consideration is given to MBEs owned by residents of other states that treat equally MBEs owned by Ohio residents and MBEs owned by their own residents.

CONTENT AND OPERATION

Minority business enterprises: state assistance and protections extended to nonresident owners

(R.C. 122.71 and 153.59)

Under current law, businesses owned and controlled by members of certain economically disadvantaged groups (African-Americans, Native Americans, Hispanics, and Asian-Americans) are eligible for special consideration in the awarding of public contracts and are eligible for special government loans, loan guarantees, surety bonds, and bond guarantees. Currently, this assistance is available only to minority business enterprises (MBEs) that are owned and controlled by Ohio residents.

Similarly, current law requires that, in awarding contracts for capital improvement projects, the Department of Administrative Services must ensure that equal consideration is given to MBEs owned and controlled by Ohio residents who are socially or economically disadvantaged persons. "Socially or economically disadvantaged persons" are defined for purposes of this requirement as "persons,

regardless of marital status, who are members of groups whose disadvantage may arise from discrimination on the basis of race, religion, sex, disability . . . , national origin, ancestry, or other similar cause." (R.C. 153.59(C)(2).)

The bill requires that an MBE owned and controlled by a resident of another state be treated the same as one owned and controlled by an Ohio resident. Accordingly, an MBE owned by a nonresident would be eligible for the same special consideration available to MBEs owned by Ohio residents and would be brought within the scope of current law's explicit requirement that MBEs be given equal consideration in the awarding of contracts for capital improvement projects. This equal treatment of MBEs owned and controlled by nonresidents, however, is required only if a nonresident's state of residence treats equally MBEs owned and controlled by Ohio residents and MBEs owned and controlled by their own residents.

HISTORY

ACTION	DATE
Introduced	02-16-06

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