

As Introduced

**126th General Assembly
Regular Session
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H. B. No. 519

**Representatives Barrett, Skindell, Seitz, Yuko, Miller, Brown, Sykes, Fende,
Key**

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A B I L L

To amend sections 122.71 and 153.59 of the Revised 1
Code to treat equally minority business 2
enterprises owned and controlled by Ohio citizens 3
and minority business enterprises owned and 4
controlled by citizens of another state if the 5
other state requires the same treatment. 6

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 122.71 and 153.59 of the Revised 7
Code be amended to read as follows: 8

Sec. 122.71. As used in sections 122.71 to 122.83 of the 9
Revised Code: 10

(A) "Financial institution" means any banking corporation, 11
trust company, insurance company, savings and loan association, 12
building and loan association, or corporation, partnership, 13
federal lending agency, foundation, or other institution engaged 14
in lending or investing funds for industrial or business purposes. 15

(B) "Project" means any real or personal property connected 16
with or being a part of an industrial, distribution, commercial, 17
or research facility to be acquired, constructed, reconstructed, 18
enlarged, improved, furnished, or equipped, or any combination 19

thereof, with the aid provided under sections 122.71 to 122.83 of
the Revised Code, for industrial, commercial, distribution, and
research development of the state.

(C) "Mortgage" means the lien imposed on a project by a
mortgage on real property, or by financing statements on personal
property, or a combination of a mortgage and financing statements
when a project consists of both real and personal property.

(D) "Mortgagor" means the principal user of a project or the
person, corporation, partnership, or association unconditionally
guaranteeing performance by the principal user of its obligations
under the mortgage.

(E)(1) "Minority business enterprise" means an individual who
is a United States citizen and owns and controls a business, or a
partnership, corporation, or joint venture of any kind that is
owned and controlled by United States citizens, which citizen or
citizens are ~~residents of this state and are members~~ both of the
following:

(a) Residents of one of the following:

(i) Ohio;

(ii) Any other state if the other state treats equally
minority business enterprises owned and controlled by citizens of
this state and minority business enterprises owned and controlled
by the citizens of that state.

(b) Members of one of the following economically
disadvantaged groups: Blacks, American Indians, Hispanics, and
Orientals.

(2) "Owned and controlled" means that at least fifty-one per
cent of the business, including corporate stock if a corporation,
is owned by persons who belong to one or more of the groups set
forth in division (E)(1) of this section, and that those owners

have control over the management and day-to-day operations of the
business and an interest in the capital, assets, and profits and
losses of the business proportionate to their percentage of
ownership. In order to qualify as a minority business enterprise,
a business shall have been owned and controlled by those persons
at least one year prior to being awarded a contract pursuant to
this section.

(F) "Community improvement corporation" means a corporation
organized under Chapter 1724. of the Revised Code.

(G) "Ohio development corporation" means a corporation
organized under Chapter 1726. of the Revised Code.

(H) "Minority contractors business assistance organization"
means an entity engaged in the provision of management and
technical business assistance to minority business enterprise
entrepreneurs.

(I) "Minority business supplier development council" means a
nonprofit organization established as an affiliate of the national
minority supplier development council.

Sec. 153.59. (A) Every contract for or on behalf of the
state, or any township, county, or municipal corporation of the
state, for the construction, alteration, or repair of any public
building or public work in the state shall contain provisions by
which the contractor agrees to both of the following:

~~(A)(1)~~ That, in the hiring of employees for the performance
of work under the contract or any subcontract, no contractor,
subcontractor, or any person acting on a contractor's or
subcontractor's behalf, by reason of race, creed, sex, disability
as defined in section 4112.01 of the Revised Code, or color, shall
discriminate against any citizen of the state in the employment of
labor or workers who is qualified and available to perform the

work to which the employment relates; 80

~~(B)(2)~~ That no contractor, subcontractor, or any person on a 81
contractor's or subcontractor's behalf, in any manner, shall 82
discriminate against or intimidate any employee hired for the 83
performance of work under the contract on account of race, creed, 84
sex, disability as defined in section 4112.01 of the Revised Code, 85
or color. 86

(B) The department of administrative services shall ensure 87
that no capital moneys appropriated by the general assembly for 88
any purpose shall be expended unless the project for which those 89
moneys are appropriated provides for an affirmative action program 90
for the employment and effective utilization of disadvantaged 91
persons whose disadvantage may arise from cultural, racial, or 92
ethnic background, or other similar cause, including, but not 93
limited to, race, religion, sex, disability as defined in section 94
4112.01 of the Revised Code, national origin, or ancestry. 95

In awarding contracts for capital improvement projects, the 96
department shall ensure that equal consideration be given to 97
contractors, subcontractors, or joint venturers who qualify as a 98
minority business enterprise. ~~As~~ 99

(C) As used in this section, ~~"minority":~~ 100

(1) "Minority business enterprise" means a business 101
enterprise that is owned or controlled by one or more socially or 102
economically disadvantaged persons who are residents of ~~this~~ 103
~~state.~~ one of the following: 104

(a) Ohio; 105

(b) Any other state if the other state treats equally 106
minority business enterprises owned and controlled by citizens of 107
this state and minority business enterprises owned and controlled 108
by the citizens of that state. 109

(2) "Socially or economically disadvantaged persons" means 110
persons, regardless of marital status, who are members of groups 111
whose disadvantage may arise from discrimination on the basis of 112
race, religion, sex, disability as defined in section 4112.01 of 113
the Revised Code, national origin, ancestry, or other similar 114
cause. 115

Section 2. That existing sections 122.71 and 153.59 of the 116
Revised Code are hereby repealed. 117