



S.B. 67

127th General Assembly
(As Introduced)

Sens. R. Miller, Smith

BILL SUMMARY

- Requires the Director of Administrative Services to further implement the "Buy Ohio Law" by adopting a rule stipulating that an Ohio bid price is not excessive unless it exceeds the lowest non-Ohio bid by more than 10%, instead of 5% under current administrative rules.
- Requires the Director of Administrative Services to adopt a rule requiring that the amount of points awarded to an Ohio bid be increased by 50% when the Director uses a point system to grade bids.
- Specifies that a price for a bid for a state printing contract is considered excessive if it exceeds the lowest price submitted on a non-Ohio bid by more than 10%, instead of 5% under existing law.

CONTENT AND OPERATION

The "Buy Ohio Law"

Under current law, prior to awarding a contract pursuant to a reverse auction or competitive sealed bidding, the Department of Administrative Services or the state agency responsible for evaluating a contract for the purchase of products generally must evaluate the bids received according to specified criteria to determine if a product is produced or mined in the United States or Ohio. The Department or other state agency must remove bids that offer products that have not been or that will not be produced or mined in the United States. From among the remaining bids, the Department or other state agency must select the lowest responsive and responsible bid from among the bids that offer products that have been produced or mined in Ohio where sufficient competition can be generated within Ohio to ensure that compliance with these requirements will not result in an excessive price for the product or acquiring a disproportionately inferior product. If there are two or more qualified bids that offer products that have been produced

or mined in this state, it must be deemed that there is sufficient competition to prevent an excessive price for the product or the acquiring of a disproportionately inferior product. (Sec. 125.11, not in the bill.)

The Director of Administrative Services, by rule adopted pursuant to the Administrative Procedure Act, must prescribe criteria and procedures for use by all state agencies in giving preference to United States and Ohio products. In adopting these rules, current law requires the Director to conform to the requirements of the federal "Buy America Act," 47 Stat. 1520 (1933), 41 U.S.C.A. 10a-10d, as amended, and to the regulations adopted thereunder, to the maximum extent possible. The bill requires the Director, in adopting these rules, to also do both of the following:

(1) Stipulate that a price for Ohio products or services contained in a bid is not an excessive price unless the Ohio bid price exceeds the lowest bid price submitted for non-Ohio products or services by more than 10%, instead of 5% under existing rules;¹

(2) Increase the amount of points awarded to an Ohio bid by 50% when the Director uses a point system to grade bids. (Sec. 125.09.)

State printing contracts and the Buy Ohio Law

Currently, all state printing contracts must be executed according to the Buy Ohio Law except when printing contracts requiring special security paper of a unique nature will result in an excessive price for the product or acquiring a disproportionately inferior product. For purposes of this requirement, "excessive price" currently means a price that exceeds by more than 5% the lowest price submitted on a non-Ohio bid. The bill increases this threshold to 10%. (Sec. 125.56.)

Equal employment opportunity and minority business laws

The bill states that it is the intention of the General Assembly to strongly encourage all bidders on personal service and construction contracts to fully implement all equal employment opportunity and minority business laws and to report this implementation to all appropriate contracting authorities. (Section 3.)

¹ See O.A.C. 123:5-1-06.

HISTORY

ACTION

DATE

Introduced

02-20-07

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