



OHIO LEGISLATIVE SERVICE COMMISSION

Bill Analysis

Emily E. Wendel

S.B. 15

132nd General Assembly
(As Introduced)

Sens. Tavares, Thomas, Yuko, Schiavoni, Skindell

BILL SUMMARY

- Requires community colleges, state community colleges, technical colleges, and university branches to participate in the Minority Business Enterprises (MBE) set-aside program for agency purchases.
 - Requires community colleges, state community colleges, technical colleges, university branches, and the Northeast Ohio Medical University to work toward procurement goals for contracting with socially and economically disadvantaged businesses under the Encouraging Diversity, Growth, and Equity (EDGE) Program.
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CONTENT AND OPERATION

Expansion of the Minority Business Enterprises Program

The bill requires community colleges, state community colleges, university branches, and technical colleges to participate in the Minority Business Enterprises (MBE) set-aside program for agency purchases. Currently, state universities and the Northeast Ohio Medical University must participate in the program because they are considered state agencies, but other, locally run types of state institutions of higher education are not subject to the requirement.¹

Under the MBE program, which the bill does not change, a state agency must set aside 15% of its total purchases in each fiscal year for bidding only by minority business enterprises. A minority business enterprise is a business owned and controlled by U.S. citizens who are also Ohio residents and who are Black or African-American, American

¹ R.C. 3354.161, 3355.121, 3357.161, and 3358.10.

Indian, Hispanic, Latino, or Asian. In order to participate in the MBE program, a minority business enterprise must be certified by the Department of Administrative Services.²

Expansion of the Encouraging Diversity, Growth, and Equity Program

The bill also requires community colleges, state community colleges, technical colleges, university branches, and the Northeast Ohio Medical University to participate in the Encouraging Diversity, Growth, and Equity (EDGE) Program. Currently, state universities are required to participate, along with most state agencies, but other state institutions of higher education are not included in the program.

Under the continuing-law EDGE Program, a participating agency must work toward procurement goals for contracting with EDGE business enterprises. An EDGE business enterprise is a business certified by the Department of Administrative Services as being owned and controlled by U.S. citizens who reside in Ohio and as being socially and economically disadvantaged, based on certain criteria. The bill requires the Director of Administrative Services to adopt rules under the Administrative Procedure Act, creating guidelines to allow community colleges, state community colleges, technical colleges, university branches, and the Northeast Ohio Medical University to establish procurement goals for contracting with EDGE business enterprises in the same way as the Director currently creates guidelines for state universities to establish those goals.³

HISTORY

ACTION	DATE
Introduced	01-31-17

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² R.C. 123.151 and 125.081, not in the bill.

³ R.C. 123.152.

