

# Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 487 134<sup>th</sup> General Assembly

# **Bill Analysis**

Version: As Introduced

Primary Sponsor: Rep. T. Young

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#### **SUMMARY**

- Changes the process by which a board of elections awards contracts for printing ballots.
- Requires a board of elections to publish a notice for a contract in excess of \$25,000 for a proposal period of 15 days, rather than five days' notice.
- Requires the notice to either be posted via newspaper and electronically by email or other means, or by mail addressed to the responsible printing offices.
- Removes the requirement that ballots be printed in Ohio, and removes the requirement that the contract is awarded to a bidder in Ohio.
- Requires the contract be awarded to the most qualified responsible bidder that meets standards developed by the Secretary of State, rather than the lowest responsible bidder.
- Requires a vendor making a proposal to post a bid bond of 10% of the proposal amount.
- Eliminates the requirement that a bid be accompanied by a bond double the bid amount with at least two sureties, or a surety company, satisfactory to the board, conditioned on the faithful performance of the contract and for the payment as damages for any excess cost due to the bidder's failure to complete the contract.
- Requires the vendor to whom the contract is awarded to post a performance bond equal to a single election's contract amount, unless the contract is for multiple elections, in which case the amount of the bond is the board's estimated ballot printing costs for the largest election to be conducted during the contract period.
- Requires the Secretary of State to adopt rules establishing printing, mailing, and security standards for vendors that print ballots under contracts entered into under the bill's provisions.
- Declares an emergency.

#### **DETAILED ANALYSIS**

The bill changes the process by which a board of elections awards contracts for printing ballots, including the proposal period, notice requirements, bond amounts, and out-of-state vendors.<sup>1</sup> The bill also declares an emergency.<sup>2</sup>

## Proposal period and notice

The bill creates a proposal period of 15 days, during which time the board of elections must publish notice of the contract. Under current law, the board must give five days' notice.

Continuing law allows the board of elections to either publish a notice once in a newspaper of general circulation published in the county, or give notice by mail, addressed to the responsible printing offices. The bill requires that, if a board does the former, the board also must post the notice electronically or by email, in addition to publishing it in a newspaper. The bill does not require electronic publishing if the notice is sent by mail.<sup>3</sup>

### **Vendor requirements**

The bill also removes the requirement that the printing offices be located in Ohio. And, the bill eliminates the requirement that the ballots be printed in Ohio.

Additionally, the bill requires the contract to be awarded to the most qualified responsible proposer ("bidder" under current law) that meets the minimum standards established by the Secretary of State. (See "**Secretary of State standards**" below). Under current law, the contract is let to the lowest responsible bidder in Ohio.<sup>4</sup>

## **Bond requirements**

Regarding contracts for printing of ballots, the bill changes the process from a "bid" to a "proposal." Each proposal under the bill must be accompanied by a bid bond ("bond" under current law) of 10% of the proposal amount. Current law requires a bond of double the amount of the bid. The bill also removes the requirement that the bid be accompanied by at least two sureties, or a surety company, satisfactory to the board. Further, the bill eliminates the requirement that a bid bond is conditioned upon the faithful performance of the contract and the payment of damages to the board of "any excess of cost over the bid which it may be obliged to pay for such work by reason of the failure of the bidder to complete the contract."

Additionally, under the bill, the winner of the contract must post a performance bond, equal to a single election's contract amount, unless the contract is for multiple elections, in

<sup>3</sup> R.C. 3505.13(A).

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<sup>&</sup>lt;sup>1</sup> R.C. 3505.13; conforming changes in R.C. 3505.14.

<sup>&</sup>lt;sup>2</sup> Section 3.

<sup>&</sup>lt;sup>4</sup> R.C. 3505.13(A) and (C).

<sup>&</sup>lt;sup>5</sup> R.C. 3505.13(B).

which case the performance bond must be equal to the estimated ballot printing costs for the largest election to be conducted during the contract period.

Under continuing law, these bond requirements do not apply to contracts worth \$25,000 or less.<sup>6</sup>

## **Secretary of State standards**

The bill requires the Secretary of State to adopt rules under the Administrative Procedure Act establishing printing, mailing, and security standards for vendors that print ballots under contracts entered into with boards of elections.<sup>7</sup>

#### **HISTORY**

| Action     | Date     |
|------------|----------|
| Introduced | 11-10-21 |
|            |          |

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<sup>&</sup>lt;sup>6</sup> R.C. 3505.13(A) and (C).

<sup>&</sup>lt;sup>7</sup> R.C. 3505.13(D).