

## Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 297 134<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

Click here for H.B. 297's Bill Analysis

Version: As Introduced

Primary Sponsor: Rep. Wiggam

Local Impact Statement Procedure Required: No

Tom Wert, Senior Budget Analyst

## **Highlights**

The bill prohibits a government entity, including the state and political subdivisions, from contracting for goods and services with companies that discriminate against firearms entities or firearms trade associations. The effect of this prohibition on prices for goods and services under public contracts is uncertain.

## **Detailed Analysis**

The bill prohibits a government entity<sup>1</sup> from contracting for goods or services with a company unless the contract contains a written verification that the company does not discriminate against firearm entities or firearm trade associations as defined by the bill. The fiscal effects of this prohibition are uncertain. In cases where a company with a firearms discrimination policy would have been the lowest cost vendor under a public procumbent contract, prices paid by the government entity for goods and services will increase. However, because competitive bidding is required for most government procurement contracts, companies that remain eligible under the bill's prohibition still must compete on price. Because of this competition, companies that remain eligible under the bill's prohibition are unlikely to modify their bidding behavior much, if at all. As a result, prices paid by government entities for goods and services may be unaffected. Additionally, companies that would be barred from participation in a public

<sup>&</sup>lt;sup>1</sup> Under the bill, "governmental entity" is defined as the state of Ohio, including the General Assembly, the Supreme Court, the offices of all elected state officers, and all departments, boards, offices, commissions, agencies, colleges and universities, institutions, and other instrumentalities of the state of Ohio. "Governmental entity" also includes political subdivisions, which are counties, townships, municipal corporations, or any other body corporate and politic that is responsible for government activities in a geographic area smaller than that of the state.

procurement contract under the bill's prohibition could modify any firearms discrimination polices to remain eligible. In this case, prices paid by government entities would be unaffected. The bill's prohibitions apply only to contracts entered into after its effective date and only to contracts worth \$100,000 or more that are with companies that have at least ten employees.

HB0297IN/lb

Page | 2 H.B. 297, Fiscal Note