



Ohio Administrative Code

Rule 123:5-1-06 Implementation of domestic, Ohio bid preference.

Effective: July 4, 2022

(A) Bidders and offerors may claim preferences in a procurement solicitation response for any or all of the following: (i) offering domestic source end products; (ii) qualification as a Buy Ohio Supplier; or (iii) qualification as a veteran-friendly business enterprise, all as described in this rule.

Information furnished in the solicitation response by the bidder or offeror shall be relied upon in making the determination about whether a preference applies, but the state may verify such information if necessary. Any bidder or offeror who intentionally submits false or misleading information to receive a preference will be immediately disqualified and may be subject to administrative or legal action.

Preferences shall be applied except in those circumstances where the director of the department of administrative services or the director's designee determines compliance would not be in the best interest of the state or when otherwise prohibited.

(1) Buy American Preference. Bidder and offeror responses will be evaluated to determine whether a response includes a domestic source end product for the Buy American preference.

(2) Buy Ohio Preference. Bidder and offeror responses will be evaluated to give preference to all bids and offers received from a Buy Ohio Supplier for products raised, grown, produced, mined or manufactured in Ohio or a border state or for products and services offered by a supplier demonstrating significant economic presence in Ohio or a border state.

(3) Veteran-Friendly Business Enterprise Preference. Bidder and offeror responses will be evaluated to give preference to all bidders and offerors who are certified veteran-friendly business enterprises. In order to qualify for this preference, a bidder or offer must have an active veteran-friendly business enterprise certification at the due date and time of bid or offer.

(B) Procedures for applying preferences



Following the initial evaluation and scoring, all bids and offers will be considered for preferences. Preferences will be calculated at a rate of five per cent (5%) for the first preference and two per cent (2%) each for the second and third preferences. The preferences shall be summed and applied as a total percentage for evaluation purposes.

Preferences will only be applied when there is at least one bidder or offeror that does not qualify for that particular preference. For purposes of qualifying for a particular preference, if a bidder or offeror fails to complete the certification for each preference, that supplier will be deemed as not qualifying for that preference.

(1) Procedure for applying preferences to bids in response to an Invitation to Bid or Reverse Auction:

(a) For the Buy American preference, if any bidder offers a product that is not a domestic source end product, reduce the cost of any other bidder's domestic source end products offered by the applicable percentage.

(b) For the Buy Ohio preference, for any qualifying Buy Ohio Supplier claiming the preference, when there is at least one other bidder that is not a Buy Ohio Supplier, deduct the applicable percentage from the Buy Ohio Supplier's cost.

(c) If the bid contains multiple line items or multiple products, the preferences in (1)(a) and (b) will be applied per line item or only for that particular product.

(d) For the Veteran-Friendly Enterprise preference, if a bidder is a certified veteran-friendly business enterprise claiming the preference and there are other bidders not claiming the preference, deduct the applicable percentage from any certified veteran-friendly enterprise bidders' cost.

(2) Procedure for applying preferences to offers in response to a Request for Proposals:

(a) For the Buy American preference, if any offeror offers a product that is not a domestic source end product, add the applicable percentage of the total available points to the total score of each offeror



offering a domestic source end product.

(b) For the Buy Ohio preference, if any offeror is a Buy Ohio Supplier claiming the preference, and there is at least one other offer that is not a Buy Ohio Supplier add the applicable percentage of the total available points to each Buy Ohio Supplier's total score.

(c) If claiming the preferences in (2)(a) and (b) based on the product(s) offered, an offeror is only eligible to receive the preference if the cost of the product(s) offered exceeds fifty per cent (50%) of the total offered cost for products and services. A Buy Ohio Supplier is eligible to receive the Buy Ohio preference solely based on its significant economic presence in Ohio or a border state regardless of the origin of any product offered.

(d) For the Veteran-Friendly Enterprise preference, if any offeror is a certified veteran-friendly business enterprise claiming the preference and there is an offeror who is not claiming the preference, add the applicable percentage of the total available points to any certified veteran-friendly enterprise offeror's total score.

(3) After application of the preferences in this rule, the director or the director's designee shall consider for award the lowest bid or highest scoring offer as adjusted by the preferences. If the director of the department of administrative services or the director's designee determines that selection of the lowest bidder or the highest scoring offeror as adjusted by the preferences would not be in the best interests of the state, the director or the director's designee shall propose a contract award to the lowest responsible and responsive bid or to the offeror with the most advantageous offer.

The final contract award shall be made following further evaluation and award under rules 123:5-1-07 and 123:5-1-08 of the Administrative Code.

(C) Model System of Preferences

This system of preferences as outlined in this rule may be used voluntarily by counties, townships, and municipalities for purchasing contracts.