



Ohio Administrative Code

Rule 127-1-04 Application to the minority business bonding program.

Effective: April 7, 2014

(A) In order to apply for assistance under the minority business bonding program, a business shall submit the following:

(1) A certification by the equal employment opportunity coordinator of the department of administrative services under division (B)(1) of section 123.151 of the Revised Code that the applicant is a minority business enterprise.

(2) Payment of a premium for each bond issued in an amount to be established by the director, with the advice of the board after the director receives advice from the superintendent of insurance regarding the standard market rates for premiums for similar bonds. All premiums for business bonds shall be paid in advance in a lump sum and shall be paid into the minority business bonding program administrative and loss reserve fund.

(3) A retainage of money shall be paid for the bond issued pursuant to division (D) of section 122.89 of the Revised Code.

(4) Evidence of insurance on the business in sufficient quantities.

(5) Personal guarantees of the principals of the business and the persons substantially involved in the business operations, as may be required by the director.

(6) Financial statements, balance sheets, income statements, and/or copies of filed federal tax statements on the business' past three years of operation, or, if the business has been in existence for less than three years, the financial statements, balance sheets, income statement, and/or copies of filed federal tax statements for its operations to date.

(7) Evidence, satisfactory to the director, that the project for which bonding is sought is economically feasible and will benefit the people of the state by increasing employment



opportunities and expanding minority business enterprises.

(B) The maximum amount of any bond issued by the director under the minority business bonding program shall be one million dollars.

(C) Any business that shall have defaulted on a bond issued by the director under the minority business bonding program shall not be eligible for any other bond under the minority business bonding program.

(D) In the event of a default on a bond, the board shall recommend that the director take any action the director considers appropriate under the circumstances to enforce and protect the rights of the state of Ohio.