



Ohio Revised Code

Section 9.27 State contracts - invalid terms and conditions.

Effective: September 30, 2021

Legislation: House Bill 110 - 134th General Assembly

(A) As used in this section, "state" and "state agency" mean the state of Ohio, including the governor, lieutenant governor, secretary of state, auditor of state, attorney general, and treasurer of state, and all departments, boards, offices, commissions, agencies, institutions, and other instrumentalities of the state of Ohio, but not including the general assembly or any legislative agency, or any court or judicial agency.

(B) Except as otherwise required or permitted by state or federal law, a contract entered into by the state for the procurement of goods or services shall not include any of the following:

(1) A provision that requires the state to indemnify or hold harmless another person.

(2) A provision by which the state agrees to binding arbitration or any other binding extra-judicial dispute resolution process.

(3) A provision that names a venue for any action or dispute against the state other than a court of proper jurisdiction in Franklin county, Ohio.

(4) A provision that requires the state to agree to limit the liability for any direct loss to the state for bodily injury, death, or damage to property of the state caused by the negligence, intentional or willful misconduct, fraudulent act, recklessness, or other tortious conduct of a person or a person's employees or agents, or a provision that would otherwise impose an indemnification obligation on the state.

(5) A provision that requires the state to be bound by a term or condition that is unknown to the state at the time of signing a contract, that is not specifically negotiated with the state, that may be unilaterally changed by the other party, or that is electronically accepted by a state employee.

(6) A provision that provides for a person other than the attorney general to serve as legal counsel for



the state or for any state agency, unless allowed for under the process set forth in section 109.07 of the Revised Code.

(7) A provision that is inconsistent with the state's obligations under section 149.43 of the Revised Code.

(8) A provision for automatic renewal such that state funds are or would be obligated in subsequent fiscal years.

(9) A provision that limits the state's ability to recover the cost of cover for a replacement contractor.

(C) If a contract contains a term or condition described in division (B) of this section, the term or condition is void ab initio, and the contract containing that term or condition otherwise shall be enforceable as if it did not contain such term or condition.

(D) A contract that contains a term or condition described in division (B) of this section shall be governed by and construed in accordance with Ohio law notwithstanding any term or condition to the contrary in the contract.

(E) This section does not apply to a contract in effect before the effective date of this section or to the renewal or extension of a contract in effect before the effective date of this section .