



Ohio Revised Code

Section 122.90 Guarantee of bonds executed by sureties for minority businesses and EDGE business enterprises.

Effective: September 30, 2021

Legislation: House Bill 110

(A) The director of development may guarantee bonds executed by sureties for minority businesses and EDGE business enterprises certified under section 122.922 of the Revised Code as principals on contracts with the state, any political subdivision or instrumentality, or any person as the obligee. The director, as guarantor, may exercise all the rights and powers of a company authorized by the department of insurance to guarantee bonds under Chapter 3929. of the Revised Code but otherwise is not subject to any laws related to a guaranty company under Title XXXIX of the Revised Code nor to any rules of the department of insurance.

(B) The director shall adopt rules under Chapter 119. of the Revised Code to establish procedures for the application for bond guarantees and the review and approval of applications for bond guarantees submitted by sureties that execute bonds eligible for guarantees under division (A) of this section.

(C) In accordance with rules adopted pursuant to this section, the director may guarantee up to ninety per cent of the loss incurred and paid by sureties on bonds guaranteed under division (A) of this section.

(D) The penal sum amounts of all outstanding guarantees made by the director under this section shall not exceed three times the difference between the amount of moneys in the minority business bonding fund and available to the fund under division (B) of section 169.05 of the Revised Code and the amount of all outstanding bonds issued by the director in accordance with division (A) of section 122.89 of the Revised Code.

(E) The director of development, with controlling board approval, may approve one application per fiscal year from each surety bond company for bond guarantees in an amount requested to support one fiscal year of that company's activity under this section. A surety bond company that applies for a bond guarantee under this division, whether or not the guarantee is approved, is not restricted from also applying for individual bond guarantees under division (A) of this section.