



Ohio Revised Code

Section 5525.20 Incentive and disincentive contract provisions.

Effective: June 30, 2003

Legislation: House Bill 87 - 125th General Assembly

(A) Subject to division (B) of this section, the director of transportation may include incentive and disincentive provisions in contracts the director executes for projects or portions or phases of projects that involve any of the following:

- (1) A major bridge out of service;
- (2) A lengthy detour;
- (3) Excessive disruption to traffic;
- (4) A significant impact on public safety;
- (5) A link that completes a segment of a highway.

(B) No such provisions shall be included in any particular contract without the prior consent of the municipal corporation, or, if outside a municipal corporation and off the state highway system, the prior consent of the board of county commissioners of the county, in which the bridge, detour, disruption, impact, or link will be located or occur.

(C) If the director decides to include incentive and disincentive provisions in such contracts, the director shall make those provisions part of the bid proposal issued by the director pursuant to this chapter and shall also adopt rules, in accordance with Chapter 119. of the Revised Code, governing the formulation and use of those provisions. The rules shall be equivalent in scope, content, and coverage to the regulations the federal highway administrator issues concerning the use of such provisions in state contracts.

As used in this section, "incentive and disincentive provisions" means provisions under which the contractor would be compensated a certain amount of money for each day specified critical work is



completed ahead of schedule or under which the contractor would be assessed a deduction for each day the specified critical work is completed behind schedule. The director also may elect to compensate the contractor in the form of a lump sum incentive for completing critical work ahead of schedule.
