



Common Sense Initiative

Mike DeWine, Governor
Jim Tressel, Lt. Governor

Joseph Baker, Director

MEMORANDUM

TO: Nick Waters, Ohio Department of Development

FROM: Jacob Ritzenthaler, Business Advocate

DATE: April 9, 2025

RE: CSI Review – EDGE Certification Criteria (OAC 123:2-14-02)

Pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Department as provided for in ORC 107.54.

Analysis

This rule package consists of one amended rule proposed by the Ohio Department of Development (Department). This rule package was submitted to the CSI Office on January 29, 2025, and the public comment period was held open through February 12, 2025. Unless otherwise noted below, this recommendation reflects the version of the proposed rule filed with the CSI Office on January 29, 2025.

Ohio Administrative Code 123:2-14-02 establishes the certification criteria for the Minority Business Enterprise, Encouraging Diversity, Growth, and Equity (EDGE), or Women-owned Business Enterprise programs. The rule is amended to update a reference to the net worth thresholds found in the U.S. Code of Federal Regulations. The change will result in the personal net worth maximum for certification through EDGE increasing from \$850,000 to \$2,047,000.

During early stakeholder outreach, the Department reviewed the proposed rule during a meeting of

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

the Minority Development Financing Advisory Board. No comments were received during that time or during the CSI public comment period.

The business community impacted by the rule includes all prospective suppliers seeking to obtain certification to qualify for certain state projects. The adverse impacts created by the rule include requirements for businesses to apply and submit accompanying documentation. The Department notes that the proposed amendment will increase the number of businesses that are eligible for EDGE certification. The Department states that the adverse impact created by the rule is necessary to comply with statutory requirements for EDGE business enterprises.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that the Department should proceed in filing the proposed rule with the Joint Committee on Agency Rule Review.