

5501:2-3-08

**Subcontracting procedure.**

- (A) All subcontractors shall obtain a certificate of qualification as required by section 5525.06 of the Revised Code, except for the following:
- (1) Subcontractors who will perform less than one million ~~eight hundred thousand~~ dollars of subcontractor work on construction projects let by the department in a calendar year and who obtain approval from the director to perform the subcontractor work; or
  - (2) Subcontractors working on a project that does not contain any work types.
- (B) Prime contractors may employ, with the director's permission, subcontractors who do not have a certificate of qualification to perform work on a per project basis collectively totaling no greater than twenty percent of the amount bid but not to exceed five million dollars per project. The individual subcontractor yearly limitation set out in paragraph (A)(1) of this rule shall not be exceeded.
- (C) Subcontractors who hold a certificate of qualification must have sufficient ~~dollar bidding capacity and~~ work types necessary in order to be granted permission to perform the requested subcontract work.
- (D) No portion of any contract shall be sublet, assigned or otherwise disposed of by any certificate holder or by any subcontractor including the work proposed to be sublet to a subcontractor who does not hold a certificate of qualification, without the prior written permission of the director, but such permission shall not relieve the contractor of the responsibility for the management and performance of its contract with the department.
- (E) Each request by a certificate holder to sublet work must be in writing, including the work proposed to be sublet to a subcontractor who does not hold a certificate of qualification, and when requested be accompanied by a sworn statement of the proposed subcontractor setting forth all of its uncompleted contracts with all owners and uncompleted subcontracts with all contractors.
- (F) In the event that the subcontractor provides performance and payment bonds for the amount of the sublet work for which the director has granted permission, the director then shall increase the dollar bidding capacity of the prime contractor by the amount of the performance bond.

Effective:

Five Year Review (FYR) Dates:

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Certification

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Date

Promulgated Under:	119.03
Statutory Authority:	null
Rule Amplifies:	null