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***Press Release***  
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FOR IMMEDIATE RELEASE:

**OHIO ETHICS LAW GOVERNS STIMULUS (ARRA)  
CONTRACTS AND FUNDING**

The Ohio Ethics Commission has recently reminded and advised public officials that Ohio's Ethics Law governs Stimulus funds, formally referred to as American Recovery and Reinvestment Act (ARRA) money. The Commission found in its most recent Advisory Opinion that Stimulus expenditures constitute public contracts under Ethics statutes, and actions involving Stimulus money are governed by the Ethics Law.

"Ohio has received more than eight billion dollars from the Federal government under the American Recovery and Reinvestment Act to be spent upon public contracts and services," said Ethics Commission Chair Ben Rose. "This advisory opinion firmly holds that purchases and expenditures using Stimulus funds constitute public contracts. Under the Ethics Law, public officials cannot profit from these contracts or participate when family members or business associates might benefit from them."

Advisory Opinion 2009-06 states that the Ethics Law prohibits all public officials and employees from authorizing any public contract or allocation or award of Stimulus Funds to the official or employee, their families or business associates. The opinion outlines public contract and conflict of interest statutory restrictions that contain criminal sanctions against public officials misusing their public positions to secure Stimulus Funds or participating in any actions involving ARRA funds, where family members or business associates of the public official may otherwise lawfully have some direct benefit from the contract or expenditure of the funds.

"The Ethics Law restricts public officials from securing a financial stake in, or participating in any fashion in the award of public contracts or oversight of public funds where their

families and business associates could have a direct benefit, whether funded by Stimulus or any other public money.” Ethics Commission Executive Director David Freel stated.

Even after funds have been competitively awarded or allocated, Ethics Law restrictions continue to prohibit the public official from reviewing, assessing, or otherwise evaluating the recipient’s contract or use of funds, or determining compliance with funding guidelines, or qualification for additional funds.

In other Advisory Opinions recently issued by the Ethics Commission, the Commission advised on limited exceptions to Ethics Law restrictions where a public official or employee, similar to all citizens served by a public agency, is not prohibited from applying for a benefit that the public agency makes available to citizens, and where a public official owns less than one percent of the outstanding stock in a publicly traded corporation does not profit from contracts between the public agency the official serves and the corporation. The later opinion ensures that a public agency is not foreclosed from doing business with large, publicly-traded companies, where the sole question of conflict is less than 1% of stock held in the publicly-traded company.

To review these or any other Advisory Opinions, click [here](#).

The Ohio Ethics Commission is an independent agency that oversees the Ohio Ethics Law for most state and local public officials and employees. The Commission can provide, on its own initiative or upon request, ethics advice to public officials before they act. The Commission has been serving the public and state and local government since its formation as part of the Ohio Ethics Law in 1973.