As Referred by the House Rules and Reference Committee

133rd General Assembly
Regular Session          H. B. No. 199
2019-2020               

Representative Patton
Cosponsor: Representative Edwards

A BILL

To amend sections 715.27, 3781.102, 4740.01, 4740.02, 4740.04, 4740.12, and 4764.03 of the Revised Code to require commercial roofing contractors to have a license.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 715.27, 3781.102, 4740.01, 4740.02, 4740.04, 4740.12, and 4764.03 of the Revised Code be amended to read as follows:

Sec. 715.27. (A) Any municipal corporation may:

(1) Regulate the erection of fences, billboards, signs, and other structures, within the municipal corporation, and provide for the removal and repair of insecure billboards, signs, and other structures;

(2) Regulate the construction and repair of wires, poles, plants, and all equipment to be used for the generation and application of electricity;

(3) Provide for the licensing of house movers; plumbers; sewer tappers; vault cleaners; and specialty contractors who are
not required to hold a valid license issued pursuant to Chapter 4740. of the Revised Code;

(4) Require all specialty contractors other than those who hold a valid license issued pursuant to Chapter 4740. of the Revised Code, to successfully complete an examination, test, or demonstration of technical skills, and may impose a fee and additional requirements for a license or registration to engage in their respective occupations within the jurisdiction of the municipal corporation.

(B) No municipal corporation shall require any specialty contractor who holds a valid license issued pursuant to Chapter 4740. of the Revised Code to complete an examination, test, or demonstration of technical skills to engage in the type of contracting for which the license is held, within the municipal corporation.

(C) A municipal corporation may require a specialty contractor who holds a valid license issued pursuant to Chapter 4740. of the Revised Code to register with the municipal corporation and pay any fee the municipal corporation imposes before that specialty contractor may engage within the municipal corporation in the type of contracting for which the license is held. Any fee shall be the same for all specialty contractors who engage in the same type of contracting. A municipal corporation may require a bond and proof of all of the following:

(1) Insurance pursuant to division (B)(4) of section 4740.06 of the Revised Code;

(2) Compliance with Chapters 4121. and 4123. of the Revised Code;
(3) Registration with the tax department of the municipal corporation.

If a municipal corporation requires registration, imposes such a fee, or requires a bond or proof of the items listed in divisions (C)(1), (2), and (3) of this section, the municipal corporation immediately shall permit a contractor who presents proof of holding a valid license issued pursuant to Chapter 4740. of the Revised Code, who registers, pays the fee, obtains a bond, and submits the proof described under divisions (C)(1), (2), and (3) of this section, as required, to engage in the type of contracting for which the license is held, within the municipal corporation.

(D) A municipal corporation may revoke the registration of a contractor registered with that municipal corporation for good cause shown. Good cause shown includes the failure of a contractor to maintain a bond or the items listed in divisions (C)(1), (2), and (3) of this section, if the municipal corporation requires those.

(E) A municipal corporation that licenses specialty contractors pursuant to division (A)(3) of this section may accept, for purposes of satisfying its licensing requirements, a valid license issued pursuant to Chapter 4740. of the Revised Code that a specialty contractor holds, for the construction, replacement, maintenance, or repair of one-family, two-family, or three-family dwelling houses or accessory structures incidental to those dwelling houses.

(F) A municipal corporation shall not register a specialty contractor who is required to hold a license under Chapter 4740. of the Revised Code but does not hold a valid license issued under that chapter.
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(G) As used in this section, "specialty contractor" means a heating, ventilating, and air conditioning contractor, refrigeration contractor, electrical contractor, plumbing contractor, or hydronics contractor, or roofing contractor, as those contractors are described in Chapter 4740. of the Revised Code.

Sec. 3781.102. (A) Any county or municipal building department certified pursuant to division (E) of section 3781.10 of the Revised Code as of September 14, 1970, and that, as of that date, was inspecting single-family, two-family, and three-family residences, and any township building department certified pursuant to division (E) of section 3781.10 of the Revised Code, is hereby declared to be certified to inspect single-family, two-family, and three-family residences containing industrialized units, and shall inspect the buildings or classes of buildings subject to division (E) of section 3781.10 of the Revised Code.

(B) Each board of county commissioners may adopt, by resolution, rules establishing standards and providing for the licensing of electrical and heating, ventilating, and air conditioning contractors who are not required to hold a valid and unexpired license pursuant to Chapter 4740. of the Revised Code.

Rules adopted by a board of county commissioners pursuant to this division may be enforced within the unincorporated areas of the county and within any municipal corporation where the legislative authority of the municipal corporation has contracted with the board for the enforcement of the county rules within the municipal corporation pursuant to section 307.15 of the Revised Code. The rules shall not conflict with
rules adopted by the board of building standards pursuant to section 3781.10 of the Revised Code or by the department of commerce pursuant to Chapter 3703. of the Revised Code. This division does not impair or restrict the power of municipal corporations under Section 3 of Article XVIII, Ohio Constitution, to adopt rules concerning the erection, construction, repair, alteration, and maintenance of buildings and structures or of establishing standards and providing for the licensing of specialty contractors pursuant to section 715.27 of the Revised Code.

A board of county commissioners, pursuant to this division, may require all electrical contractors and heating, ventilating, and air conditioning contractors, other than those who hold a valid and unexpired license issued pursuant to Chapter 4740. of the Revised Code, to successfully complete an examination, test, or demonstration of technical skills, and may impose a fee and additional requirements for a license to engage in their respective occupations within the jurisdiction of the board's rules under this division.

(C) No board of county commissioners shall require any specialty contractor who holds a valid and unexpired license issued pursuant to Chapter 4740. of the Revised Code to successfully complete an examination, test, or demonstration of technical skills in order to engage in the type of contracting for which the license is held, within the unincorporated areas of the county and within any municipal corporation whose legislative authority has contracted with the board for the enforcement of county regulations within the municipal corporation, pursuant to section 307.15 of the Revised Code.

(D) A board may impose a fee for registration of a
specialty contractor who holds a valid and unexpired license issued pursuant to Chapter 4740. of the Revised Code before that specialty contractor may engage in the type of contracting for which the license is held within the unincorporated areas of the county and within any municipal corporation whose legislative authority has contracted with the board for the enforcement of county regulations within the municipal corporation, pursuant to section 307.15 of the Revised Code, provided that the fee is the same for all specialty contractors who wish to engage in that type of contracting. If a board imposes such a fee, the board immediately shall permit a specialty contractor who presents proof of holding a valid and unexpired license and pays the required fee to engage in the type of contracting for which the license is held within the unincorporated areas of the county and within any municipal corporation whose legislative authority has contracted with the board for the enforcement of county regulations within the municipal corporation, pursuant to section 307.15 of the Revised Code.

(E) The political subdivision associated with each municipal, township, and county building department the board of building standards certifies pursuant to division (E) of section 3781.10 of the Revised Code may prescribe fees to be paid by persons, political subdivisions, or any department, agency, board, commission, or institution of the state, for the acceptance and approval of plans and specifications, and for the making of inspections, pursuant to sections 3781.03 and 3791.04 of the Revised Code.

(F) Each political subdivision that prescribes fees pursuant to division (E) of this section shall collect, on behalf of the board of building standards, fees equal to the following:
(1) Three per cent of the fees the political subdivision collects in connection with nonresidential buildings;

(2) One per cent of the fees the political subdivision collects in connection with residential buildings.

(G)(1) The board shall adopt rules, in accordance with Chapter 119. of the Revised Code, specifying the manner in which the fee assessed pursuant to division (F) of this section shall be collected and remitted monthly to the board. The board shall pay the fees into the state treasury to the credit of the industrial compliance operating fund created in section 121.084 of the Revised Code.

(2) All money credited to the industrial compliance operating fund under this division shall be used exclusively for the following:

(a) Operating costs of the board;

(b) Providing services, including educational programs, for the building departments that are certified by the board pursuant to division (E) of section 3781.10 of the Revised Code;

(c) Paying the expenses of the residential construction advisory committee, including the expenses of committee members as provided in section 4740.14 of the Revised Code.

(H) A board of county commissioners that adopts rules providing for the licensing of electrical and heating, ventilating, and air conditioning contractors, pursuant to division (B) of this section, may accept, for purposes of satisfying the requirements of rules adopted under that division, a valid and unexpired license issued pursuant to Chapter 4740. of the Revised Code that is held by an electrical or heating, ventilating, and air conditioning contractor, for
the construction, replacement, maintenance, or repair of one-family, two-family, or three-family dwelling houses or accessory structures incidental to those dwelling houses.

(I) A board of county commissioners shall not register a specialty contractor who is required to hold a license under Chapter 4740. of the Revised Code but does not hold a valid license issued under that chapter.

(J) As used in this section, "specialty contractor" means a heating, ventilating, and air conditioning contractor, refrigeration contractor, electrical contractor, plumbing contractor, hydronics contractor, or roofing contractor, as those contractors are described in Chapter 4740. of the Revised Code.

Sec. 4740.01. As used in this chapter:

(A) "License" means a license the Ohio construction industry licensing board issues to an individual as a heating, ventilating, and air conditioning contractor, refrigeration contractor, electrical contractor, plumbing contractor, hydronics contractor, or roofing contractor.

(B) "Contractor" means any individual or contracting company that satisfies both of the following:

(1) Has responsibility for the means, method, and manner of construction, improvement, renovation, repair, or maintenance on a construction project with respect to one or more trades and who offers, identifies, advertises, or otherwise holds out or represents that the individual or contracting company is permitted or qualified to perform or have responsibility for the means, method, and manner of construction, improvement, renovation, repair, or maintenance with respect to one or more
trades on a construction project;

(2) Does either of the following:

(a) Performs construction, improvement, or renovation on a construction project with respect to the individual's or contracting company's trade;

(b) Employs tradespersons who perform construction, improvement, or renovation on a construction project with respect to the individual's or contracting company's trades.

(C) "Contracting company" means a company in the construction industry working on construction projects.

(D) "Licensed trade" means a trade performed by a heating, ventilating, and air conditioning contractor, a refrigeration contractor, an electrical contractor, a plumbing contractor, or a hydronics contractor, or a roofing contractor.

(E) "Tradesperson" means any individual who is employed by a contractor and who engages in construction, improvement, renovation, repair, or maintenance of buildings or structures without assuming responsibility for the means, method, or manner of that construction, improvement, renovation, repair, or maintenance.

(F) "Construction project" means a construction project involving a building or structure subject to Chapter 3781. of the Revised Code and the rules adopted under that chapter, but not an industrialized unit or a residential building as defined in section 3781.06 of the Revised Code.

(G) "Training agency" means an entity approved by the administrative section of the board to provide continuing education courses.
Sec. 4740.02. (A) There is hereby created within the department of commerce, the Ohio construction industry licensing board, consisting of seventeen-twenty-two residents of this state. The board shall have an administrative section and three-four specialty sections: a plumbing and hydronics section, an electrical section, and a heating, ventilating, air conditioning, and refrigeration section, and a roofing section. The director of commerce shall appoint all members of the board. The director or the director's designee shall serve as a member of the administrative section and the director shall appoint to the section to represent the public, one member who is not a member of any group certified by any section of the board. Each section, other than the administrative section, shall annually elect a member of its section to serve a one-year term on the administrative section.

(B) The plumbing and hydronics section consists of five members, one of whom is a plumbing inspector employed by the department of commerce, a municipal corporation, or a health district, two of whom are plumbing contractors who have no affiliation with any union representing plumbers, and two of whom are plumbing contractors who are signatories to agreements with unions representing plumbers.

The plumbing and hydronics section has primary responsibility for the licensure of plumbing contractors and hydronics contractors.

(C) The electrical section consists of five members, one of whom is an electrical inspector employed by the department of commerce, a municipal corporation, or a county, two of whom are electrical contractors who have no affiliation with any union representing electricians, and two of whom are electrical
contractors who are signatories to agreements with unions representing electricians.

The electrical section has primary responsibility for the licensure of electrical contractors.

(D) The heating, ventilating, air conditioning, and refrigeration section consists of five members, one of whom is a heating, ventilating, air conditioning, and refrigeration inspector employed by either the department of commerce or a municipal corporation; two of whom are heating, ventilating, and air conditioning contractors or refrigeration contractors who have no affiliation with any union representing heating, ventilating, and air conditioning tradespersons or refrigeration tradespersons; and two of whom are heating, ventilating, and air conditioning contractors or refrigeration contractors who are signatories to agreements with unions representing heating, ventilating, and air conditioning tradespersons or refrigeration tradespersons.

The heating, ventilating, air conditioning, and refrigeration section has primary responsibility for the licensure of heating, ventilating, and air conditioning contractors and refrigeration contractors.

(E) The roofing section consists of five members, one of whom is a building inspector employed by the department of commerce or a municipal corporation, two of whom are roofing contractors who have no affiliation with any union representing roofers, and two of whom are roofing contractors who are signatories to agreements with unions representing roofers. The roofing section has primary responsibility for the licensure of roofing contractors.
Within ninety days after July 31, 1992, initial appointments shall be made to the board. Of the initial appointments to the board, two appointments in each section, other than the administrative section, are for terms ending one year after July 31, 1992, and two are for terms ending two years after July 31, 1992. All other appointments to the board are for terms ending three years after July 31, 1992.

Within ninety days after the effective date of this amendment, initial appointments shall be made to the roofing section of the board. Two initial appointments in the section shall be for terms ending one year after the effective date of this amendment, two initial appointments shall be for terms ending two years after the effective date of this amendment, and the remaining initial appointment shall be for a term ending three years after the effective date of this amendment.

Thereafter, terms of office are for three years, each term ending on the same day of the same month of the year as did the term that it succeeds. Each member shall hold office from the date of appointment until the end of the term for which the member was appointed. Members may be reappointed. Vacancies shall be filled in the manner provided for original appointments. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office as a member for the remainder of that term. A member shall continue in office subsequent to the expiration of a term until a successor takes office or until a period of sixty days has elapsed, whichever occurs first.

Before entering upon the discharge of official duties, each member shall take the oath of office required by
Section 7 of Article XV, Ohio Constitution.

(C) (H) Each member, except for the director or the director's designee, shall receive a per diem amount fixed pursuant to section 124.15 of the Revised Code when actually attending to matters of the board and for the time spent in necessary travel, and all actual and necessary expenses incurred in the discharge of official duties.

(H) (I) The director of commerce may remove any member of the board the director appoints for malfeasance, misfeasance, or nonfeasance.

(I) (J) Membership on the board and holding any office of the board does not constitute holding a public office or employment within the meaning of any section of the Revised Code, or an interest, either direct or indirect, in a contract or expenditure of money by the state or any municipal corporation, township, special district, school district, county, or other political subdivision. No member or officer of the board is disqualified from holding any public office or employment nor shall the officer or member forfeit any public office or employment by reason of holding a position as an officer or member of the board.

(J) (K) The board, and each section of the board, shall meet only after adequate advance notice of the meeting has been given to each member of the board or section, as appropriate.

Sec. 4740.04. The administrative section of the Ohio construction industry licensing board is responsible for the administration of this chapter and shall do all of the following:

(A) Schedule the contractor examinations each of the other
sections of the board directs. Each type of examination shall be held at least four times per year.

(B) Select and contract with one or more persons to do all of the following relative to the examinations:

(1) Prepare, administer, score, and maintain the confidentiality of the examinations;

(2) Be responsible for all the expenses required to fulfill division (B)(1) of this section;

(3) Charge an applicant a fee in an amount the administrative section of the board authorizes for administering the examination.

(C) Issue and renew licenses as follows:

(1) Issue a license to any individual who the appropriate specialty section of the board determines is qualified pursuant to section 4740.06 of the Revised Code to hold a license and has attained, within the twelve months preceding the individual's application for licensure, a score on the examination that the appropriate specialty section authorizes for the licensed trade.

   (a) Each license shall include the contractor's name, license number, expiration date, and the name of the contracting company associated with the individual, as applicable.

   (b) Each license issued to an individual who holds more than one valid license shall contain the same license number and expiration date as the original license issued to that individual.

(2) Renew licenses for individuals who meet the renewal requirements of section 4740.06 of the Revised Code.
(D) Make an annual written report to the director of commerce on proceedings had by or before the board for the previous year and make an annual statement of all money received and expended by the board during the year;

(E) Keep a record containing the name, address, the date on which the board issues or renews a license to, and the license number of, every heating, ventilating, and air conditioning contractor, refrigeration contractor, electrical contractor, plumbing contractor, and hydronics contractor, and roofing contractor issued a license pursuant to this chapter;

(F) Regulate a contractor's use and display of a license issued pursuant to this chapter and of any information contained in that license;

(G) Adopt rules in accordance with Chapter 119. of the Revised Code as necessary to properly discharge the administrative section's duties under this chapter. The rules shall include, but not be limited to, the following:

1. Application procedures for examinations;

2. Specifications for continuing education requirements for license renewal that address all of the following:

   a. A requirement that an individual who holds any number of valid and unexpired licenses accrue a total of ten hours of continuing education courses per year;

   b. Fees the board charges to persons who provide continuing education courses, in an amount of twenty-five dollars annually for each person approved to provide courses, not more than ten dollars plus one dollar per credit hour for each course submitted to a specialty section of the board for approval according to division (F) of section 4740.05 of the...
Revised Code, and one dollar per credit hour of instruction per attendee;

(c) A provision limiting approval of continuing education courses to one year.

(3) Requirements for criminal records checks of applicants under section 4776.03 of the Revised Code.

(H) Adopt any continuing education curriculum as the other sections of the board establish or approve pursuant to division (F) of section 4740.05 of the Revised Code;

(I) Keep a record of its proceedings and do all things necessary to carry out this chapter.

Sec. 4740.12. (A) No political subdivision, district, or agency of the state may adopt an ordinance or rule that requires contractor registration and the assessment of a registration or license fee unless that ordinance or rule also requires any contractor who registers and pays the registration or license fee to be licensed in the contractor's trade pursuant to this chapter.

(B) Except as provided in division (A) of this section, nothing in this chapter shall be construed to limit the operation of any statute or rule of this state or any ordinance or rule of any political subdivision, district, or agency of the state that does either of the following:

(1) Regulates the installation, repair, maintenance, or alteration of plumbing systems, hydronics systems, electrical systems, heating, ventilating, and air conditioning systems, or refrigeration systems, or roofing systems;

(2) Requires the registration and assessment of a
registration or license fee of tradespersons who perform heating, ventilating, and air conditioning, refrigeration, electrical, plumbing, or hydronics, or roofing construction, improvement, renovation, repair, or maintenance.

Sec. 4764.03. Section 4764.02 of the Revised Code does not apply to any person described as follows if the person is acting within the scope of practice of the person's respective profession:

(A) A person who is employed by or whose services otherwise are retained by this state or a political subdivision of this state for the purpose of enforcing building codes;

(B) A person holding a valid certificate to practice architecture issued under Chapter 4703. of the Revised Code;

(C) A person registered as a professional engineer under Chapter 4733. of the Revised Code;

(D) A heating, ventilating, and air conditioning contractor, refrigeration contractor, electrical contractor, plumbing contractor, or hydronics contractor, or roofing contractor who is licensed under Chapter 4740. or section 3781.102 of the Revised Code or who is licensed or registered under section 715.27 of the Revised Code;

(E) A real estate broker, real estate salesperson, foreign real estate dealer, or foreign real estate salesperson who is licensed under Chapter 4735. of the Revised Code;

(F) A real estate appraiser who is licensed under Chapter 4763. of the Revised Code;

(G) A public insurance adjuster who holds a valid certificate of authority issued under Chapter 3951. of the Revised Code;
Revised Code or an employee or representative of an insurer licensed to transact business in this state under Title XXXIX of the Revised Code who conducts an inspection of any property or structure for purposes related to the business of insurance;

(H) A commercial applicator of pesticide who is licensed under Chapter 921. of the Revised Code.

Section 2. That existing sections 715.27, 3781.102, 4740.01, 4740.02, 4740.04, 4740.12, and 4764.03 of the Revised Code are hereby repealed.

Section 3. (A) On or before one hundred twenty days after the effective date of this section, the Ohio Construction Industry Licensing Board shall send notice by regular mail to the legislative authority of a municipal corporation and to the board of county commissioners of every county that, prior to the effective date of this section, provided for the licensing or registration of roofing contractors, informing the municipal corporation and board of county commissioners of the provisions of this act.

(B) Within ninety days after the effective date of this section, the Ohio Construction Industry Licensing Board shall publish notice of the provisions of this act in appropriate trade publications and in a newspaper of general circulation in each of the nine most populous metropolitan areas of this state, once a week for three consecutive weeks.

Section 4. (A) The roofing section of the Ohio Construction Industry Licensing Board shall issue a roofing license, to any individual who meets the criteria described in division (B) of this section.

(B) The individual does all of the following:
(1) Has been actively engaged as a roofing contractor in this state for at least three years immediately prior to the effective date of this section;

(2) Applies to the roofing section of the Board within twelve months after the effective date of this section;

(3) Pays the appropriate fee determined by the roofing section of the Board;

(4) Furnishes business records or other evidence to verify the experience required under division (B)(1) of this section;

(5) Provides evidence of all of the following:

(a) Current contractor's liability insurance, including without limitation, complete operations coverage, in the amount of five hundred thousand dollars;

(b) Compliance with Chapters 4121. and 4123. of the Revised Code;

(c) Compliance with any other applicable legal requirements to do business in this state, as determined by the Board.

(C) Notwithstanding division (B)(5)(a) of this section, when more than one individual affiliated with a contracting company is issued a license pursuant to division (B) of this section, those individuals collectively shall provide to the appropriate section of the Board evidence of current contractor's liability coverage, including complete operations coverage, in the total amount of five hundred thousand dollars.

Section 5. Sections 1 and 2 of this act, other than the amendments to section 4740.02 of the Revised Code, shall take effect one hundred eighty days after the effective date of this act.
section.