

As Introduced

132nd General Assembly

Regular Session

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H. B. No. 339

Representatives Schaffer, Hagan

A BILL

To amend sections 715.27, 3781.102, 4740.01, 1
4740.03, 4740.04, 4740.05, 4740.06, 4740.07, 2
4740.11, 4740.12, 4740.13, 4740.14, and 4740.16 3
of the Revised Code to license residential only 4
construction contractors and to make changes to 5
the law regulating specialty construction 6
contractors. 7

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

Section 1. That sections 715.27, 3781.102, 4740.01, 8
4740.03, 4740.04, 4740.05, 4740.06, 4740.07, 4740.11, 4740.12, 9
4740.13, 4740.14, and 4740.16 of the Revised Code be amended to 10
read as follows: 11

Sec. 715.27. (A) Any municipal corporation may: 12

(1) Regulate the erection of fences, billboards, signs, 13
and other structures, within the municipal corporation, and 14
provide for the removal and repair of insecure billboards, 15
signs, and other structures; 16

(2) Regulate the construction and repair of wires, poles, 17
plants, and all equipment to be used for the generation and 18
application of electricity; 19

(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 are not required to 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; 49
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(3) Registration with the tax department of the municipal corporation. 51
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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. 53
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(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. 63
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(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~~ the 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. 69
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(F) A municipal corporation shall not register a specialty 77

contractor who is required to hold a license under Chapter 4740. 78
of the Revised Code but does not hold a valid license issued 79
under that chapter. 80

(G) As used in this section, "specialty contractor" means 81
a heating, ventilating, and air conditioning contractor, 82
refrigeration contractor, electrical contractor, plumbing 83
contractor, or hydronics contractor, as those contractors are 84
described in Chapter 4740. of the Revised Code. 85

Sec. 3781.102. (A) Any county or municipal building 86
department certified pursuant to division (E) of section 3781.10 87
of the Revised Code as of September 14, 1970, and that, as of 88
that date, was inspecting single-family, two-family, and three- 89
family residences, and any township building department 90
certified pursuant to division (E) of section 3781.10 of the 91
Revised Code, is hereby declared to be certified to inspect 92
single-family, two-family, and three-family residences 93
containing industrialized units, and shall inspect the buildings 94
or classes of buildings subject to division (E) of section 95
3781.10 of the Revised Code. 96

~~(B) Each board of county commissioners may adopt, by 97
resolution, rules establishing standards and providing for the 98
licensing of electrical and heating, ventilating, and air- 99
conditioning contractors who are not required to hold a valid- 100
and unexpired license pursuant to Chapter 4740. of the Revised- 101
Code. 102~~

~~Rules adopted by a board of county commissioners pursuant- 103
to this division may be enforced within the unincorporated areas- 104
of the county and within any municipal corporation where the 105
legislative authority of the municipal corporation has- 106
contracted with the board for the enforcement of the county- 107~~

~~rules within the municipal corporation pursuant to section 108
307.15 of the Revised Code. The rules shall not conflict with 109
rules adopted by the board of building standards pursuant to 110
section 3781.10 of the Revised Code or by the department of 111
commerce pursuant to Chapter 3703. of the Revised Code. This 112
division does not impair or restrict the power of municipal 113
corporations under Section 3 of Article XVIII, Ohio 114
Constitution, to adopt rules concerning the erection, 115
construction, repair, alteration, and maintenance of buildings 116
and structures or of establishing standards and providing for 117
the licensing of specialty contractors pursuant to section 118
715.27 of the Revised Code. 119~~

~~A board of county commissioners, pursuant to this 120
division, may require all electrical contractors and heating, 121
ventilating, and air conditioning contractors, other than those 122
who hold a valid and unexpired license issued pursuant to 123
Chapter 4740. of the Revised Code, to successfully complete an 124
examination, test, or demonstration of technical skills, and may 125
impose a fee and additional requirements for a license to engage 126
in their respective occupations within the jurisdiction of the 127
board's rules under this division. 128~~

~~(C) No board of county commissioners shall require any 129
specialty contractor who holds a valid and unexpired license 130
issued pursuant to Chapter 4740. of the Revised Code to 131
successfully complete an examination, test, or demonstration of 132
technical skills in order to engage in the type of contracting 133
for which the license is held, within the unincorporated areas 134
of the county and within any municipal corporation whose 135
legislative authority has contracted with the board for the 136
enforcement of county regulations within the municipal 137
corporation, pursuant to section 307.15 of the Revised Code. 138~~

~~(D)~~-(C) A board may impose a fee for registration of a 139
specialty contractor who holds a valid and unexpired license 140
issued pursuant to Chapter 4740. of the Revised Code before that 141
specialty contractor may engage in the type of contracting for 142
which the license is held within the unincorporated areas of the 143
county and within any municipal corporation whose legislative 144
authority has contracted with the board for the enforcement of 145
county regulations within the municipal corporation, pursuant to 146
section 307.15 of the Revised Code, provided that the fee is the 147
same for all specialty contractors who wish to engage in that 148
type of contracting. If a board imposes such a fee, the board 149
immediately shall permit a specialty contractor who presents 150
proof of holding a valid and unexpired license and pays the 151
required fee to engage in the type of contracting for which the 152
license is held within the unincorporated areas of the county 153
and within any municipal corporation whose legislative authority 154
has contracted with the board for the enforcement of county 155
regulations within the municipal corporation, pursuant to 156
section 307.15 of the Revised Code. 157

~~(E)~~-(D) The political subdivision associated with each 158
municipal, township, and county building department the board of 159
building standards certifies pursuant to division (E) of section 160
3781.10 of the Revised Code may prescribe fees to be paid by 161
persons, political subdivisions, or any department, agency, 162
board, commission, or institution of the state, for the 163
acceptance and approval of plans and specifications, and for the 164
making of inspections, pursuant to sections 3781.03 and 3791.04 165
of the Revised Code. 166

~~(F)~~-(E) Each political subdivision that prescribes fees 167
pursuant to division ~~(E)~~-(D) of this section shall collect, on 168
behalf of the board of building standards, fees equal to the 169

following:	170
(1) Three per cent of the fees the political subdivision collects in connection with nonresidential buildings;	171 172
(2) One per cent of the fees the political subdivision collects in connection with residential buildings.	173 174
(G) <u>(F)</u> (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) <u>(E)</u> 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.	175 176 177 178 179 180 181
(2) All money credited to the industrial compliance operating fund under this division shall be used exclusively for the following:	182 183 184
(a) Operating costs of the board;	185
(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;	186 187 188
(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.	189 190 191
(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	192 193 194 195 196 197

~~Chapter 4740. of the Revised Code that is held by an electrical- 198
or heating, ventilating, and air conditioning contractor, for- 199
the construction, replacement, maintenance, or repair of one- 200
family, two family, or three family dwelling houses or accessory- 201
structures incidental to those dwelling houses. 202~~

~~(I)~~ (G) A board of county commissioners shall not register 203
a specialty contractor who is required to hold a license under 204
Chapter 4740. of the Revised Code but does not hold a valid 205
license issued under that chapter. 206

~~(J)~~ (H) As used in this section, "specialty contractor" 207
means a heating, ventilating, and air conditioning contractor, 208
refrigeration contractor, electrical contractor, plumbing 209
contractor, or hydronics contractor, as those contractors are 210
described in Chapter 4740. of the Revised Code. 211

Sec. 4740.01. As used in this chapter: 212

(A) ~~"License"~~ "Universal license" means a license the Ohio 213
construction industry licensing board issues to an individual as 214
a heating, ventilating, and air conditioning contractor, 215
refrigeration contractor, electrical contractor, plumbing 216
contractor, or hydronics contractor for construction projects. 217

(B) "Residential only license" means a license the Ohio 218
construction industry licensing board issues to an individual as 219
a heating, ventilating, and conditioning contractor, 220
refrigeration contractor, electrical contractor, plumbing 221
contractor, or hydronics contractor for residential construction 222
projects only. 223

(C) "Contractor" means any individual or contracting 224
company that satisfies both of the following: 225

(1) Has responsibility for the means, method, and manner 226

of construction, improvement, renovation, repair, or maintenance 227
on a construction project with respect to one or more trades and 228
who offers, identifies, advertises, or otherwise holds out or 229
represents that the individual or contracting company with which 230
the individual is associated is permitted or qualified to 231
perform or have responsibility for the means, method, and manner 232
of construction, improvement, renovation, repair, or maintenance 233
with respect to one or more trades on a construction project; 234

(2) Does either of the following: 235

(a) Performs construction, improvement, or renovation on a 236
construction project with respect to the individual's or 237
contracting company's trade; 238

(b) Employs tradespersons who perform construction, 239
improvement, or renovation on a construction project with 240
respect to the individual's or contracting company's trades. 241

~~(C)~~ (D) "Contracting company" means a company in the 242
construction industry ~~working on that~~ contracts with a person 243
for heating, ventilating, and air conditioning construction 244
projects, refrigeration construction projects, electrical 245
construction projects, plumbing construction projects, or 246
hydronics construction projects. 247

~~(D)~~ (E) "Licensed trade" means a trade performed by a 248
heating, ventilating, and air conditioning contractor, a 249
refrigeration contractor, an electrical contractor, a plumbing 250
contractor, or a hydronics contractor. 251

~~(E)~~ (F) "Tradesperson" means any individual who is 252
employed by a contractor and who engages in construction, 253
improvement, renovation, repair, or maintenance of buildings or 254
structures without assuming responsibility for the means, 255

method, or manner of that construction, improvement, renovation, 256
repair, or maintenance. 257

~~(F)~~ (G) "Construction project" means a construction 258
project involving a building or structure subject to Chapter 259
3781. of the Revised Code and the rules adopted under that 260
chapter. A construction project may include a residential 261
building but not an industrialized unit ~~or a residential~~ 262
~~building~~ as those terms are defined in section 3781.06 of the 263
Revised Code. 264

~~(G)~~ (H) "Training agency" means an entity approved by the 265
administrative section of the board to provide continuing 266
education courses. 267

Sec. 4740.03. (A) The administrative section of the Ohio 268
construction industry licensing board annually shall elect from 269
among its members a chairperson and other officers as the board, 270
by rule, designates. The chairperson shall preside over meetings 271
of the administrative section or designate another member to 272
preside in the chairperson's absence. The administrative section 273
shall hold at least two regular meetings each year, but may meet 274
at additional times as specified by rule, at the call of the 275
chairperson, or upon the request of two or more members. A 276
majority of the members of the administrative section 277
constitutes a quorum for the transaction of all business. The 278
administrative section may not take any action without the 279
concurrence of ~~at least three~~ a majority of its members. 280

(B) (1) The administrative section shall employ a 281
secretary, who is not a member of the board, to serve at the 282
pleasure of the administrative section, and shall fix the 283
compensation of the secretary. The secretary shall be in the 284
unclassified civil service of the state. 285

(2) The secretary shall do all of the following:	286
(a) Keep or set standards for and delegate to another person the keeping of the minutes, books, and other records and files of the board and each section of the board;	287 288 289
(b) Issue all licenses in the name of the board;	290
(c) Send out all notices, including advance notices of meetings of the board and each section of the board, and attend to all correspondence of the board and each section of the board, under the direction of the administrative section;	291 292 293 294
(d) Receive and deposit, <u>in accordance with section 4740.11 of the Revised Code</u> , all fees payable pursuant to this chapter into the <u>construction industry licensing enforcement fund created pursuant to section 4740.11 of the Revised Code or the industrial compliance operating fund created pursuant to section 121.084 of the Revised Code</u> ;	295 296 297 298 299 300
(e) Perform all other duties incidental to the office of the secretary or properly assigned to the secretary by the administrative section of the board.	301 302 303
(3) Before entering upon the discharge of the duties of the secretary, the secretary shall file with the treasurer of state a bond in the sum of five <u>hundred</u> thousand dollars, payable to the state, to ensure the faithful performance of the secretary's duties. The board shall pay the premium of the bond in the same manner as it pays other expenditures of the board.	304 305 306 307 308 309
(C) Upon the request of the administrative section of the board, the director of commerce shall supply the board and its sections with personnel, office space, and supplies, as the director determines appropriate. The administrative section of the board shall employ any additional staff it considers	310 311 312 313 314

necessary and appropriate. 315

(D) The chairperson of the board or the secretary, or 316
both, as authorized by the board, shall approve all vouchers of 317
the board. 318

Sec. 4740.04. The administrative section of the Ohio 319
construction industry licensing board is responsible for the 320
administration of this chapter and shall do all of the 321
following: 322

(A) Schedule the contractor examinations each of the other 323
sections of the board directs. Each type of examination shall be 324
held at least four times per year. 325

(B) Select and contract with one or more persons to do all 326
of the following relative to the examinations: 327

(1) Prepare, administer, score, and maintain the 328
confidentiality of the examinations; 329

(2) Be responsible for all the expenses required to 330
fulfill division (B)(1) of this section; 331

(3) Charge an applicant a fee in an amount the 332
administrative section of the board authorizes for ~~administering~~ 333
~~the examination~~ processing the application. 334

(C) Issue and renew licenses as follows: 335

(1) Issue a license to any individual who the appropriate 336
specialty section of the board determines is qualified pursuant 337
to section 4740.06 of the Revised Code to hold a license and has 338
attained, within the twelve months preceding the individual's 339
application for licensure, a score on the examination that the 340
appropriate specialty section authorizes for the licensed trade. 341

(a) Each license shall include the contractor's name, 342
license number, expiration date, and the name of the contracting 343
company associated with the individual, as applicable. If the 344
license is a residential only license, the license shall 345
indicate that it is a residential only license. 346

(b) Each license issued to an individual who holds more 347
than one valid license shall contain the same license number and 348
expiration date as the original license issued to that 349
individual. 350

(2) Renew licenses for individuals who meet the renewal 351
requirements of section 4740.06 of the Revised Code. 352

(D) Make an annual written report to the director of 353
commerce on proceedings had by or before the board for the 354
previous year and make an annual statement of all money received 355
and expended by the board during the year; 356

(E) Keep a record containing the name, address, the date 357
on which the board issues or renews a license to, and the 358
license number of, every heating, ventilating, and air 359
conditioning contractor, refrigeration contractor, electrical 360
contractor, plumbing contractor, and hydronics contractor issued 361
a license pursuant to this chapter; 362

(F) Regulate a contractor's use and display of a license 363
issued pursuant to this chapter and of any information contained 364
in that license; 365

(G) Adopt rules in accordance with Chapter 119. of the 366
Revised Code as necessary to properly discharge the 367
administrative section's duties under this chapter. The rules 368
shall include, but not be limited to, the following: 369

(1) Application procedures for examinations; 370

(2) Specifications for continuing education requirements for license renewal that address all of the following:	371 372
(a) A requirement that an individual who holds any number of valid and unexpired licenses accrue a total of ten the <u>required number of hours of continuing education courses per year</u> . <u>The total hours shall be the aggregate of the hours of continuing education for all licenses the contractor holds.</u>	373 374 375 376 377
(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;	378 379 380 381 382 383 384 385
(c) A provision limiting approval of continuing education courses to one year.	386 387
(3) Requirements for criminal records checks of applicants under section 4776.03 of the Revised Code.	388 389
(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;	390 391 392
(I) Keep a record of its proceedings and do all things necessary to carry out this chapter.	393 394
Sec. 4740.05. Each specialty section of the Ohio construction industry licensing board, other than the administrative section, shall do all of the following:	395 396 397
(A) Adopt rules in accordance with Chapter 119. of the	398

Revised Code that are limited to the following:	399
(1) Criteria for the <u>specialty</u> section to use in evaluating the qualifications of an individual;	400 401
(2) Criteria for the <u>specialty</u> section to use in deciding whether to issue, renew, suspend, revoke, or refuse to issue or renew a license;	402 403 404
(3) The determinations and approvals the <u>specialty</u> section makes under the reciprocity provision of section 4740.08 of the Revised Code;	405 406 407
(4) Criteria for continuing education courses conducted pursuant to this chapter;	408 409
(5) A requirement that any training agency seeking approval to provide continuing education courses submit the required information to the appropriate specialty section of the board at least thirty days, but not more than one year, prior to the date on which the course is proposed to be offered;	410 411 412 413 414
(6) A prohibition against any training agency providing a continuing education course unless the administrative section of the board approved that training agency not more than one year prior to the date the course is offered;	415 416 417 418
(7) A list of disqualifying offenses pursuant to sections 4740.06, 4740.10, and 4776.10 of the Revised Code.	419 420
(B) Investigate allegations in reference to violations of this chapter and the rules adopted pursuant to it that pertain to the specialty section and determine by rule a procedure to conduct investigations and hearings on these allegations;	421 422 423 424
(C) Maintain a record of its proceedings;	425

(D) Grant approval to a training agency to offer 426
continuing education courses pursuant to rules the board adopts; 427

(E) As required, do all things necessary to carry out this 428
chapter; 429

(F) Establish or approve a continuing education curriculum 430
for license renewal for each class of contractors for which the 431
specialty section has primary responsibility. No curriculum may 432
require more than ~~five~~ four hours per year in specific course 433
requirements. ~~No contractor may be required to take more than~~ 434
~~ten hours per year in continuing education courses. The ten~~ 435
total hours shall be the aggregate of hours of continuing 436
education for all licenses the contractor holds. 437

(G) Design the examination for the type of contractor the 438
specialty section licenses to determine an applicant's 439
competence to perform that type of contracting. 440

(H) In accordance with rules the specialty sections 441
establish, direct the administrative section to issue, renew, or 442
refuse to issue or renew licenses for the classes of contractors 443
for which each has primary responsibility as set forth in 444
section 4740.02 of the Revised Code. 445

Sec. 4740.06. (A) Any individual who applies for a license 446
shall file a written application with the appropriate specialty 447
section of the Ohio construction industry licensing board, 448
accompanied with the application fee as determined pursuant to 449
section 4740.09 of the Revised Code. The application shall be on 450
the form the section prescribes and verified by the applicant's 451
oath. The applicant shall provide information satisfactory to 452
the section showing that the applicant meets the requirements of 453
division (B) of this section. 454

- (B) To qualify to take an examination, an individual shall: 455
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- (1) Be at least eighteen years of age; 457
- (2) Be a United States citizen or legal alien who produces valid documentation to demonstrate the individual is a legal resident of the United States; 458
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- (3) Either have been a tradesperson for a licensed contractor in the type of licensed trade for which the application is filed for not less than five years immediately prior to the date the application is filed, be a currently registered professional engineer in this state with three years of business experience in the construction industry in the trade for which the engineer is applying to take an examination, or have other experience acceptable to the appropriate specialty section of the board; 461
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- (4) Maintain contractor's liability insurance in an amount the appropriate specialty section of the board determines and only in one contracting company name; 470
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- (5) Comply with Chapters 4121., 4123., 4127., 4131., and 4141. of the Revised Code; 473
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- (6) Identify the contracting company with which the individual is associated as a full-time officer, proprietor, partner, or employee pursuant to section 4740.07 of the Revised Code and to which the applicant's license will be assigned; 475
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- (7) Not have done any of the following: 479
- (a) Been convicted of or pleaded guilty to a crime of moral turpitude or a disqualifying offense as those terms are defined in section 4776.10 of the Revised Code; 480
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(b) Violated this chapter or any rule adopted pursuant to	483
it;	484
(c) Obtained or renewed a license issued pursuant to this	485
chapter, or any order, ruling, or authorization of the board or	486
a section of the board by fraud, misrepresentation, or	487
deception;	488
(d) Engaged in fraud, misrepresentation, or deception in	489
the conduct of business.	490
(C) When an applicant for licensure as a contractor in a	491
licensed trade meets the qualifications set forth in division	492
(B) of this section and passes the required examination, the	493
appropriate specialty section of the board, within ninety days	494
after the application was filed, shall authorize the	495
administrative section of the board to license the applicant for	496
the type of contractor's license for which the applicant	497
qualifies. A specialty section of the board may withdraw its	498
authorization to the administrative section for issuance of a	499
license for good cause shown, on the condition that notice of	500
that withdrawal is given prior to the administrative section's	501
issuance of the license.	502
(D) (1) Except as provided in division (D) (2) of this	503
section, if an applicant does not pass the required examination,	504
the applicant may retake the examination not less than sixty	505
days after the applicant's most recent examination.	506
(2) An applicant who does not pass the required	507
examination after taking the examination five times under this	508
section shall reapply for a license under division (A) of this	509
section before retaking the required examination any subsequent	510
time.	511

(E) All licenses a contractor holds pursuant to this 512
chapter shall expire annually on the same date, which shall be 513
the expiration date of the original license the contractor 514
holds. An individual holding a valid, unexpired license may 515
renew the license, without reexamination, by submitting an 516
application to the appropriate specialty section of the board 517
not more than ninety calendar days before the expiration of the 518
license, along with the renewal fee the specialty section 519
requires and proof of compliance with the applicable continuing 520
education requirements. The applicant shall provide information 521
in the renewal application satisfactory to demonstrate to the 522
appropriate specialty section that the applicant continues to 523
meet the requirements of division (B) of this section. 524

Upon application and within one calendar year after a 525
license has expired, a section may waive any of the requirements 526
for renewal of a license upon finding that an applicant 527
substantially meets the renewal requirements or that failure to 528
timely apply for renewal is due to excusable neglect. A section 529
that waives requirements for renewal of a license may impose 530
conditions ~~upon~~ with which the licensee is required to comply 531
and assess a late filing fee of not more than double the usual 532
renewal fee. An applicant shall satisfy any condition the 533
section imposes before a license is reissued. 534

(F) An individual holding a valid license may request the 535
section of the board that authorized that license to place the 536
license in inactive status under conditions, and for a period of 537
time, as that section determines. 538

(G) Except for the ninety-day extension provided for a 539
license assigned to a contracting company under division (D) of 540
section 4740.07 of the Revised Code, a license held by an 541

individual immediately terminates upon the death of the 542
individual. 543

(H) Nothing in any license issued by the Ohio construction 544
industry licensing board shall be construed to limit or 545
eliminate any requirement of or any license issued by the Ohio 546
fire marshal. 547

~~(I) (1) Subject to divisions (I) (2), (3), and (4) of this 548
section, no specialty section of the board shall adopt, 549
maintain, renew, or enforce any rule, or otherwise preclude in 550
any way, an individual from receiving or renewing a license 551
under this chapter due to any past criminal activity or 552
interpretation of moral character, except as pursuant to 553
division (B) (5) (a) of this section. If the specialty section 554
denies an individual a license or license renewal, the reasons 555
for such denial shall be put in writing. 556~~

~~(2) Except as otherwise provided in this division, if an 557
individual applying for a license has been convicted of or 558
pleaded guilty to a misdemeanor that is not a crime of moral 559
turpitude or a disqualifying offense less than one year prior to 560
making the application, the section may use its discretion in 561
granting or denying the individual a license. Except as 562
otherwise provided in this division, if an individual applying 563
for a license has been convicted of or pleaded guilty to a 564
felony that is not a crime of moral turpitude or a disqualifying 565
offense less than three years prior to making the application, 566
the section may use its discretion in granting or denying the 567
individual a license. The provisions in this paragraph do not 568
apply with respect to any offense unless the section, prior to 569
September 28, 2012, was required or authorized to deny the 570
application based on that offense. 571~~

~~In all other circumstances, the section shall follow the procedures it adopts by rule that conform to division (I) (1) of this section.~~ 572
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~~(3) In considering a renewal of an individual's license, the section shall not consider any conviction or plea of guilty prior to the initial licensing. However, the board may consider a conviction or plea of guilty if it occurred after the individual was initially licensed, or after the most recent license renewal.~~ 575
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~~(4) The section may grant an individual a conditional license that lasts for one year. After the one year period has expired, the license is no longer considered conditional, and the individual shall be considered fully licensed.~~ 581
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~~(I) Notwithstanding divisions (D) and (H) division (E) of this section and sections 4740.04 and 4740.05 of the Revised Code, the board may establish rules that amend the continuing education requirements and license renewal schedule for licensees as provided in or adopted pursuant to those sections for the purpose of establishing a compliance incentive program. These rules may include provisions for the creation of the program and the qualifications, continuing education requirements, and renewal schedule for the program.~~ 585
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Sec. 4740.07. (A) Except as otherwise provided in this section, the administrative section of the Ohio construction industry licensing board shall issue and renew all licenses under this chapter in the name of the individual who meets the requirements of section 4740.06 of the Revised Code. 594
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(B) All individuals applying for a license under this chapter shall request, at the time of applying for a license 599
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that the individual's license be assigned to a contracting 601
company with whom the individual is employed on a full-time 602
basis. If the individual is issued a license and meets the 603
requirements of this section for the assignment of the license 604
to a contracting company, the administrative section shall 605
assign the license to and issue a license in the name of the 606
contracting company. The license assigned and issued to a 607
contracting company under this division shall state the name and 608
position of the individual who assigned the license to the 609
contracting company. If a license is not assigned to a 610
contracting company in accordance with this division, the 611
appropriate specialty section of the board shall place that 612
license in inactive status. 613

(C) During the period a contracting company holds a 614
license issued under division (B) of this section, the 615
administrative section shall not issue another license to the 616
individual who assigned the license to the contracting company 617
for the same type of contracting for which the contracting 618
company utilizes the assigned license. 619

(D) (1) If a contractor who assigned a license to a 620
contracting company under division (B) of this section ceases to 621
be associated with the contracting company for any reason, 622
including the death of the contractor, the contractor or 623
contracting company immediately shall notify the appropriate 624
specialty section of the board of the date on which the 625
contractor ceased to be associated with the contracting company. 626
Such a license assignment is invalid according to the 627
following, as applicable: 628

(a) Ninety calendar days after the death of the 629
contractor; 630

(b) Ninety calendar days after the contractor completes a change of company form; 631
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(c) At an earlier time to which the contracting company and the contractor agree. 633
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(2) If a license assignation made to a contracting company becomes invalid pursuant to division (D) (1) of this section and another individual has assigned a license to the contracting company for the same type of contracting for which the invalidated license assignation had been made, the contracting company may continue to operate under the other assigned license. 635
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(E) Any work a contracting company conducts under the license assigned under this section or displayed under division (F) of section 4740.04 of the Revised Code is deemed to be conducted under the personal supervision of the individual named in the license and any violation of any term of the license is deemed to have been committed by the individual named in the license. 642
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For the period of time during which more than one license for the same type of contracting is assigned to a contracting company, the appropriate specialty section of the board shall determine under which license the violation was committed, and any individual named in the other license shall not be held liable for the violation. 649
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(F) No individual who assigns a license to a contracting company shall assign a license for the same type of contracting to another contracting company until the original license assignation is invalid pursuant to division (D) of this section. 655
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(G) Any individual who assigns a license to a contracting 659

company under this section shall be actively engaged in business 660
as the type of contractor for which the license is issued and be 661
readily available for consultation with ~~the~~ both of the 662
following: 663

(1) The contracting company to which the license is 664
assigned; 665

(2) An investigator appointed by the director of commerce 666
pursuant to division (C) of section 4740.03 of the Revised Code. 667

(H) No license assigned under this section shall be 668
assigned to more than one contracting company at a time. 669

Sec. 4740.11. The Ohio construction industry licensing 670
board and its sections shall deposit twenty per cent of all 671
receipts and fines collected under this chapter into the 672
construction industry licensing enforcement fund, which is 673
hereby created in the state treasury. The board shall use the 674
funds to enforce the provisions of this chapter. The board shall 675
deposit the remainder of the receipts and fines collected under 676
this chapter into the state treasury to the credit of the 677
industrial compliance operating fund created in section 121.084 678
of the Revised Code. 679

Sec. 4740.12. (A) Each political subdivision, district, or 680
agency of this state that oversees any type of construction for 681
which a contractor is required to be licensed under this chapter 682
shall require proof that the contractor holds a valid license 683
issued under this chapter prior to doing either of the 684
following: 685

(1) Registering a contractor to do work as a heating, 686
ventilating, and air conditioning contractor, electrical 687
contractor, plumbing contractor, or hydronics contractor on 688

construction, improvement, renovation, repair, or maintenance of 689
buildings; 690

(2) Issuing a building permit, or otherwise accepting or 691
approving plans and specifications in accordance with section 692
3791.04 of the Revised Code, to a contractor to do work as a 693
heating, ventilating, and air conditioning contractor, 694
refrigeration contractor, electrical contractor, plumbing 695
contractor, or hydronics contractor. 696

(B) No political subdivision, district, or agency of the 697
state may adopt an ordinance or rule that requires contractor- 698
registration and the assessment of a registration or license fee- 699
unless that ordinance or rule also requires any contractor who 700
registers and pays the registration or license fee to be shall 701
require a contractor who is licensed in the contractor's trade 702
pursuant to this chapter to meet any additional eligibility 703
requirements for registration by the political subdivision, 704
district, or agency of the state. 705

(C) Nothing in this section shall be construed to limit 706
the ability of a political subdivision, district, or agency of 707
this state to charge a registration fee or require permits, 708
approvals, or code compliance bonds. 709

~~(B)~~ (D) Except as provided in division (A) (B) of this 710
section, nothing in this chapter shall be construed to limit the 711
operation of any statute or rule of this state or any ordinance 712
or rule of any political subdivision, district, or agency of the 713
state that does either of the following: 714

(1) Regulates the installation, repair, maintenance, or 715
alteration of plumbing systems, hydronics systems, electrical 716
systems, heating, ventilating, and air conditioning systems, or 717

refrigeration systems; 718

(2) Requires the registration and assessment of a 719
registration or license fee of tradespersons who perform 720
heating, ventilating, and air conditioning, refrigeration, 721
electrical, plumbing, or hydronics construction, improvement, 722
renovation, repair, or maintenance. 723

Sec. 4740.13. (A) (1) No individual shall perform any of 724
the duties, responsibilities, or functions of a heating, 725
ventilating, and air conditioning contractor, refrigeration 726
contractor, electrical contractor, plumbing contractor, or 727
hydronics contractor, other than for the individual's primary 728
residence, unless that individual is licensed under this chapter 729
or unless the individual is employed by a contractor licensed 730
under this chapter. 731

(2) No person shall act as or claim to be a type of 732
contractor that this chapter licenses unless that person holds 733
or has been assigned a license issued pursuant to this chapter 734
for the type of contractor that person is acting as or claiming 735
to be. 736

(B) Upon the request of the appropriate specialty section 737
of the Ohio construction industry licensing board, the attorney 738
general may bring a civil action for appropriate relief, 739
including but not limited to a temporary restraining order or 740
permanent injunction in the court of common pleas of the county 741
where the unlicensed person resides or is acting as or claiming 742
to be a licensed contractor. 743

(C) After a finding, pursuant to a review and 744
investigation, that a person has violated this section, the 745
appropriate specialty section may file a complaint against an 746

unlicensed person with the appropriate local prosecutor for 747
criminal prosecution. 748

(D) A contractor licensed under this chapter may install, 749
service, and maintain the related or interfaced control wiring 750
for equipment and devices related to their specific license, on 751
the condition that the control wiring is less than twenty-five 752
volts. 753

~~(D)~~(E) A person is not an electrical contractor subject 754
to licensure under this chapter for work that is limited to the 755
construction, improvement, renovation, repair, testing, or 756
maintenance of the following systems using less than fifty volts 757
of electricity: fire alarm or burglar alarm, cabling, tele-data 758
sound, communication, and landscape lighting and irrigation. 759

Sec. 4740.14. (A) There is hereby created within the 760
department of commerce the residential construction advisory 761
committee consisting of nine persons the director of commerce 762
appoints. The advisory committee shall be made up of the 763
following members: 764

(1) Three shall be general contractors who have recognized 765
ability and experience in the construction of residential 766
buildings. 767

(2) Two shall be building officials who have experience 768
administering and enforcing a residential building code. 769

(3) One, chosen from a list of three names the Ohio fire 770
chief's association submits, shall be from the fire service 771
certified as a fire safety inspector who has at least ten years 772
of experience enforcing fire or building codes. 773

(4) One shall be a residential contractor who has 774
recognized ability and experience in the remodeling and 775

construction of residential buildings. 776

(5) One shall be an architect registered pursuant to 777
Chapter 4703. of the Revised Code, with recognized ability and 778
experience in the architecture of residential buildings. 779

(6) One, chosen from a list of three names the Ohio 780
municipal league submits to the director, shall be a mayor of a 781
municipal corporation in which the Ohio residential building 782
code is being enforced in the municipal corporation by a 783
certified building department. 784

(B) Terms of office shall be for three years, with each 785
term ending on the date three years after the date of 786
appointment. Each member shall hold office from the date of 787
appointment until the end of the term for which the member was 788
appointed. Vacancies shall be filled in the manner provided for 789
initial appointments. Any member appointed to fill a vacancy in 790
an unexpired term shall hold office for the remainder of that 791
term. 792

(C) The advisory committee shall do all of the following: 793

(1) Recommend to the board of building standards a 794
building code for residential buildings. The committee shall 795
recommend a code that it may model on a residential building 796
code a national model code organization issues, with adaptations 797
necessary to implement the code in this state. If the board of 798
building standards decides not to adopt a code the committee 799
recommends, the committee shall revise the code and resubmit it 800
until the board adopts a code the committee recommends as the 801
state residential building code; 802

(2) Advise the board regarding the establishment of 803
standards for certification of building officials who enforce 804

the state residential building code; 805

(3) Assist the board in providing information and guidance 806
to residential contractors and building officials who enforce 807
the state residential building code; 808

(4) Advise the board regarding the interpretation of the 809
state residential building code; 810

(5) Provide other assistance the committee considers 811
necessary; 812

(6) Provide the board with a written report of the 813
committee's findings for each consideration required by division 814
(D) of this section. 815

(D) The committee shall not make its recommendation to the 816
board pursuant to divisions (C) (1), (2), and (4) of this section 817
until the advisory committee has considered all of the 818
following: 819

(1) The impact that the state residential building code 820
may have upon the health, safety, and welfare of the public; 821

(2) The economic reasonableness of the residential 822
building code; 823

(3) The technical feasibility of the residential building 824
code; 825

(4) The financial impact that the residential building 826
code may have on the public's ability to purchase affordable 827
housing. 828

(E) The advisory committee may provide the board with any 829
rule the committee recommends to update or amend the state 830
residential building code or any rule that the committee 831

recommends to update or amend the state residential building 832
code after receiving a petition described in division (A) (2) of 833
section 3781.12 of the Revised Code. 834

(F) Members of the advisory committee shall receive no 835
salary for the performance of their duties as members, but shall 836
receive their actual and necessary expenses incurred in the 837
performance of their duties as members of the advisory committee 838
and shall receive a per diem for each day in attendance at an 839
official meeting of the committee, to be paid from the 840
industrial compliance operating fund in the state treasury, 841
using fees collected in connection with residential buildings 842
pursuant to division ~~(F) (2)~~ (E) (2) of section 3781.102 of the 843
Revised Code and deposited in that fund. 844

(G) The advisory committee is not subject to sections 845
101.82 to 101.87 of the Revised Code. 846

(H) Serving as a member of the residential construction 847
advisory committee does not constitute holding a public office 848
or position of employment under the laws of this state and 849
service on the committee does not constitute grounds for 850
removing a committee member from a public office or position of 851
employment. 852

Sec. 4740.16. (A) An investigator appointed by the 853
director of commerce pursuant to division (C) of section 4740.03 854
of the Revised Code, on behalf of the appropriate specialty 855
section of the Ohio construction industry licensing board may 856
investigate any person who allegedly has violated section 857
4740.13 of the Revised Code. ~~If,~~ 858

(1) The investigation may be limited to areas or 859
activities related only to licenses, permits, or approvals but 860

is not required to be so limited. 861

(2) Any person who wishes to make a complaint against a 862
person who allegedly has violated section 4740.13 of the Revised 863
Code shall submit the complaint in writing to the appropriate 864
section of the board within one year after the date of the 865
action or event upon which the complaint is based. 866

(B) If, after an investigation pursuant to section 4740.05 867
of the Revised Code, the appropriate specialty section, or 868
section's designee, determines that reasonable evidence exists 869
that a person has violated section 4740.13 of the Revised Code, 870
the appropriate specialty section or investigator shall send a 871
written notice to that person in the same manner as prescribed 872
in section 119.07 of the Revised Code for licensees. 873

~~(B) The~~ (C) Except as provided in division (E) of this 874
section, the appropriate specialty section shall hold a hearing 875
regarding the alleged violation in the same manner prescribed 876
for an adjudication hearing under section 119.09 of the Revised 877
Code. If the appropriate specialty section, after the hearing, 878
determines a violation has occurred, the appropriate specialty 879
section, upon an affirmative vote of a majority of its members, 880
may impose a fine on the person, not exceeding one thousand 881
dollars per violation per day and may file a complaint against 882
the person with the appropriate local prosecutor for criminal 883
prosecution. The appropriate specialty section's determination 884
is an order that the person may appeal in accordance with 885
section 119.12 of the Revised Code. 886

~~(C)~~ (D) If the appropriate specialty section assesses a 887
person a civil penalty for a violation of section 4740.13 of the 888
Revised Code and the person fails to pay that civil penalty 889
within the time period prescribed by the appropriate specialty 890

section, the appropriate specialty section shall forward to the 891
attorney general the name of the person and the amount of the 892
civil penalty for the purpose of collecting that civil penalty. 893
In addition to the civil penalty assessed pursuant to this 894
section, the person also shall pay any fee assessed by the 895
attorney general for collection of the civil penalty. 896

~~(D)~~ (E) If a person fails to request a hearing within 897
thirty days after the date the appropriate specialty section, in 898
accordance with section 119.07 of the Revised Code, notifies the 899
person of the section's intent to act against the person under 900
division ~~(A)~~ (B) of this section, the section, by majority vote 901
of a quorum of the section members, may take the action against 902
a person without holding an adjudication hearing. 903

Section 2. That existing sections 715.27, 3781.102, 904
4740.01, 4740.03, 4740.04, 4740.05, 4740.06, 4740.07, 4740.11, 905
4740.12, 4740.13, 4740.14, and 4740.16 of the Revised Code are 906
hereby repealed. 907

Section 3. Notwithstanding division (A) of section 4740.13 908
of the Revised Code which, as a result of amendments made by 909
this act, prohibits a person from performing any residential 910
construction duties with respect to heating, ventilating, and 911
air conditioning; refrigeration; electrical; plumbing; or 912
hydronics without a license, a person may perform those 913
residential construction duties without a license until six 914
months after the effective date of this act. 915

Section 4. (A) Notwithstanding division (C) of section 916
4740.06 of the Revised Code, the appropriate specialty section 917
of the Ohio Construction Licensing Board may authorize the 918
administrative section of the Board to license an applicant 919
without requiring the applicant to pass the examination if all 920

of the following apply:	921
(1) The applicant applies for licensure within six months after the effective date of this act.	922 923
(2) The applicant pays an application fee of fifty dollars.	924 925
(3) The applicant identifies the contracting company with which the applicant is associated as a full-time officer, proprietor, or partner to which the applicant's license will be assigned pursuant to section 4740.07 of the Revised Code.	926 927 928 929
(4) The applicant complies with section 4740.061 of the Revised Code.	930 931
(5) The applicant submits to the appropriate specialty section evidence of all of the following:	932 933
(a) Current contractor's liability insurance in the name of a single company under which the applicant is a primary insured. The liability insurance shall be in an amount of not less than five hundred thousand dollars including complete operations coverage.	934 935 936 937 938
(b) Compliance with Chapters 4121., 4123, 4127., 4131., and 4141. of the Revised Code;	939 940
(c) Compliance with any other requirements the Board determines to be necessary.	941 942
(6) The applicant has not done any of the following:	943
(a) Been convicted of or pleaded guilty to a crime of moral turpitude or a disqualifying offense as those terms are defined in section 4776.10 of the Revised Code;	944 945 946
(b) Violated Chapter 4740. of the Revised Code or any rule	947

adopted pursuant to it;	948
(c) Obtained or renewed a license issued pursuant to	949
Chapter 4740. of the Revised Code, or any order, ruling, or	950
authorization of the Ohio Construction Industry Licensing Board	951
or a section of the Board by fraud, misrepresentation, or	952
deception;	953
(d) Engaged in fraud, misrepresentation, or deception in	954
the conduct of business.	955
(7) The applicant meets either of the following	956
requirements:	957
(a) The applicant holds a valid and unexpired registration	958
or license issued in the specialty trade by a municipality,	959
county, or health department of this state prior to the	960
effective date of this act.	961
(b) The applicant has been actively engaged as a	962
residential heating, ventilating, and air conditioning	963
contractor, refrigeration contractor, electrical contractor,	964
plumbing contractor, or hydronics contractor for at least three	965
consecutive years immediately preceding the effective date of	966
this act. The applicant shall submit to the Board records from	967
the contracting company with which the applicant is associated,	968
including tax returns and any other evidence necessary to verify	969
that the applicant has met the experience requirements of	970
division (A) (7) (b) of this section, and shall satisfy the	971
qualifications necessary, which may include "other experience	972
acceptable to the appropriate specialty section of the board,"	973
to take the examination under division (B) of section 4740.06 of	974
the Revised Code. The applicant's application shall be reviewed	975
by at least three members of the appropriate section of the	976

Board. 977

(B) The Board shall issue a universal license to any 978
person that holds a license issued by the Ohio Construction 979
Industry Licensing Board, in good standing, as a heating, 980
ventilating, and air conditioning contractor, refrigeration 981
contractor, electrical contractor, plumbing contractor, or 982
hydronics contractor prior to the effective date of this act. A 983
license issued under this division shall be effective for the 984
term of the license that it replaced. 985

Section 5. Section 4740.06 of the Revised Code is 986
presented in this act as a composite of the section as amended 987
by both Am. Sub. H.B. 486 and Sub. S.B. 78 of the 130th General 988
Assembly. The General Assembly, applying the principle stated in 989
division (B) of section 1.52 of the Revised Code that amendments 990
are to be harmonized if reasonably capable of simultaneous 991
operation, finds that the composite is the resulting version of 992
the section in effect prior to the effective date of the section 993
as presented in this act. 994