

**As Reported by the Senate Transportation, Commerce and Labor
Committee**

131st General Assembly

**Regular Session
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S. B. No. 249

Senator Patton

Cosponsors: Senators Brown, Yuko

A BILL

To amend sections 715.27, 3781.102, 4740.01, 1
4740.02, 4740.04, and 4740.12 of the Revised 2
Code to require commercial roofing contractors 3
to have a license. 4

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

Section 1. That sections 715.27, 3781.102, 4740.01, 5
4740.02, 4740.04, and 4740.12 of the Revised Code be amended to 6
read as follows: 7

Sec. 715.27. (A) Any municipal corporation may: 8

(1) Regulate the erection of fences, billboards, signs, 9
and other structures, within the municipal corporation, and 10
provide for the removal and repair of insecure billboards, 11
signs, and other structures; 12

(2) Regulate the construction and repair of wires, poles, 13
plants, and all equipment to be used for the generation and 14
application of electricity; 15

(3) Provide for the licensing of house movers; plumbers; 16

sewer tappers; vault cleaners; and specialty contractors who are 17
not required to hold a valid license issued pursuant to Chapter 18
4740. of the Revised Code; 19

(4) Require all specialty contractors other than those who 20
hold a valid license issued pursuant to Chapter 4740. of the 21
Revised Code, to successfully complete an examination, test, or 22
demonstration of technical skills, and may impose a fee and 23
additional requirements for a license or registration to engage 24
in their respective occupations within the jurisdiction of the 25
municipal corporation. 26

(B) No municipal corporation shall require any specialty 27
contractor who holds a valid license issued pursuant to Chapter 28
4740. of the Revised Code to complete an examination, test, or 29
demonstration of technical skills to engage in the type of 30
contracting for which the license is held, within the municipal 31
corporation. 32

(C) A municipal corporation may require a specialty 33
contractor who holds a valid license issued pursuant to Chapter 34
4740. of the Revised Code to register with the municipal 35
corporation and pay any fee the municipal corporation imposes 36
before that specialty contractor may engage within the municipal 37
corporation in the type of contracting for which the license is 38
held. Any fee shall be the same for all specialty contractors 39
who engage in the same type of contracting. A municipal 40
corporation may require a bond and proof of all of the 41
following: 42

(1) Insurance pursuant to division (B) (4) of section 43
4740.06 of the Revised Code; 44

(2) Compliance with Chapters 4121. and 4123. of the 45

Revised Code; 46

(3) Registration with the tax department of the municipal 47
corporation. 48

If a municipal corporation requires registration, imposes 49
such a fee, or requires a bond or proof of the items listed in 50
divisions (C) (1), (2), and (3) of this section, the municipal 51
corporation immediately shall permit a contractor who presents 52
proof of holding a valid license issued pursuant to Chapter 53
4740. of the Revised Code, who registers, pays the fee, obtains 54
a bond, and submits the proof described under divisions (C) (1), 55
(2), and (3) of this section, as required, to engage in the type 56
of contracting for which the license is held, within the 57
municipal corporation. 58

(D) A municipal corporation may revoke the registration of 59
a contractor registered with that municipal corporation for good 60
cause shown. Good cause shown includes the failure of a 61
contractor to maintain a bond or the items listed in divisions 62
(C) (1), (2), and (3) of this section, if the municipal 63
corporation requires those. 64

(E) A municipal corporation that licenses specialty 65
contractors pursuant to division (A) (3) of this section may 66
accept, for purposes of satisfying its licensing requirements, a 67
valid license issued pursuant to Chapter 4740. of the Revised 68
Code that a specialty contractor holds, for the construction, 69
replacement, maintenance, or repair of one-family, two-family, 70
or three-family dwelling houses or accessory structures 71
incidental to those dwelling houses. 72

(F) A municipal corporation shall not register a specialty 73
contractor who is required to hold a license under Chapter 4740. 74

of the Revised Code but does not hold a valid license issued 75
under that chapter. 76

(G) As used in this section, "specialty contractor" means 77
a heating, ventilating, and air conditioning contractor, 78
refrigeration contractor, electrical contractor, plumbing 79
contractor, ~~or~~ hydronics contractor, or roofing contractor, as 80
those contractors are described in Chapter 4740. of the Revised 81
Code. 82

Sec. 3781.102. (A) Any county or municipal building 83
department certified pursuant to division (E) of section 3781.10 84
of the Revised Code as of September 14, 1970, and that, as of 85
that date, was inspecting single-family, two-family, and three- 86
family residences, and any township building department 87
certified pursuant to division (E) of section 3781.10 of the 88
Revised Code, is hereby declared to be certified to inspect 89
single-family, two-family, and three-family residences 90
containing industrialized units, and shall inspect the buildings 91
or classes of buildings subject to division (E) of section 92
3781.10 of the Revised Code. 93

(B) Each board of county commissioners may adopt, by 94
resolution, rules establishing standards and providing for the 95
licensing of electrical and heating, ventilating, and air 96
conditioning contractors who are not required to hold a valid 97
and unexpired license pursuant to Chapter 4740. of the Revised 98
Code. 99

Rules adopted by a board of county commissioners pursuant 100
to this division may be enforced within the unincorporated areas 101
of the county and within any municipal corporation where the 102
legislative authority of the municipal corporation has 103
contracted with the board for the enforcement of the county 104

rules within the municipal corporation pursuant to section 105
307.15 of the Revised Code. The rules shall not conflict with 106
rules adopted by the board of building standards pursuant to 107
section 3781.10 of the Revised Code or by the department of 108
commerce pursuant to Chapter 3703. of the Revised Code. This 109
division does not impair or restrict the power of municipal 110
corporations under Section 3 of Article XVIII, Ohio 111
Constitution, to adopt rules concerning the erection, 112
construction, repair, alteration, and maintenance of buildings 113
and structures or of establishing standards and providing for 114
the licensing of specialty contractors pursuant to section 115
715.27 of the Revised Code. 116

A board of county commissioners, pursuant to this 117
division, may require all electrical contractors and heating, 118
ventilating, and air conditioning contractors, other than those 119
who hold a valid and unexpired license issued pursuant to 120
Chapter 4740. of the Revised Code, to successfully complete an 121
examination, test, or demonstration of technical skills, and may 122
impose a fee and additional requirements for a license to engage 123
in their respective occupations within the jurisdiction of the 124
board's rules under this division. 125

(C) No board of county commissioners shall require any 126
specialty contractor who holds a valid and unexpired license 127
issued pursuant to Chapter 4740. of the Revised Code to 128
successfully complete an examination, test, or demonstration of 129
technical skills in order to engage in the type of contracting 130
for which the license is held, within the unincorporated areas 131
of the county and within any municipal corporation whose 132
legislative authority has contracted with the board for the 133
enforcement of county regulations within the municipal 134
corporation, pursuant to section 307.15 of the Revised Code. 135

(D) A board may impose a fee for registration of a 136
specialty contractor who holds a valid and unexpired license 137
issued pursuant to Chapter 4740. of the Revised Code before that 138
specialty contractor may engage in the type of contracting for 139
which the license is held within the unincorporated areas of the 140
county and within any municipal corporation whose legislative 141
authority has contracted with the board for the enforcement of 142
county regulations within the municipal corporation, pursuant to 143
section 307.15 of the Revised Code, provided that the fee is the 144
same for all specialty contractors who wish to engage in that 145
type of contracting. If a board imposes such a fee, the board 146
immediately shall permit a specialty contractor who presents 147
proof of holding a valid and unexpired license and pays the 148
required fee to engage in the type of contracting for which the 149
license is held within the unincorporated areas of the county 150
and within any municipal corporation whose legislative authority 151
has contracted with the board for the enforcement of county 152
regulations within the municipal corporation, pursuant to 153
section 307.15 of the Revised Code. 154

(E) The political subdivision associated with each 155
municipal, township, and county building department the board of 156
building standards certifies pursuant to division (E) of section 157
3781.10 of the Revised Code may prescribe fees to be paid by 158
persons, political subdivisions, or any department, agency, 159
board, commission, or institution of the state, for the 160
acceptance and approval of plans and specifications, and for the 161
making of inspections, pursuant to sections 3781.03 and 3791.04 162
of the Revised Code. 163

(F) Each political subdivision that prescribes fees 164
pursuant to division (E) of this section shall collect, on 165
behalf of the board of building standards, fees equal to the 166

following: 167

(1) Three per cent of the fees the political subdivision 168
collects in connection with nonresidential buildings; 169

(2) One per cent of the fees the political subdivision 170
collects in connection with residential buildings. 171

(G) (1) The board shall adopt rules, in accordance with 172
Chapter 119. of the Revised Code, specifying the manner in which 173
the fee assessed pursuant to division (F) of this section shall 174
be collected and remitted monthly to the board. The board shall 175
pay the fees into the state treasury to the credit of the 176
industrial compliance operating fund created in section 121.084 177
of the Revised Code. 178

(2) All money credited to the industrial compliance 179
operating fund under this division shall be used exclusively for 180
the following: 181

(a) Operating costs of the board; 182

(b) Providing services, including educational programs, 183
for the building departments that are certified by the board 184
pursuant to division (E) of section 3781.10 of the Revised Code; 185

(c) Paying the expenses of the residential construction 186
advisory committee, including the expenses of committee members 187
as provided in section 4740.14 of the Revised Code. 188

(H) A board of county commissioners that adopts rules 189
providing for the licensing of electrical and heating, 190
ventilating, and air conditioning contractors, pursuant to 191
division (B) of this section, may accept, for purposes of 192
satisfying the requirements of rules adopted under that 193
division, a valid and unexpired license issued pursuant to 194

Chapter 4740. of the Revised Code that is held by an electrical 195
or heating, ventilating, and air conditioning contractor, for 196
the construction, replacement, maintenance, or repair of one- 197
family, two-family, or three-family dwelling houses or accessory 198
structures incidental to those dwelling houses. 199

(I) A board of county commissioners shall not register a 200
specialty contractor who is required to hold a license under 201
Chapter 4740. of the Revised Code but does not hold a valid 202
license issued under that chapter. 203

(J) As used in this section, "specialty contractor" means 204
a heating, ventilating, and air conditioning contractor, 205
refrigeration contractor, electrical contractor, plumbing 206
contractor, ~~or~~ hydronics contractor, or roofing contractor, as 207
those contractors are described in Chapter 4740. of the Revised 208
Code. 209

Sec. 4740.01. As used in this chapter: 210

(A) "License" means a license the Ohio construction 211
industry licensing board issues to an individual as a heating, 212
ventilating, and air conditioning contractor, refrigeration 213
contractor, electrical contractor, plumbing contractor, ~~or~~ 214
hydronics contractor, or roofing contractor. 215

(B) "Contractor" means any individual or contracting 216
company that satisfies both of the following: 217

(1) Has responsibility for the means, method, and manner 218
of construction, improvement, renovation, repair, or maintenance 219
on a construction project with respect to one or more trades and 220
who offers, identifies, advertises, or otherwise holds out or 221
represents that the individual or contracting company is 222
permitted or qualified to perform or have responsibility for the 223

means, method, and manner of construction, improvement, 224
renovation, repair, or maintenance with respect to one or more 225
trades on a construction project; 226

(2) Does either of the following: 227

(a) Performs construction, improvement, or renovation on a 228
construction project with respect to the individual's or 229
contracting company's trade; 230

(b) Employs tradespersons who perform construction, 231
improvement, or renovation on a construction project with 232
respect to the individual's or contracting company's trades. 233

(C) "Contracting company" means a company in the 234
construction industry working on construction projects. 235

(D) "Licensed trade" means a trade performed by a heating, 236
ventilating, and air conditioning contractor, a refrigeration 237
contractor, an electrical contractor, a plumbing contractor, ~~or~~ 238
a hydronics contractor, or roofing contractor. 239

(E) "Tradesperson" means any individual who is employed by 240
a contractor and who engages in construction, improvement, 241
renovation, repair, or maintenance of buildings or structures 242
without assuming responsibility for the means, method, or manner 243
of that construction, improvement, renovation, repair, or 244
maintenance. 245

(F) "Construction project" means a construction project 246
involving a building or structure subject to Chapter 3781. of 247
the Revised Code and the rules adopted under that chapter, but 248
not an industrialized unit or a residential building as defined 249
in section 3781.06 of the Revised Code. 250

(G) "Training agency" means an entity approved by the 251

administrative section of the board to provide continuing 252
education courses. 253

Sec. 4740.02. (A) There is hereby created within the 254
department of commerce, the Ohio construction industry licensing 255
board, consisting of ~~seventeen~~twenty-two residents of this 256
state. The board shall have an administrative section and ~~three~~four 257
specialty sections: a plumbing and hydronics section, an 258
electrical section, and a heating, ventilating, air 259
conditioning, and refrigeration section, and a roofing section. 260
The director of commerce shall appoint all members of the board. 261
The director or the director's designee shall serve as a member 262
of the administrative section and the director shall appoint to 263
the section to represent the public, one member who is not a 264
member of any group certified by any section of the board. Each 265
section, other than the administrative section, shall annually 266
elect a member of its section to serve a one-year term on the 267
administrative section. 268

(B) The plumbing and hydronics section consists of five 269
members, one of whom is a plumbing inspector employed by the 270
department of commerce, a municipal corporation, or a health 271
district, two of whom are plumbing contractors who have no 272
affiliation with any union representing plumbers, and two of 273
whom are plumbing contractors who are signatories to agreements 274
with unions representing plumbers. 275

The plumbing and hydronics section has primary 276
responsibility for the licensure of plumbing contractors and 277
hydronics contractors. 278

(C) The electrical section consists of five members, one 279
of whom is an electrical inspector employed by the department of 280
commerce, a municipal corporation, or a county, two of whom are 281

electrical contractors who have no affiliation with any union 282
representing electricians, and two of whom are electrical 283
contractors who are signatories to agreements with unions 284
representing electricians. 285

The electrical section has primary responsibility for the 286
licensure of electrical contractors. 287

(D) The heating, ventilating, air conditioning, and 288
refrigeration section consists of five members, one of whom is a 289
heating, ventilating, air conditioning, and refrigeration 290
inspector employed by either the department of commerce or a 291
municipal corporation; two of whom are heating, ventilating, and 292
air conditioning contractors or refrigeration contractors who 293
have no affiliation with any union representing heating, 294
ventilating, and air conditioning tradespersons or refrigeration 295
tradespersons; and two of whom are heating, ventilating, and air 296
conditioning contractors or refrigeration contractors who are 297
signatories to agreements with unions representing heating, 298
ventilating, and air conditioning tradespersons or refrigeration 299
tradespersons. 300

The heating, ventilating, air conditioning, and 301
refrigeration section has primary responsibility for the 302
licensure of heating, ventilating, and air conditioning 303
contractors and refrigeration contractors. 304

(E) The roofing section consists of five members, one of 305
whom is a building inspector employed by the department of 306
commerce or a municipal corporation, two of whom are roofing 307
contractors who have no affiliation with any union representing 308
roofers, and two of whom are roofing contractors who are 309
signatories to agreements with unions representing roofers. The 310
roofing section has primary responsibility for the licensure of 311

roofing contractors. 312

(F) (1) Within ninety days after July 31, 1992, initial 313
appointments shall be made to the board. Of the initial 314
appointments to the board, two appointments in each section, 315
other than the administrative section, are for terms ending one 316
year after July 31, 1992, and two are for terms ending two years 317
after July 31, 1992. All other appointments to the board are for 318
terms ending three years after July 31, 1992. 319

Within ninety days after the effective date of this 320
amendment, initial appointments shall be made to the roofing 321
section of the board. Two initial appointments in the section 322
shall be for terms ending one year after the effective date of 323
this amendment, two initial appointments shall be for terms 324
ending two years after the effective date of this amendment, and 325
the remaining initial appointment shall be for a term ending 326
three years after the effective date of this amendment. 327

(2) Thereafter, terms of office are for three years, each 328
term ending on the same day of the same month of the year as did 329
the term that it succeeds. Each member shall hold office from 330
the date of appointment until the end of the term for which the 331
member was appointed. Members may be reappointed. Vacancies 332
shall be filled in the manner provided for original 333
appointments. Any member appointed to fill a vacancy occurring 334
prior to the expiration of the term for which the member's 335
predecessor was appointed shall hold office as a member for the 336
remainder of that term. A member shall continue in office 337
subsequent to the expiration of a term until a successor takes 338
office or until a period of sixty days has elapsed, whichever 339
occurs first. 340

~~(F)~~ (G) Before entering upon the discharge of official 341

duties, each member shall take the oath of office required by 342
Section 7 of Article XV, Ohio Constitution. 343

~~(G)~~ (H) Each member, except for the director or the 344
director's designee, shall receive a per diem amount fixed 345
pursuant to section 124.15 of the Revised Code when actually 346
attending to matters of the board and for the time spent in 347
necessary travel, and all actual and necessary expenses incurred 348
in the discharge of official duties. 349

~~(H)~~ (I) The director of commerce may remove any member of 350
the board the director appoints for malfeasance, misfeasance, or 351
nonfeasance. 352

~~(I)~~ (J) Membership on the board and holding any office of 353
the board does not constitute holding a public office or 354
employment within the meaning of any section of the Revised 355
Code, or an interest, either direct or indirect, in a contract 356
or expenditure of money by the state or any municipal 357
corporation, township, special district, school district, 358
county, or other political subdivision. No member or officer of 359
the board is disqualified from holding any public office or 360
employment nor shall the officer or member forfeit any public 361
office or employment by reason of holding a position as an 362
officer or member of the board. 363

~~(J)~~ (K) The board, and each section of the board, shall 364
meet only after adequate advance notice of the meeting has been 365
given to each member of the board or section, as appropriate. 366

Sec. 4740.04. The administrative section of the Ohio 367
construction industry licensing board is responsible for the 368
administration of this chapter and shall do all of the 369
following: 370

(A) Schedule the contractor examinations each of the other 371
sections of the board directs. Each type of examination shall be 372
held at least four times per year. 373

(B) Select and contract with one or more persons to do all 374
of the following relative to the examinations: 375

(1) Prepare, administer, score, and maintain the 376
confidentiality of the examinations; 377

(2) Be responsible for all the expenses required to 378
fulfill division (B)(1) of this section; 379

(3) Charge an applicant a fee in an amount the 380
administrative section of the board authorizes for administering 381
the examination. 382

(C) Issue and renew licenses as follows: 383

(1) Issue a license to any individual who the appropriate 384
specialty section of the board determines is qualified pursuant 385
to section 4740.06 of the Revised Code to hold a license and has 386
attained, within the twelve months preceding the individual's 387
application for licensure, a score on the examination that the 388
appropriate specialty section authorizes for the licensed trade. 389

(a) Each license shall include the contractor's name, 390
license number, expiration date, and the name of the contracting 391
company associated with the individual, as applicable. 392

(b) Each license issued to an individual who holds more 393
than one valid license shall contain the same license number and 394
expiration date as the original license issued to that 395
individual. 396

(2) Renew licenses for individuals who meet the renewal 397
requirements of section 4740.06 of the Revised Code. 398

(D) Make an annual written report to the director of 399
commerce on proceedings had by or before the board for the 400
previous year and make an annual statement of all money received 401
and expended by the board during the year; 402

(E) Keep a record containing the name, address, the date 403
on which the board issues or renews a license to, and the 404
license number of, every heating, ventilating, and air 405
conditioning contractor, refrigeration contractor, electrical 406
contractor, plumbing contractor, ~~and~~ hydronics contractor, and 407
roofing contractor issued a license pursuant to this chapter; 408

(F) Regulate a contractor's use and display of a license 409
issued pursuant to this chapter and of any information contained 410
in that license; 411

(G) Adopt rules in accordance with Chapter 119. of the 412
Revised Code as necessary to properly discharge the 413
administrative section's duties under this chapter. The rules 414
shall include, but not be limited to, the following: 415

(1) Application procedures for examinations; 416

(2) Specifications for continuing education requirements 417
for license renewal that address all of the following: 418

(a) A requirement that an individual who holds any number 419
of valid and unexpired licenses accrue a total of ten hours of 420
continuing education courses per year; 421

(b) Fees the board charges to persons who provide 422
continuing education courses, in an amount of twenty-five 423
dollars annually for each person approved to provide courses, 424
not more than ten dollars plus one dollar per credit hour for 425
each course submitted to a specialty section of the board for 426
approval according to division (F) of section 4740.05 of the 427

Revised Code, and one dollar per credit hour of instruction per 428
attendee; 429

(c) A provision limiting approval of continuing education 430
courses to one year. 431

(3) Requirements for criminal records checks of applicants 432
under section 4776.03 of the Revised Code. 433

(H) Adopt any continuing education curriculum as the other 434
sections of the board establish or approve pursuant to division 435
(F) of section 4740.05 of the Revised Code; 436

(I) Keep a record of its proceedings and do all things 437
necessary to carry out this chapter. 438

Sec. 4740.12. (A) No political subdivision, district, or 439
agency of the state may adopt an ordinance or rule that requires 440
contractor registration and the assessment of a registration or 441
license fee unless that ordinance or rule also requires any 442
contractor who registers and pays the registration or license 443
fee to be licensed in the contractor's trade pursuant to this 444
chapter. 445

(B) Except as provided in division (A) of this section, 446
nothing in this chapter shall be construed to limit the 447
operation of any statute or rule of this state or any ordinance 448
or rule of any political subdivision, district, or agency of the 449
state that does either of the following: 450

(1) Regulates the installation, repair, maintenance, or 451
alteration of plumbing systems, hydronics systems, electrical 452
systems, heating, ventilating, and air conditioning systems, ~~or~~ 453
refrigeration systems, or roofing systems; 454

(2) Requires the registration and assessment of a 455

registration or license fee of tradespersons who perform 456
heating, ventilating, and air conditioning, refrigeration, 457
electrical, plumbing, ~~or hydronics~~, or roofing construction, 458
improvement, renovation, repair, or maintenance. 459

Section 2. That existing sections 715.27, 3781.102, 460
4740.01, 4740.02, 4740.04, and 4740.12 of the Revised Code are 461
hereby repealed. 462

Section 3. (A) On or before one hundred twenty days after 463
the effective date of this section, the Ohio Construction 464
Industry Licensing Board shall send notice by regular mail to 465
the legislative authority of a municipal corporation and to the 466
board of county commissioners of every county that, prior to the 467
effective date of this section, provided for the licensing or 468
registration of roofing contractors, informing the municipal 469
corporation and board of county commissioners of the provisions 470
of this act. 471

(B) Within ninety days after the effective date of this 472
section, the Ohio Construction Industry Licensing Board shall 473
publish notice of the provisions of this act in appropriate 474
trade publications and in a newspaper of general circulation in 475
each of the nine most populous metropolitan areas of this state, 476
once a week for three consecutive weeks. 477

Section 4. (A) The roofing section of the Ohio 478
Construction Industry Licensing Board shall issue a roofing 479
license, to any individual who meets the criteria described in 480
division (B) of this section. 481

(B) The individual does all of the following: 482

(1) Applies to the roofing section of the Board within 483
twelve months after the effective date of this section; 484

(2) Pays the appropriate fee determined by the roofing 485
section of the Board; 486

(3) Has been actively engaged as a roofing contractor in 487
this state for at least three years immediately prior to the 488
effective date of this section; 489

(4) Furnishes business records or other evidence to verify 490
the experience required under division (B) (3) of this section; 491

(5) Provides evidence of all of the following: 492

(a) Current contractor's liability insurance, including 493
without limitation, complete operations coverage, in the amount 494
of five hundred thousand dollars; 495

(b) Compliance with Chapters 4121. and 4123. of the 496
Revised Code; 497

(c) Compliance with any other applicable legal 498
requirements to do business in this state, as determined by the 499
Board. 500

(C) Notwithstanding division (B) (5) (a) of this section, 501
when more than one individual affiliated with a contracting 502
company is issued a license pursuant to division (B) of this 503
section, those individuals collectively shall provide to the 504
appropriate section of the Board evidence of current 505
contractor's liability coverage, including complete operations 506
coverage, in the total amount of five hundred thousand dollars. 507

Section 5. Sections 1 and 2 of this act, other than the 508
amendments to section 4740.02 of the Revised Code, shall take 509
effect one hundred eighty days after the effective date of this 510
section. 511