

As Introduced

**134th General Assembly
Regular Session
2021-2022**

S. B. No. 142

Senator Schaffer

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, 4740.131, 4740.14, 3
4740.16, and 4764.03 of the Revised Code to 4
license residential only construction 5
contractors and to make changes to the law 6
regulating specialty construction 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, 4740.131, 4740.14, 4740.16, and 4764.03 of the Revised 10
Code be amended to 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" means both a "universal license" and a 213
"residential only license" as defined in this section. 214

(B) "Universal license" means a license the Ohio 215
construction industry licensing board issues to an individual as 216
a heating, ventilating, and air conditioning contractor, 217
refrigeration contractor, electrical contractor, plumbing 218
contractor, or hydronics contractor for commercial and 219
residential construction projects. 220

~~(B)~~ (C) "Residential only license" means a license the 221
Ohio construction industry licensing board issues to an 222
individual as a heating, ventilating, and conditioning 223
contractor, refrigeration contractor, electrical contractor, 224
plumbing contractor, or hydronics contractor for residential 225
construction projects only. 226

<u>(D)</u> "Contractor" means any individual or contracting	227
company that satisfies both of the following:	228
(1) Has responsibility for the means, method, and manner	229
of construction, improvement, renovation, repair, or maintenance	230
on a construction project with respect to one or more trades and	231
who offers, identifies, advertises, or otherwise holds out or	232
represents that the individual or contracting company <u>with which</u>	233
<u>the individual is associated</u> is permitted or qualified to	234
perform or have responsibility for the means, method, and manner	235
of construction, improvement, renovation, repair, or maintenance	236
with respect to one or more trades on a construction project;	237
(2) Does either <u>any</u> of the following:	238
(a) Performs construction, improvement, or renovation on a	239
construction project with respect to the individual's or	240
contracting company's trade;	241
(b) Employs tradespersons who perform construction,	242
improvement, or renovation on a construction project with	243
respect to the individual's or contracting company's trades;	244
(c) <u>Uses direct labor subcontractors who perform</u>	245
<u>construction, improvement, or renovation on a residential</u>	246
<u>construction project with respect to the individual's or</u>	247
<u>contracting company's trades.</u>	248
(C) <u>(E)</u> "Contracting company" means a company in the	249
construction industry working on that <u>contracts with a person</u>	250
<u>for heating, ventilating, and air conditioning construction</u>	251
<u>projects, refrigeration construction projects, electrical</u>	252
<u>construction projects, plumbing construction projects, or</u>	253
<u>hydronics construction projects.</u>	254
(D) <u>(F)</u> "Licensed trade" means a trade performed by a	255

heating, ventilating, and air conditioning contractor, a 256
refrigeration contractor, an electrical contractor, a plumbing 257
contractor, or a hydronics contractor. 258

~~(E)~~ (G) "Tradesperson" means any individual who is 259
employed by a contractor and who engages in construction, 260
improvement, renovation, repair, or maintenance of buildings or 261
structures without assuming responsibility for the means, 262
method, or manner of that construction, improvement, renovation, 263
repair, or maintenance. "Tradesperson" does not include a direct 264
labor subcontractor. 265

~~(F)~~ (H) "Construction project" means a construction 266
project involving a building or structure subject to Chapter 267
3781. of the Revised Code and the rules adopted under that 268
chapter. A construction project may include a residential 269
building but not an industrialized unit ~~or a residential~~ 270
~~building~~ as those terms are defined in section 3781.06 of the 271
Revised Code. 272

~~(G)~~ (I) "Training agency" means an entity approved by the 273
administrative section of the board to provide continuing 274
education courses. 275

(J) "Direct labor subcontractor" means an individual who 276
engages in construction, improvement, renovation, repair, or 277
maintenance of residential construction projects under terms 278
specified in an agreement with a contractor and to whom both of 279
the following apply: 280

(1) The contractor has the right to control or direct only 281
the result of the construction, improvement, renovation, repair, 282
or maintenance performed by the individual. 283

(2) The income the individual earns from the construction, 284

improvement, renovation, repair, or maintenance is subject to 285
the "Self-Employment Contributions Act of 1954," 68A Stat. 353, 286
26 U.S.C. 1401 et seq., as amended, and the regulations adopted 287
under it. 288

Sec. 4740.03. (A) The administrative section of the Ohio 289
construction industry licensing board annually shall elect from 290
among its members a chairperson and other officers as the board, 291
by rule, designates. The chairperson shall preside over meetings 292
of the administrative section or designate another member to 293
preside in the chairperson's absence. The administrative section 294
shall hold at least two regular meetings each year, but may meet 295
at additional times as specified by rule, at the call of the 296
chairperson, or upon the request of two or more members. A 297
majority of the members of the administrative section 298
constitutes a quorum for the transaction of all business. The 299
administrative section may not take any action without the 300
concurrence of ~~at least three~~ a majority of its members. 301

(B) (1) The administrative section shall employ a 302
secretary, who is not a member of the board, to serve at the 303
pleasure of the administrative section, and shall fix the 304
compensation of the secretary. The secretary shall be in the 305
unclassified civil service of the state. 306

(2) The secretary shall do all of the following: 307

(a) Keep or set standards for and delegate to another 308
person the keeping of the minutes, books, and other records and 309
files of the board and each section of the board; 310

(b) Issue all licenses in the name of the board; 311

(c) Send out all notices, including advance notices of 312
meetings of the board and each section of the board, and attend 313

to all correspondence of the board and each section of the 314
board, under the direction of the administrative section; 315

(d) Receive and deposit all fees payable pursuant to this 316
~~chapter into the industrial compliance operating fund created~~ 317
~~pursuant to section 121.084 of the Revised Code in accordance~~ 318
with section 4740.11 of the Revised Code; 319

(e) Perform all other duties incidental to the office of 320
the secretary or properly assigned to the secretary by the 321
administrative section of the board. 322

(3) Before entering upon the discharge of the duties of 323
the secretary, the secretary shall file with the treasurer of 324
state a bond in the sum of five hundred thousand dollars, 325
payable to the state, to ensure the faithful performance of the 326
secretary's duties. The board shall pay the premium of the bond 327
in the same manner as it pays other expenditures of the board. 328

(C) Upon the request of the administrative section of the 329
board, the director of commerce shall supply the board and its 330
sections with personnel, office space, and supplies, as the 331
director determines appropriate. The administrative section of 332
the board shall employ any additional staff it considers 333
necessary and appropriate. 334

(D) The chairperson of the board or the secretary, or 335
both, as authorized by the board, shall approve all vouchers of 336
the board. 337

Sec. 4740.04. The administrative section of the Ohio 338
construction industry licensing board is responsible for the 339
administration of this chapter and shall do all of the 340
following: 341

(A) Schedule the contractor examinations each of the other 342

sections of the board directs. Each type of examination shall be 343
held at least four times per year. 344

(B) Select and contract with one or more persons to do all 345
of the following relative to the examinations: 346

(1) Prepare, administer, score, and maintain the 347
confidentiality of the examinations; 348

(2) Be responsible for all the expenses required to 349
fulfill division (B)(1) of this section; 350

(3) Charge an applicant a fee in an amount the 351
administrative section of the board authorizes for ~~administering~~ 352
~~the examination~~ processing the application. 353

(C) Issue and renew licenses as follows: 354

(1) Issue a license to any individual who the appropriate 355
specialty section of the board determines is qualified pursuant 356
to section 4740.06 of the Revised Code to hold a license and has 357
attained, within the twelve months preceding the individual's 358
application for licensure, a score on the examination that the 359
appropriate specialty section authorizes for the licensed trade. 360

(a) Each license shall include the contractor's name, 361
license number, expiration date, and the name of the contracting 362
company associated with the individual, as applicable. If the 363
license is a residential only license, the license shall 364
indicate that it is a residential only license. If the license 365
is a universal license, the license shall indicate that it is a 366
universal license. 367

(b) Each license issued to an individual who holds more 368
than one valid license shall contain the same license number and 369
expiration date as the original license issued to that 370

individual.	371
(2) Renew licenses for individuals who meet the renewal requirements of section 4740.06 of the Revised Code.	372 373
(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;	374 375 376 377
(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 issued a license pursuant to this chapter;	378 379 380 381 382 383
(F) Regulate a contractor's use and display of a license issued pursuant to this chapter and of any information contained in that license;	384 385 386
(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:	387 388 389 390
(1) Application procedures for examinations;	391
(2) Specifications for continuing education requirements for license renewal that address all of the following:	392 393
(a) A requirement that an individual who holds any number of valid and unexpired licenses accrue <u>a total of ten the 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>	394 395 396 397 398

(b) Fees the board charges to persons who provide 399
continuing education courses, in an amount of twenty-five 400
dollars annually for each person approved to provide courses, 401
not more than ten dollars plus one dollar per credit hour for 402
each course submitted to a specialty section of the board for 403
approval according to division (F) of section 4740.05 of the 404
Revised Code, and one dollar per credit hour of instruction per 405
attendee; 406

(c) A provision limiting approval of continuing education 407
courses to one year. 408

(3) Requirements for criminal records checks of applicants 409
under section 4776.03 of the Revised Code. 410

(H) Adopt any continuing education curriculum as the other 411
sections of the board establish or approve pursuant to division 412
(F) of section 4740.05 of the Revised Code; 413

(I) Keep a record of its proceedings and do all things 414
necessary to carry out this chapter. 415

Sec. 4740.05. Each specialty section of the Ohio 416
construction industry licensing board, ~~other than the~~ 417
~~administrative section,~~ shall do all of the following: 418

(A) Adopt rules in accordance with Chapter 119. of the 419
Revised Code that are limited to the following: 420

(1) Criteria for the specialty section to use in 421
evaluating the qualifications of an individual; 422

(2) Criteria for the specialty section to use in deciding 423
whether to issue, renew, suspend, revoke, or refuse to issue or 424
renew a license; 425

(3) The determinations and approvals the specialty section 426

makes under the reciprocity provision of section 4740.08 of the Revised Code;	427 428
(4) Criteria for continuing education courses conducted pursuant to this chapter;	429 430
(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;	431 432 433 434 435
(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;	436 437 438 439
(7) A list of disqualifying offenses pursuant to sections 9.79, 4740.06, 4740.10, and 4776.10 of the Revised Code.	440 441
(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;	442 443 444 445
(C) Maintain a record of its proceedings;	446
(D) Grant approval to a training agency to offer continuing education courses pursuant to rules the board adopts;	447 448
(E) As required, do all things necessary to carry out this chapter;	449 450
(F) Establish or approve a continuing education curriculum for license renewal for each class of contractors for which the <u>specialty</u> section has primary responsibility. No curriculum may require more than five <u>four</u> hours per year in specific course	451 452 453 454

requirements. ~~No contractor may be required to take more than~~ 455
~~ten hours per year in continuing education courses. The ten~~ 456
total hours shall be the aggregate of hours of continuing 457
education for all licenses the contractor holds. 458

(G) Design the examination for the type of contractor the 459
specialty section licenses to determine an applicant's 460
competence to perform that type of contracting; 461

(H) In accordance with rules the specialty sections 462
establish, direct the administrative section to issue, renew, or 463
refuse to issue or renew licenses for the classes of contractors 464
for which each has primary responsibility as set forth in 465
section 4740.02 of the Revised Code. 466

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Sec. 4740.06. (A) Any individual who applies for a license 468
shall file a written application with the appropriate specialty 469
section of the Ohio construction industry licensing board, 470
accompanied with the application fee as determined pursuant to 471
section 4740.09 of the Revised Code. The application shall be on 472
the form the section prescribes and verified by the applicant's 473
oath. The applicant shall provide information satisfactory to 474
the section showing that the applicant meets the requirements of 475
division (B) of this section. The application shall indicate 476
whether the applicant is seeking a universal license or a 477
residential only license. 478

(B) To qualify to take an examination, an individual 479
shall: 480

(1) Be at least eighteen years of age; 481

(2) Be a United States citizen or legal alien who produces 482
valid documentation to demonstrate the individual is a legal 483

resident of the United States; 484

(3) Either have been a tradesperson for a licensed 485
contractor in the type of licensed trade for which the 486
application is filed for not less than ~~five~~three years 487
immediately prior to the date the application is filed, be a 488
currently registered professional engineer in this state with 489
three years of business experience in the construction industry 490
in the trade for which the engineer is applying to take an 491
examination, or have other experience acceptable to the 492
appropriate specialty section of the board; 493

(4) Maintain contractor's liability insurance in an amount 494
the appropriate specialty section of the board determines and 495
only in one contracting company name; 496

(5) Comply with Chapters 4121., 4123., 4127., 4131., and 497
4141. of the Revised Code; 498

(6) Identify the contracting company with which the 499
individual is associated as a full-time officer, proprietor, 500
partner, or employee pursuant to section 4740.07 of the Revised 501
Code and to which the applicant's license will be assigned; 502

(7) Not have done any of the following: 503

(a) Violated this chapter or any rule adopted pursuant to 504
it; 505

(b) Obtained or renewed a license issued pursuant to this 506
chapter, or any order, ruling, or authorization of the board or 507
a section of the board by fraud, misrepresentation, or 508
deception; 509

(c) Engaged in fraud, misrepresentation, or deception in 510
the conduct of business. 511

(C) When an applicant for licensure as a contractor in a licensed trade meets the qualifications set forth in division (B) of this section and passes the required examination, the appropriate specialty section of the board, within ninety days after the application was filed, shall authorize the administrative section of the board to license the applicant for the type of contractor's license for which the applicant qualifies. A specialty section of the board may withdraw its authorization to the administrative section for issuance of a license for good cause shown, on the condition that notice of that withdrawal is given prior to the administrative section's issuance of the license.

(D) (1) Except as provided in division (D) (2) of this section, if an applicant does not pass the required examination, the applicant may retake the examination not less than sixty days after the applicant's most recent examination.

(2) An applicant who does not pass the required examination after taking the examination five times under this section shall reapply for a license under division (A) of this section before retaking the required examination any subsequent time.

(E) All licenses a contractor holds pursuant to this chapter shall expire annually on the same date, which shall be the expiration date of the original license the contractor holds. An individual holding a valid, unexpired license may renew the license, without reexamination, by submitting an application to the appropriate specialty section of the board not more than ninety calendar days before the expiration of the license, along with the renewal fee the specialty section requires and proof of compliance with the applicable continuing

education requirements. The applicant shall provide information 542
in the renewal application satisfactory to demonstrate to the 543
appropriate specialty section that the applicant continues to 544
meet the requirements of division (B) of this section. 545

Upon application and within one calendar year after a 546
license has expired, a section may waive any of the requirements 547
for renewal of a license upon finding that an applicant 548
substantially meets the renewal requirements or that failure to 549
timely apply for renewal is due to excusable neglect. A section 550
that waives requirements for renewal of a license may impose 551
conditions ~~upon~~ with which the licensee is required to comply 552
and assess a late filing fee of not more than double the usual 553
renewal fee. An applicant shall satisfy any condition the 554
section imposes before a license is reissued. 555

(F) An individual holding a valid license may request the 556
section of the board that authorized that license to place the 557
license in inactive status under conditions, and for a period of 558
time, as that section determines. 559

(G) Except for the ninety-day extension provided for a 560
license assigned to a contracting company under division (D) of 561
section 4740.07 of the Revised Code, a license held by an 562
individual immediately terminates upon the death of the 563
individual. 564

(H) Nothing in any license issued by the Ohio construction 565
industry licensing board shall be construed to limit or 566
eliminate any requirement of or any license issued by the Ohio 567
fire marshal. 568

~~(I) (1) Subject to division (I) (3) of this section, no 569
specialty section of the board shall adopt, maintain, renew, or 570~~

~~enforce any rule, or otherwise preclude in any way, an individual from renewing a license under this chapter due to any past criminal activity or interpretation of moral character. If the specialty section denies an individual a license renewal, the reasons for such denial shall be put in writing.~~ 571-575

~~(2) The section may refuse to issue a license to an applicant because of a conviction of or plea of guilty to an offense if the refusal is in accordance with section 9.79 of the Revised Code.~~ 576-579

~~(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.~~ 580-585

~~(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.~~ 586-589

~~(J) Notwithstanding ~~divisions~~ division (E) and (I) 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.~~ 590-598

Sec. 4740.07. (A) Except as otherwise provided in this 599

section, the administrative section of the Ohio construction 600
industry licensing board shall issue and renew all licenses 601
under this chapter in the name of the individual who meets the 602
requirements of section 4740.06 of the Revised Code. 603

(B) All individuals applying for a license under this 604
chapter shall request, at the time of applying for a license 605
that the individual's license be assigned to a contracting 606
company with whom the individual is employed on a full-time 607
basis. If the individual is issued a license and meets the 608
requirements of this section for the assignment of the license 609
to a contracting company, the administrative section shall 610
assign the license to and issue a license in the name of the 611
contracting company. The license assigned and issued to a 612
contracting company under this division shall state the name and 613
position of the individual who assigned the license to the 614
contracting company. If a license is not assigned to a 615
contracting company in accordance with this division, the 616
appropriate specialty section of the board shall place that 617
license in inactive status. 618

(C) During the period a contracting company holds a 619
license issued under division (B) of this section, the 620
administrative section shall not issue another license to the 621
individual who assigned the license to the contracting company 622
for the same type of contracting for which the contracting 623
company utilizes the assigned license. 624

(D) (1) If a contractor who assigned a license to a 625
contracting company under division (B) of this section ceases to 626
be associated with the contracting company for any reason, 627
including the death of the contractor, the contractor or 628
contracting company immediately shall notify the appropriate 629

specialty section of the board of the date on which the 630
contractor ceased to be associated with the contracting company. 631
Such a license assignment is invalid according to the 632
following, as applicable: 633

(a) Ninety calendar days after the death of the 634
contractor; 635

(b) Ninety calendar days after the contractor completes a 636
change of company form; 637

(c) At an earlier time to which the contracting company 638
and the contractor agree. 639

(2) If a license assignment made to a contracting company 640
becomes invalid pursuant to division (D)(1) of this section and 641
another individual has assigned a license to the contracting 642
company for the same type of contracting for which the 643
invalidated license assignment had been made, the contracting 644
company may continue to operate under the other assigned 645
license. 646

(E) Any work a contracting company conducts under the 647
license assigned under this section or displayed under division 648
(F) of section 4740.04 of the Revised Code is deemed to be 649
conducted under the personal supervision of the individual named 650
in the license and any violation of any term of the license is 651
deemed to have been committed by the individual named in the 652
license. 653

For the period of time during which more than one license 654
for the same type of contracting is assigned to a contracting 655
company, the appropriate specialty section of the board shall 656
determine under which license the violation was committed, and 657
any individual named in the other license shall not be held 658

liable for the violation. 659

(F) No individual who assigns a license to a contracting 660
company shall assign a license for the same type of contracting 661
to another contracting company until the original license 662
assignment is invalid pursuant to division (D) of this section. 663

(G) Any individual who assigns a license to a contracting 664
company under this section shall be actively engaged in business 665
as the type of contractor for which the license is issued and be 666
readily available for consultation with ~~the~~ both of the 667
following: 668

(1) The contracting company to which the license is 669
assigned; 670

(2) An investigator appointed by the director of commerce 671
pursuant to division (C) of section 4740.03 of the Revised Code. 672

(H) No license assigned under this section shall be 673
assigned to more than one contracting company at a time. 674

Sec. 4740.11. The Ohio construction industry licensing 675
board and its sections shall deposit twenty per cent of all 676
receipts, fees, and fines collected under this chapter into the 677
construction industry licensing enforcement fund, which is 678
hereby created in the state treasury. The board shall use the 679
funds to enforce the provisions of this chapter. The board shall 680
deposit the remainder of the receipts, fees, and fines collected 681
under this chapter into the state treasury to the credit of the 682
industrial compliance operating fund created in section 121.084 683
of the Revised Code. 684

Sec. 4740.12. (A) Each political subdivision, district, or 685
agency of this state that oversees any type of construction for 686
which a contractor is required to be licensed under this chapter 687

shall require proof that the contractor holds a valid license 688
issued under this chapter prior to doing either of the 689
following: 690

(1) Registering a contractor to do work as a heating, 691
ventilating, and air conditioning contractor, electrical 692
contractor, plumbing contractor, or hydronics contractor on 693
construction, improvement, renovation, repair, or maintenance of 694
buildings; 695

(2) Issuing a building permit, or otherwise accepting or 696
approving plans and specifications in accordance with section 697
3791.04 of the Revised Code, to a contractor to do work as a 698
heating, ventilating, and air conditioning contractor, 699
refrigeration contractor, electrical contractor, plumbing 700
contractor, or hydronics contractor. 701

(B) No political subdivision, district, or agency of the 702
state may adopt an ordinance or rule that requires contractor- 703
registration and the assessment of a registration or license fee- 704
unless that ordinance or rule also requires any contractor who 705
registers and pays the registration or license fee to be shall 706
require a contractor who is licensed in the contractor's trade 707
pursuant to this chapter to meet any additional eligibility 708
requirements for registration by the political subdivision, 709
district, or agency of the state. 710

(C) Nothing in this section shall be construed to limit 711
the ability of a political subdivision, district, or agency of 712
this state to charge a registration fee or require permits, 713
approvals, or code compliance bonds. 714

~~(B)~~ (D) Except as provided in division ~~(A)~~ (B) of this 715
section, nothing in this chapter shall be construed to limit the 716

operation of any statute or rule of this state or any ordinance 717
or rule of any political subdivision, district, or agency of the 718
state that does either of the following: 719

(1) Regulates the installation, repair, maintenance, or 720
alteration of plumbing systems, hydronics systems, electrical 721
systems, heating, ventilating, and air conditioning systems, or 722
refrigeration systems; 723

(2) Requires the registration and assessment of a 724
registration or license fee of tradespersons who perform 725
heating, ventilating, and air conditioning, refrigeration, 726
electrical, plumbing, or hydronics construction, improvement, 727
renovation, repair, or maintenance. 728

Sec. 4740.13. (A) (1) Except as provided in section 729
4740.131 of the Revised Code, no individual shall recklessly 730
perform any of the duties, responsibilities, or functions of a 731
heating, ventilating, and air conditioning contractor, 732
refrigeration contractor, electrical contractor, plumbing 733
contractor, or hydronics contractor, other than for the 734
individual's primary residence, unless that individual is 735
licensed under this chapter or unless the individual is employed 736
by a contractor licensed under this chapter. 737

(2) No person shall recklessly act as or claim to be a 738
type of contractor that this chapter licenses unless that person 739
holds or has been assigned a license issued pursuant to this 740
chapter for the type of contractor that person is acting as or 741
claiming to be. 742

(B) Upon the request of the appropriate specialty section 743
of the Ohio construction industry licensing board, the attorney 744
general may bring a civil action for appropriate relief, 745

including but not limited to a temporary restraining order or 746
permanent injunction in the court of common pleas of the county 747
where the unlicensed person resides or is acting as or claiming 748
to be a licensed contractor. 749

(C) After a finding, pursuant to a review and 750
investigation, that a person has violated division (A) (1) or (2) 751
of this section, the appropriate specialty section may file a 752
complaint against an unlicensed person with the appropriate 753
local prosecutor for criminal prosecution. 754

(D) A contractor licensed under this chapter may install, 755
service, and maintain the related or interfaced control wiring 756
for equipment and devices related to their specific license, on 757
the condition that the control wiring is less than twenty-five 758
volts. 759

~~(D)~~ (E) A person is not an electrical contractor subject 760
to licensure under this chapter for work that is limited to the 761
construction, improvement, renovation, repair, testing, or 762
maintenance of the following systems using less than fifty volts 763
of electricity: fire alarm or burglar alarm, cabling, tele-data 764
sound, communication, and landscape lighting and irrigation. 765

Sec. 4740.131. Nothing in this chapter shall be construed 766
to ~~prohibit~~ do either of the following: 767

(A) Prohibit a contractor from leasing, on a temporary or 768
permanent basis, an employee from a professional employer 769
organization, as defined by section 4125.01 of the Revised Code, 770
from an alternate employer organization, as defined by section 771
4133.01 of the Revised Code, or from a temporary agency to 772
perform work under the direct supervision of the contractor; 773

(B) Require a direct labor subcontractor to be licensed 774

under this chapter. 775

Sec. 4740.14. (A) There is hereby created within the 776
department of commerce the residential construction advisory 777
committee consisting of nine persons the director of commerce 778
appoints. The advisory committee shall be made up of the 779
following members: 780

(1) Three shall be general contractors who have recognized 781
ability and experience in the construction of residential 782
buildings. 783

(2) Two shall be building officials who have experience 784
administering and enforcing a residential building code. 785

(3) One, chosen from a list of three names the Ohio fire 786
chief's association submits, shall be from the fire service 787
certified as a fire safety inspector who has at least ten years 788
of experience enforcing fire or building codes. 789

(4) One shall be a residential contractor who has 790
recognized ability and experience in the remodeling and 791
construction of residential buildings. 792

(5) One shall be an architect registered pursuant to 793
Chapter 4703. of the Revised Code, with recognized ability and 794
experience in the architecture of residential buildings. 795

(6) One, chosen from a list of three names the Ohio 796
municipal league submits to the director, shall be a mayor of a 797
municipal corporation in which the Ohio residential building 798
code is being enforced in the municipal corporation by a 799
certified building department. 800

(B) Terms of office shall be for three years, with each 801
term ending on the date three years after the date of 802

appointment. Each member shall hold office from the date of 803
appointment until the end of the term for which the member was 804
appointed. Vacancies shall be filled in the manner provided for 805
initial appointments. Any member appointed to fill a vacancy in 806
an unexpired term shall hold office for the remainder of that 807
term. 808

(C) The advisory committee shall do all of the following: 809

(1) Recommend to the board of building standards a 810
building code for residential buildings. The committee shall 811
recommend a code that it may model on a residential building 812
code a national model code organization issues, with adaptations 813
necessary to implement the code in this state. If the board of 814
building standards decides not to adopt a code the committee 815
recommends, the committee shall revise the code and resubmit it 816
until the board adopts a code the committee recommends as the 817
state residential building code; 818

(2) Advise the board regarding the establishment of 819
standards for certification of building officials who enforce 820
the state residential building code; 821

(3) Assist the board in providing information and guidance 822
to residential contractors and building officials who enforce 823
the state residential building code; 824

(4) Advise the board regarding the interpretation of the 825
state residential building code; 826

(5) Provide other assistance the committee considers 827
necessary; 828

(6) Provide the board with a written report of the 829
committee's findings for each consideration required by division 830

(D) of this section. 831

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

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

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

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

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

(E) The advisory committee may provide the board with any rule the committee recommends to update or amend the state residential building code or any rule that the committee recommends to update or amend the state residential building code after receiving a petition described in division (A) (2) of section 3781.12 of the Revised Code.

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

(G) The advisory committee is not subject to sections 861
101.82 to 101.87 of the Revised Code. 862

(H) Serving as a member of the residential construction 863
advisory committee does not constitute holding a public office 864
or position of employment under the laws of this state and 865
service on the committee does not constitute grounds for 866
removing a committee member from a public office or position of 867
employment. 868

Sec. 4740.16. (A) An investigator appointed by the 869
director of commerce pursuant to division (C) of section 4740.03 870
of the Revised Code, on behalf of the appropriate specialty 871
section of the Ohio construction industry licensing board may 872
investigate any person who allegedly has violated section 873
4740.13 of the Revised Code. ~~If,~~ 874

(1) The director may limit the investigation to areas or 875
activities related only to licenses, permits, or approvals. 876

(2) Any person who wishes to make a complaint against a 877
person who allegedly has violated section 4740.13 of the Revised 878
Code shall submit the complaint in writing to the appropriate 879
section of the board within one year after the date of the 880
action or event upon which the complaint is based. 881

(B) If, after an investigation pursuant to section 4740.05 882
of the Revised Code, the appropriate specialty section, or 883
section's designee, determines that reasonable evidence exists 884
that a person has violated section 4740.13 of the Revised Code, 885
the appropriate specialty section or investigator shall send a 886
written notice to that person in the same manner as prescribed 887
in section 119.07 of the Revised Code for licensees. 888

~~(B) The~~ (C) Except as provided in division (E) of this 889

section, the appropriate specialty section shall hold a hearing 890
regarding the alleged violation in the same manner prescribed 891
for an adjudication hearing under section 119.09 of the Revised 892
Code. If the appropriate specialty section, after the hearing, 893
determines a violation has occurred, the appropriate specialty 894
section, upon an affirmative vote of a majority of its members, 895
may impose a fine on the person, not exceeding one thousand 896
dollars per violation per day and may file a complaint against 897
the person with the appropriate local prosecutor for criminal 898
prosecution. The appropriate specialty section's determination 899
is an order that the person may appeal in accordance with 900
section 119.12 of the Revised Code. 901

~~(C)~~(D) If the appropriate specialty section assesses a 902
person a civil penalty for a violation of section 4740.13 of the 903
Revised Code and the person fails to pay that civil penalty 904
within the time period prescribed by the appropriate specialty 905
section, the appropriate specialty section shall forward to the 906
attorney general the name of the person and the amount of the 907
civil penalty for the purpose of collecting that civil penalty. 908
In addition to the civil penalty assessed pursuant to this 909
section, the person also shall pay any fee assessed by the 910
attorney general for collection of the civil penalty. 911

~~(D)~~(E) If a person fails to request a hearing within 912
thirty days after the date the appropriate specialty section, in 913
accordance with section 119.07 of the Revised Code, notifies the 914
person of the section's intent to act against the person under 915
division ~~(A)~~(B) of this section, the section, by majority vote 916
of a quorum of the section members, may take the action against 917
a person without holding an adjudication hearing. 918

Sec. 4764.03. Section 4764.02 of the Revised Code does not 919

apply to any person described as follows if the person is acting	920
within the scope of practice of the person's respective	921
profession:	922
(A) A person who is employed by or whose services	923
otherwise are retained by this state or a political subdivision	924
of this state for the purpose of enforcing building codes;	925
(B) A person holding a valid certificate to practice	926
architecture issued under Chapter 4703. of the Revised Code;	927
(C) A person registered as a professional engineer under	928
Chapter 4733. of the Revised Code;	929
(D) A heating, ventilating, and air conditioning	930
contractor, refrigeration contractor, electrical contractor,	931
plumbing contractor, or hydronics contractor who is licensed	932
under Chapter 4740. or section 3781.102 of the Revised Code or	933
who is licensed or registered under section 715.27 of the	934
Revised Code;	935
(E) A real estate broker, real estate salesperson, foreign	936
real estate dealer, or foreign real estate salesperson who is	937
licensed under Chapter 4735. of the Revised Code;	938
(F) A real estate appraiser who is licensed under Chapter	939
4763. of the Revised Code;	940
(G) A public insurance adjuster who holds a valid	941
certificate of authority issued under Chapter 3951. of the	942
Revised Code or an employee or representative of an insurer	943
licensed to transact business in this state under Title XXXIX of	944
the Revised Code who conducts an inspection of any property or	945
structure for purposes related to the business of insurance;	946
(H) A commercial applicator of pesticide who is licensed	947

under Chapter 921. of the Revised Code. 948

Section 2. That existing sections 715.27, 3781.102, 949
4740.01, 4740.03, 4740.04, 4740.05, 4740.06, 4740.07, 4740.11, 950
4740.12, 4740.13, 4740.131, 4740.14, 4740.16, and 4764.03 of the 951
Revised Code are hereby repealed. 952

Section 3. Notwithstanding division (A) of section 4740.13 953
of the Revised Code which, as a result of amendments made by 954
this act, prohibits a person from performing any residential 955
construction duties with respect to heating, ventilating, and 956
air conditioning; refrigeration; electrical; plumbing; or 957
hydronics without a license, a person may perform those 958
residential construction duties without a license until six 959
months after the effective date of this section. 960

Section 4. (A) Notwithstanding division (C) of section 961
4740.06 of the Revised Code, the appropriate specialty section 962
of the Construction Industry Licensing Board may authorize the 963
administrative section of the Board to issue a license under 964
section 4740.06 of the Revised Code to an applicant without 965
requiring the applicant to pass the examination if the applicant 966
applies for licensure within six months after the effective date 967
of this section and all of the following apply: 968

(1) The applicant meets either of the following 969
requirements: 970

(a) The applicant holds a valid and unexpired registration 971
or license issued in the specialty trade by a municipality, 972
county, or health department of this state prior to the 973
effective date of this section. 974

(b) The applicant has been actively engaged as a 975
residential heating, ventilating, and air conditioning 976

contractor, refrigeration contractor, electrical contractor, 977
plumbing contractor, or hydronics contractor for at least three 978
consecutive years immediately preceding the effective date of 979
this section. The applicant shall submit to the Board records 980
from the contracting company with which the applicant is 981
associated and shall satisfy the qualifications necessary to 982
take the examination under division (B) of section 4740.06 of 983
the Revised Code. The records submitted shall include tax 984
returns and other evidence necessary to verify that the 985
applicant has met the experience requirements of division (A) (1) 986
(b) of this section. The qualifications necessary to take the 987
examination may include other experience acceptable to the 988
appropriate specialty section of the Board. The application 989
shall be reviewed by at least three members of the appropriate 990
section of the Board. 991

(2) The applicant pays an application fee of fifty 992
dollars. 993

(3) The applicant identifies the contracting company with 994
which the applicant is associated as a full-time officer, 995
proprietor, or partner to which the applicant's license will be 996
assigned pursuant to section 4740.07 of the Revised Code. 997

(4) The applicant complies with section 4740.061 of the 998
Revised Code. 999

(5) The applicant submits to the appropriate specialty 1000
section evidence of all of the following: 1001

(a) Current contractor's liability insurance in the name 1002
of a single company under which the applicant is a primary 1003
insured. The liability insurance shall be in an amount of not 1004
less than five hundred thousand dollars including complete 1005

operations coverage.	1006
(b) Compliance with Chapters 4121., 4123, 4127., 4131., and 4141. of the Revised Code;	1007 1008
(c) Compliance with any other requirements the Board determines to be necessary.	1009 1010
(6) The applicant has not done any of the following:	1011
(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;	1012 1013 1014
(b) Violated Chapter 4740. of the Revised Code or any rule adopted pursuant to it;	1015 1016
(c) Obtained or renewed a license issued pursuant to Chapter 4740. of the Revised Code, or any order, ruling, or authorization of the Ohio Construction Industry Licensing Board or a section of the Board by fraud, misrepresentation, or deception;	1017 1018 1019 1020 1021
(d) Engaged in fraud, misrepresentation, or deception in the conduct of business.	1022 1023
(B) The appropriate specialty section shall act on an application submitted pursuant to division (A) of this section within ninety days after the applicant submitted a completed application under that division. The specialty section may withdraw its authorization to the administrative section for issuance of a license for good cause shown at any time before the administrative section issues the license.	1024 1025 1026 1027 1028 1029 1030
(C) The Board shall issue a universal license to any person that holds a license issued by the Ohio Construction Industry Licensing Board, in good standing, as a heating,	1031 1032 1033

ventilating, and air conditioning contractor, refrigeration	1034
contractor, electrical contractor, plumbing contractor, or	1035
hydronics contractor immediately prior to the effective date of	1036
this section. A license issued under this division shall be	1037
effective for the term of the license that it replaced.	1038