As Reported by the House Commerce and Labor Committee

133rd General Assembly

Regular Session 2019-2020

H. B. No. 199

Representative Patton

Cosponsors: Representatives Edwards, Lightbody, Sheehy

A BILL

То	amend sections 715.27, 3781.102, 4740.01,]
	4740.02, 4740.04, 4740.12, and 4764.03 of the	2
	Revised Code to require commercial roofing	3
	contractors 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, 4740.12, and 4764.03 of the Revised Code be	6
amended to 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.

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

- (D) A municipal corporation may revoke the registration of a contractor registered with that municipal corporation for good cause shown. Good cause shown includes the failure of a contractor to maintain a bond or the items listed in divisions (C)(1), (2), and (3) of this section, if the municipal corporation requires those.
- (E) A municipal corporation that licenses specialty contractors pursuant to division (A)(3) of this section may accept, for purposes of satisfying its licensing requirements, a valid license issued pursuant to Chapter 4740. of the Revised Code that a specialty contractor holds, for the construction, replacement, maintenance, or repair of one-family, two-family, or three-family dwelling houses or accessory structures incidental to those dwelling houses.
- (F) A municipal corporation shall not register a specialty 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 department certified pursuant to division (E) of section 3781.10 of the Revised Code as of September 14, 1970, and that, as of that date, was inspecting single-family, two-family, and three-family residences, and any township building department certified pursuant to division (E) of section 3781.10 of the Revised Code, is hereby declared to be certified to inspect single-family, two-family, and three-family residences containing industrialized units, and shall inspect the buildings or classes of buildings subject to division (E) of section 3781.10 of the Revised Code.
- (B) Each board of county commissioners may adopt, by

 resolution, rules establishing standards and providing for the

 licensing of electrical and heating, ventilating, and air

 conditioning contractors who are not required to hold a valid

 and unexpired license pursuant to Chapter 4740. of the Revised

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 Code.

Rules adopted by a board of county commissioners pursuant

to this division may be enforced within the unincorporated areas

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of the county and within any municipal corporation where the

legislative authority of the municipal corporation has

contracted with the board for the enforcement of the county

rules within the municipal corporation pursuant to section

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307.15 of the Revised Code. The rules shall not conflict with

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

- (C) No board of county commissioners shall require any 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

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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 municipal, township, and county building department the board of building standards certifies pursuant to division (E) of section 3781.10 of the Revised Code may prescribe fees to be paid by persons, political subdivisions, or any department, agency, board, commission, or institution of the state, for the acceptance and approval of plans and specifications, and for the making of inspections, pursuant to sections 3781.03 and 3791.04 of the Revised Code.
- (F) Each political subdivision that prescribes fees
 pursuant to division (E) of this section shall collect, on
 behalf of the board of building standards, fees equal to the
 following:

(1) Three per cent of the fees the political subdivision	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

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Sec. 4740.02. (A) There is hereby created within the	254
department of commerce, the Ohio construction industry licensing	255
board, consisting of seventeen <u>twenty-two</u>residents of this	256
state. The board shall have an administrative section and three-	257
four 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 members, one of whom is a plumbing inspector employed by the department of commerce, a municipal corporation, or a health district, two of whom are plumbing contractors who have no affiliation with any union representing plumbers, and two of whom are plumbing contractors who are signatories to agreements with unions representing plumbers.

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

(C) The electrical section consists of five members, one 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

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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.

<u>(F)(1)</u> 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
$\frac{(F)-(G)}{(G)}$ Before entering upon the discharge of official	341
duties, each member shall take the oath of office required by	342

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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
$\frac{(I)-(J)}{(I)}$ 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
$\frac{(J)-(K)}{(K)}$ 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

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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
<pre>roofing contractor issued a license pursuant to this chapter;</pre>	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

(G) A public insurance adjuster who holds a valid

certificate of authority issued under Chapter 3951. of the

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Construction Industry Licensing Board shall issue a roofing

(B) The individual does all of the following:

division (B) of this section.

license, to any individual who meets the criteria described in

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(1) Has been actively engaged as a roofing contractor in	513
this state for at least three years immediately prior to the	514
effective date of this section;	515
(2) Applies to the roofing section of the Board within	516
twelve months after the effective date of this section;	517
(3) Pays the appropriate fee determined by the roofing	518
section of the Board;	519
(4) Furnishes business records or other evidence to verify	520
the experience required under division (B)(1) of this section;	521
(5) Provides evidence of all of the following:	522
(a) Current contractor's liability insurance, including	523
without limitation, complete operations coverage, in the amount	524
of five hundred thousand dollars;	525
(b) Compliance with Chapters 4121. and 4123. of the	526
Revised Code;	527
(c) Compliance with any other applicable legal	528
requirements to do business in this state, as determined by the	529
Board.	530
(C) Notwithstanding division (B)(5)(a) of this section,	531
when more than one individual affiliated with a contracting	532
company is issued a license pursuant to division (B) of this	533
section, those individuals collectively shall provide to the	534
appropriate section of the Board evidence of current	535
contractor's liability coverage, including complete operations	536
coverage, in the total amount of five hundred thousand dollars.	537
Section 5. Sections 1 and 2 of this act, other than the	538
amendments to section 4740.02 of the Revised Code, shall take	539
effect one hundred eighty days after the effective date of this	540

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section. 541