As Reported by the House Commerce and Labor Committee

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Sub. S. B. No. 77

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SENATORS Coughlin, Amstutz, Armbruster, Robert Gardner, Mumper, Nein, Spada, Wachtmann REPRESENTATIVES Williams, Kilbane, Collier, Rhine, Young, Lendrum

A BILL

To ai	mend sections 4733.12 and 4733.16 of the Revised	1
C	ode to modify professional ownership and	2
ma	nanagement requirements a business entity must	3
S	atisfy to obtain a certificate of authorization to	4
p	provide professional engineering or surveying	5
S	services.	6

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

Section 1. That sections 4733.12 and 4733.16 of the Revised Code be amended to read as follows:

Sec. 4733.12. (A) Applications for registration as a 9 professional engineer or professional surveyor shall be on forms 10 prescribed and furnished by the state board of registration for 11 professional engineers and surveyors, shall contain statements 12 made under oath setting forth the applicant's education, a 13 detailed summary of his the applicant's technical work, and the 14 branch in which he the applicant specializes, and shall contain 15 not less than five references, of whom three or more shall be 16 professional engineers or professional surveyors having personal 17 knowledge of his the applicant's engineering or surveying 18

experience. The application shall be accompanied by an application 19 fee, which shall be established by the board at an amount adequate 20 to cover the costs of processing the application. 21

The examination fee for professional engineers, which shall 22 accompany the "notice of intention" for each scheduled first stage 23 and second stage examination, shall be established by the board at 24 an amount adequate to cover the expense of procuring, 25 administering, and grading the examination. The registration fee, 26 which shall be paid after the applicant has passed both 27 examinations, shall be established by the board at an amount 28 adequate to cover the expense of issuing a certificate of 29 registration. 30

The examination fee for professional surveyors, which shall 31 accompany the "notice of intention" for each scheduled first stage 32 and second stage examination, shall be established by the board at 33 an amount adequate to cover the expense of procuring, 34 administering, and grading the examination. The registration fee, 35 which shall be paid after the applicant has passed both 36 examinations, shall be established by the board at an amount 37 adequate to cover the expense of issuing a certificate of 38 registration. 39

(B) The board shall establish the fee for a certificate of
authorization issued under division (F) of section 4733.16 of the
Revised Code in an amount not to exceed fifty dollars and the fee
for annual renewal of a certificate of authorization, not to
exceed twenty-five dollars. The fee for a duplicate certificate of
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authorization is five dollars.

Sec. 4733.16. (A) A firm, partnership, association, limited 46
liability company, or corporation may provide professional 47
engineering or professional surveying services in this state as 48
long as the services are provided only through natural persons 49

registered to provide those services in the state, subject to the 50 exemptions in sections 4733.17 and 4733.18 of the Revised Code and 51 subject otherwise to the requirements of this chapter. 52

(B) No firm, partnership, association, limited liability 53 company, or corporation, except a corporation that was granted a 54 charter prior to August 7, 1943, to engage in providing 55 professional engineering or professional surveying services in 56 this state or that was otherwise lawfully providing engineering 57 services in this state prior to November 15, 1982, shall engage in 58 providing professional engineering or professional surveying 59 services, hold itself out to the public as being engaged in 60 providing professional engineering or professional surveying 61 services, or use a name including one or more of the words 62 "engineer," "engineering," or "surveyor," <u>or</u> "surveying" or any 63 modification or derivation of those words, unless the firm, 64 partnership, association, limited liability company, or 65 corporation obtains a certificate of authorization from the state 66 board of registration for professional engineers and surveyors and 67 files all information required to be filed under this section with 68 the state board of registration for professional engineers and 69 surveyors and otherwise complies with all requirements of this 70 chapter. A nonprofit membership corporation may use a name 71 including one or more of the words "engineer," "engineering," 72 "surveyor," or "surveying" or any modification or derivation of 73 those words without complying with this section. 74

(C) A corporation may be organized under Chapter 1701. of the
Revised Code, a professional association may be organized under
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Chapter 1785. of the Revised Code, or a limited liability company
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may be formed under Chapter 1705. of the Revised Code for the
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purpose of providing professional engineering, professional
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surveying, architectural, or landscape architectural services or
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any combination of those services. A corporation organized under

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Chapter 1701. of the Revised Code for the purpose of providing those services also may be organized for any other purpose in accordance with that chapter.

85 (D) No firm, partnership, association, limited liability company, or corporation shall provide or offer to provide 86 engineering or surveying services in this state unless more than 87 fifty per cent of the partners, members, or shareholders, more 88 than fifty per cent of the directors in the case of a corporation 89 or professional association, and more than fifty per cent of the 90 managers in the case of a limited liability company the management 91 of which is not reserved to its members, are professional 92 engineers, professional surveyors, architects, or landscape 93 94 architects, or a combination of those professions, who are registered in this state and who own more than fifty per cent of 95 the interests in the firm, partnership, association, limited 96 liability company, or corporation; unless the requirements of this 97 division and of section 1785.02 of the Revised Code are satisfied 98 with respect to any professional association organized under 99 Chapter 1785. of the Revised Code; or unless the requirements of 100 this division and of Chapter 1705. of the Revised Code are 101 satisfied with respect to a limited liability company formed under 102 103 that chapter.

(E) Each firm, partnership, association, limited liability 104 company, or corporation through which professional engineering or 105 professional surveying services are offered or provided in this 106 107 state shall designate one or more partners, managers, members, officers, or directors as being responsible for and in responsible 108 charge of the professional engineering or professional surveying 109 activities and decisions, and those designated persons shall be 110 registered in this state. In the case of a corporation holding a 111 certificate of authorization provided for in division $\frac{F}{E}$ of 112 this section, at least one of the persons so designated shall be a 113

director of the corporation. Each firm, partnership, association, 114 limited liability company, or corporation of that type shall 115 annually file with the state board of registration for 116 professional engineers and surveyors the name and address of each 117 partner, manager, officer, director, member, or shareholder, and 118 each firm, partnership, association, limited liability company, or 119 corporation of that type shall annually file with the board the 120 name and address of <u>all owners and</u> all persons designated as being 121 in responsible charge of the professional engineering or 122 professional surveying activities and decisions and any other 123 information the board may require. If there is a change in any 124 such person in the interval between filings, the change shall be 125 filed with the board in the manner and within the time that the 126 board determines. 127

(F) No corporation organized under Chapter 1701. of the128Revised Code shall engage in providing engineering or surveying129services in this state without obtaining a certificate of130authorization from the131

(E) The state board of registration for professional 132 133 engineers and surveyors. A corporation desiring a certificate of authorization shall file with the board a copy of a certificate of 134 good standing from the secretary of state and a listing on the 135 form that the board directs of the names and addresses of all 136 officers, directors, and shareholders of the corporation, the 137 names and addresses of any individuals providing professional 138 services on behalf of the corporation who are registered to 139 practice professional engineering or professional surveying in 140 this state, and any other information the board requires. If all 141 142 requirements of this chapter are met, the board may shall issue a certificate of authorization to the each firm, partnership, 143 association, limited liability company, or corporation that 144 satisfies the requirements of this chapter, including providing 145

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certificate and complying with the rules.

information that the board may require pursuant to division (D) of 146 this section. No certificate of authorization shall be issued 147 unless persons owning more than fifty per cent of the 148 corporation's shares and more than fifty per cent of the interests 149 in the corporation are professional engineers, professional 150 surveyors, architects, or landscape architects, or a combination 151 of those professions, who are registered in this state. Any 152 corporation that holds a certificate of authorization under this 153 section and that otherwise meets the requirements of this chapter 154 may be organized for any purposes for which corporations may be 155 organized under Chapter 1701. of the Revised Code and shall not be 156 limited to the purposes of providing professional engineering, 157 surveying, architectural, or landscape architectural services or 158 any combination of those services. The board, by rules adopted in 159 accordance with Chapter 119. of the Revised Code, may require any 160 firm, partnership, association, or limited liability company not 161 organized under Chapter 1701. of the Revised Code that provides 162 engineering or surveying services to obtain a certificate of 163 164 authorization. If the board so requires, no firm, partnership, association, or limited liability company shall engage in 165 providing engineering or surveying services without obtaining the 166

(G)(F) This section does not modify any law applicable to the 168
relationship between a person furnishing a professional service 169
and a person receiving that service, including liability arising 170
out of that service. 171

(H)(G) Nothing in this section shall restrict or limit in any 172
manner the authority or duty of the state board of registration 173
for professional engineers and surveyors with respect to natural 174
persons providing professional services or any law or rule 175
pertaining to standards of professional conduct. 176

(I)(H) Corporations, partnerships, associations, limited 177

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liability companies, or firms organized under the laws of another 178
state or country wishing to provide professional engineering or 179
professional surveying services shall obtain a certificate of 180
authorization and meet the applicable requirements of this 181
section. 182

Section 2. That existing sections 4733.12 and 4733.16 of the 183 Revised Code are hereby repealed. 184

section 3. In amending Chapter 4733. of the Revised Code in 185 this act and in all previous acts of the General Assembly from 186 June 2, 1988, through the effective date of this act, it is the 187 intent of the General Assembly to reflect and accept the holding 188 of the Franklin County Court of Common Pleas in S.E.A., Inc. v. 189 State Board of Registration for Professional Engineers and 190 Surveyors (Franklin Cty. C.P., June 2, 1988), No. 86CV-05-2754, 191 unreported, that Chapter 4733. of the Revised Code does not apply 192 to the business activities of the firms or their successors as 193 described in that case. 194

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