As Reported by the Senate Insurance, Commerce and Labor Committee

128th General Assembly Regular Session 2009-2010

Am. S. B. No. 183

Senator Schaffer

Cosponsors: Senators Patton, Kearney

A BILL

To amend section 4703.18 of the Revised Code to	1
eliminate a grandfather exemption from the	2
requirements of the Architects Law granted to	3
certain corporations.	4

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

Section 1. That section 4703.18 of the Revised Code be	5
amended to read as follows:	6
Sec. 4703.18. (A) No person shall enter upon the practice of	7
architecture or hold forth as an architect or registered	8
architect, unless the person has complied with sections 4703.01 to	9
4703.19 of the Revised Code and is the holder of a certificate of	10
qualification to practice architecture issued or renewed and	11
registered under those sections.	12
(B) Sections 4703.01 to 4703.19 of the Revised Code do not	13
prevent persons other than architects from filing applications for	14
building permits or obtaining those permits.	15
(C) Sections 4703.01 to 4703.19 of the Revised Code do not	16
prevent persons other than architects from preparing plans,	17
drawings, specifications, or data, filing applications for	18

building permits, or obtaining those permits for residential19buildings, as defined by section 3781.06 of the Revised Code, or20buildings erected as industrialized one-, two-, or three-family21units or structures within the meaning of the term "industrialized22unit" as provided in section 3781.06 of the Revised Code.23

(D) Sections 4703.01 to 4703.19 of the Revised Code do not 24 prevent persons other than architects from preparing drawings or 25 data, from filing applications for building permits, or from 26 obtaining those permits for the installation of replacement 27 equipment or systems that are similar in type or capacity to the 28 equipment or systems being replaced, and for any improvement, 29 alteration, repair, painting, decorating, or other modification of 30 any buildings or structures subject to sections 3781.06 to 3781.18 31 and 3791.04 of the Revised Code where the building official 32 determines that no plans or specifications are required for 33 34 approval.

(E) Sections 4703.01 to 4703.19 of the Revised Code do not exclude a registered professional engineer from architectural practice that may be incident to the practice of engineering or exclude a registered architect from engineering practice that may be incident to the practice of architecture.

(F) Sections 4703.01 to 4703.19 of the Revised Code do not 40 prevent a firm, partnership, association, limited liability 41 company, or corporation of architects registered under those 42 sections from providing architectural services and do not prevent 43 an individual registered as a landscape architect under sections 44 4703.30 to 4703.49 of the Revised Code or as a professional 45 engineer under Chapter 4733. of the Revised Code from being a 46 member or trustee of a firm, partnership, association, limited 47 liability company, or corporation of that type, but a member or 48 trustee of that type shall not engage in the practice of 49 architecture or hold forth as an architect contrary to sections 50

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4703.01 to 4703.19 of the Revised Code and shall not practice a 51 profession in which the person is not licensed. 52 (G) A firm, partnership, association, limited liability 53 company, or corporation may provide architectural services in this 54 state as long as the services are provided only through natural 55 persons registered to provide those services in this state, 56 subject to the exemptions in section 4703.17 of the Revised Code 57 and subject otherwise to the requirements of sections 4703.01 to 58 4703.19 of the Revised Code. 59 (H) No firm, partnership, association, limited liability 60 company, or corporation, except a corporation that was granted a 61

charter prior to August 7, 1943, to engage in providing 62 architectural services or that was otherwise lawfully providing 63 architectural services prior to November 15, 1982, shall provide 64 architectural services, hold itself out to the public as providing 65 architectural services, or use a name including the word 66 "architect" or any modification or derivation of the word, unless 67 the firm, partnership, association, limited liability company, or 68 corporation files all information required to be filed under this 69 section with the architects board and otherwise complies with all 70 requirements of sections 4703.01 to 4703.19 of the Revised Code. A 71 nonprofit membership corporation may use a name including the word 72 "architect" or any modification or derivation of the word without 73 complying with this section. 74

(I) A corporation may be organized under Chapter 1701. of the 75 Revised Code, a professional association may be organized under 76 Chapter 1785. of the Revised Code, or a limited liability company 77 may be formed under Chapter 1705. of the Revised Code for the 78 purpose of providing professional engineering, surveying, 79 architectural, or landscape architectural services, or any 80 combination of those services. A corporation organized under 81 Chapter 1701. of the Revised Code for the purpose of providing 82

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those services also may be organized for any other purpose in 83 accordance with that chapter. 84

(J) No firm, partnership, association, limited liability 85 company, or corporation shall provide or offer to provide 86 architectural services in this state unless more than fifty per 87 cent of the partners, members, or shareholders, more than fifty 88 per cent of the directors in the case of a corporation or 89 professional association, more than fifty per cent of the managers 90 in the case of a limited liability company the management of which 91 is not reserved to its members, and more than fifty per cent of 92 the trustees in the case of an employee stock ownership plan, are 93 professional engineers, surveyors, architects, or landscape 94 architects or a combination of those professions, who are 95 registered in this or any other state and who own more than fifty 96 per cent of the interests in the firm, partnership, association, 97 limited liability company, or corporation; unless the requirements 98 of this division and of section 1785.02 of the Revised Code are 99 satisfied with respect to any professional association organized 100 under Chapter 1785. of the Revised Code; or unless the 101 requirements of this division and of Chapter 1705. of the Revised 102 Code are satisfied with respect to a limited liability company 103 formed under that chapter. 104

A corporation is exempt from the requirements of division (J)105of this section if the corporation was granted a charter prior to106August 7, 1943, to engage in providing architectural services or107was otherwise lawfully providing architectural services prior to108November 15, 1982, in this state.109

(K) Each firm, partnership, association, limited liability
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company, or corporation through which architectural services are
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offered or provided in this state shall designate one or more
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trustees, partners, managers, members, officers, or directors as
being in responsible charge of the professional architectural

activities and decisions, and those designated persons shall be 115 registered in this state. In the case of a corporation holding a 116 certificate of authorization provided for in division (L) of this 117 section, at least one of the persons so designated shall be a 118 director of the corporation. Each firm, partnership, association, 119 limited liability company, or corporation of that type shall 120 annually file with the architects board the name and address of 121 each trustee, partner, manager, officer, director, member, or 122 shareholder, and each firm, partnership, association, limited 123 liability company, or corporation of that type shall annually file 124 with the board the name and address of all persons designated as 125 being in responsible charge of the professional architectural 126 activities and decisions and any other information the board may 127 require. If there is a change in any such person in the interval 128 between filings, the change shall be filed with the board in the 129 manner and within the time that the board determines. 130

(L) No corporation organized under Chapter 1701. of the 131 Revised Code shall engage in providing architectural services in 132 this state without obtaining a certificate of authorization from 133 the architects board. A corporation desiring a certificate of 134 authorization shall file with the board a copy of its articles of 135 incorporation and a listing on the form that the board directs of 136 the names and addresses of all trustees, officers, directors, and 137 shareholders of the corporation, the names and addresses of any 138 individuals providing professional services on behalf of the 139 corporation who are registered to practice architecture in this 140 state, and any other information the board requires. If all 141 requirements of sections 4703.01 to 4703.19 of the Revised Code 142 are met, the board may issue a certificate of authorization to the 143 corporation. No Except for a corporation that was granted a 144 charter prior to August 7, 1943, to engage in providing 145 architectural services or that was otherwise lawfully providing 146 architectural services prior to November 15, 1982, no certificate 147

of authorization shall be issued unless persons owning more than 148 fifty per cent of the corporation's shares and more than fifty per 149 cent of the interests in the corporation are professional 150 engineers, surveyors, architects, or landscape architects, or a 151 combination of those professions, who are registered in this or 152 any other state. Any corporation that holds a certificate of 153 authorization under this section and otherwise meets the 154 requirements of sections 4703.01 to 4703.19 of the Revised Code 155 may be organized for any purposes for which corporations may be 156 organized under Chapter 1701. of the Revised Code and shall not be 157 limited to the purposes of providing professional engineering, 158 surveying, architectural, or landscape architectural services or 159 any combination of those professions. The board, by rules adopted 160 in accordance with Chapter 119. of the Revised Code, may require 161 any firm, partnership, association, or limited liability company 162 not organized under Chapter 1701. of the Revised Code that 163 provides architectural services to obtain a certificate of 164 authorization. If the board so requires, no firm, partnership, 165 association, or limited liability company shall engage in 166 providing architectural services without obtaining the certificate 167 and complying with the rules. 168

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

(N) Nothing in this section restricts or limits in any manner
 the authority or duty of the architects board with respect to
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 natural persons providing professional services or any law or rule
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 pertaining to standards of professional conduct.

Section 2. That existing section 4703.18 of the Revised Code 177 is hereby repealed. 178

Section 3. This act shall not be interpreted as affecting the 179 obligations imposed under any contract in existence on the 180 effective date of this act, but any corporation that is providing 181 architectural services pursuant to a contract on the effective 182 date of this act shall comply with section 4703.18 of the Revised 183 Code, as amended by this act, prior to renewing the contract. 184

Section 4. (A) The General Assembly hereby determines and 185 declares that it recognizes and finds all of the following: 186

(1) Sections 4703.01 to 4703.19 of the Revised Code are
designed to protect the public from persons not qualified to
provide architectural services.

(2) If the public is provided accurate information about the
qualifications of persons that hold themselves as providers of
architectural services, the public is better able to decide who to
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engage to provide those services.

(3) Persons who hold themselves out as providing
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 architectural services should have the qualifications that the
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 representation indicates they have.
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(4) The existing exemption contained in division (H) of 197
section 4703.18 of the Revised Code has outlived its usefulness in 198
its current form. 199

(B) The General Assembly hereby declares that, in repealing 200 the exemption in division (H) of section 4703.18 of the Revised 201 Code from sections 4703.01 to 4703.19 of the Revised Code to 202 certain corporations authorized and in permitting those 203 corporations to continue to provide architectural services if 204 certain criteria are met, it is the General Assembly's intent to 205 protect the safety and general welfare of the people of this 206 state. The General Assembly further declares it is the policy of 207 this state to require persons providing architectural services to 208

comply with sections 4703.01 to 4703.19 of the Revised Code and to	209
meet the quality standards that are included in those sections in	210
order to maintain the provision of reliable architectural	211
services. Consequently, the amendments made by this act are	212
remedial and not punitive in nature.	213