

As Reported by the Senate Commerce and Labor Committee

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Sub. S. B. No. 78

Senator Hughes

Cosponsor: Senator Brown

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A B I L L

To amend sections 4740.01, 4740.02, 4740.04, 4740.05, 1
4740.06, 4740.07, 4740.08, 4740.09, 4740.13, and 2
4740.16, to enact new section 4740.10 and section 3
4740.131, and to repeal section 4740.10 of the 4
Revised Code to make changes to the law regulating 5
specialty construction contractors. 6

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

Section 1. That sections 4740.01, 4740.02, 4740.04, 4740.05, 7
4740.06, 4740.07, 4740.08, 4740.09, 4740.13, and 4740.16 be 8
amended and new section 4740.10 and section 4740.131 of the 9
Revised Code be enacted to read as follows: 10

Sec. 4740.01. As used in this chapter: 11

(A) "License" means a license the Ohio construction industry 12
licensing board issues to an individual as a heating, ventilating, 13
and air conditioning contractor, refrigeration contractor, 14
electrical contractor, plumbing contractor, or hydronics 15
contractor. 16

(B) "Contractor" means any individual or ~~business entity~~ 17
contracting company that satisfies both of the following: 18

(1) ~~Directs, supervises, or has~~ Has responsibility for the means, method, and manner of construction, improvement, renovation, repair, or maintenance on a construction project with respect to one or more trades and who offers, identifies, advertises, or otherwise holds out or represents that the individual or ~~business entity~~ contracting company is permitted or qualified to perform, ~~direct, supervise,~~ or have responsibility for the means, method, and manner of construction, improvement, renovation, repair, or maintenance with respect to one or more trades on a construction project;

(2) ~~Performs or otherwise supervises or directs~~ Does either of the following:

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

(b) Employs tradespersons who perform construction, improvement, or renovation, ~~repair, or maintenance~~ on a construction project with respect to the ~~contractor's~~ individual's or contracting company's trades.

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

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

~~(D)~~(E) "Tradesperson" means any individual who is supervised or ~~directed by a contractor or who is otherwise~~ employed by a contractor and who engages in construction, improvement, renovation, repair, or maintenance of buildings or structures without assuming responsibility for the means, method, or manner of that construction, improvement, renovation, repair, or

maintenance. 50

~~(E)~~(F) "Construction project" means a construction project 51
involving a building or structure subject to Chapter 3781. of the 52
Revised Code and the rules adopted under that chapter, but not an 53
industrialized unit or a residential building as defined in 54
section 3781.06 of the Revised Code. 55

(G) "Training agency" means an entity approved by the 56
administrative section of the board to provide continuing 57
education courses. 58

Sec. 4740.02. (A) There is hereby created within the 59
department of commerce, the Ohio construction industry licensing 60
board, consisting of seventeen residents of this state. The board 61
shall have an administrative section, and three specialty 62
sections: a plumbing and hydronics section, an electrical section, 63
and a heating, ventilating, air conditioning, and refrigeration 64
section. The director of commerce shall appoint all members of the 65
board. The director or the director's designee shall serve as a 66
member of the administrative section and the director shall 67
appoint to the section to represent the public, one member who is 68
not a member of any group certified by any section of the board. 69
Each section, other than the administrative section, shall 70
annually elect a member of its section to serve a one-year term on 71
the administrative section. 72

(B) The plumbing and hydronics section consists of five 73
members, one of whom is a plumbing inspector employed by the 74
department of commerce, a municipal corporation, or a health 75
district, two of whom are plumbing contractors who have no 76
affiliation with any union representing plumbers, and two of whom 77
are plumbing contractors who are signatories to agreements with 78
unions representing plumbers. 79

The plumbing and hydronics section has primary responsibility 80

for the licensure of plumbing contractors and hydronics 81
contractors. 82

(C) The electrical section consists of five members, one of 83
whom is an electrical inspector employed by the department of 84
commerce, a municipal corporation, or a county, two of whom are 85
electrical contractors who have no affiliation with any union 86
representing electricians, and two of whom are electrical 87
contractors who are signatories to agreements with unions 88
representing electricians. 89

The electrical section has primary responsibility for the 90
licensure of electrical contractors. 91

(D) The heating, ventilating, air conditioning, and 92
refrigeration section consists of five members, one of whom is a 93
heating, ventilating, air conditioning, and refrigeration 94
inspector employed by either the department of commerce or a 95
municipal corporation; two of whom are heating, ventilating, and 96
air conditioning contractors or refrigeration contractors who have 97
no affiliation with any union representing heating, ventilating, 98
and air conditioning tradespersons or refrigeration tradespersons; 99
and two of whom are heating, ventilating, and air conditioning 100
contractors or refrigeration contractors who are signatories to 101
agreements with unions representing heating, ventilating, and air 102
conditioning tradespersons or refrigeration tradespersons. 103

The heating, ventilating, air conditioning, and refrigeration 104
section has primary responsibility for the licensure of heating, 105
ventilating, and air conditioning contractors and refrigeration 106
contractors. 107

(E) Within ninety days after July 31, 1992, initial 108
appointments shall be made to the board. Of the initial 109
appointments to the board, two appointments in each section, other 110
than the administrative section, are for terms ending one year 111

after July 31, 1992, and two are for terms ending two years after 112
July 31, 1992. All other appointments to the board are for terms 113
ending three years after July 31, 1992. Thereafter, terms of 114
office are for three years, each term ending on the same day of 115
the same month of the year as did the term that it succeeds. Each 116
member shall hold office from the date of appointment until the 117
end of the term for which the member was appointed. Members may be 118
reappointed. Vacancies shall be filled in the manner provided for 119
original appointments. Any member appointed to fill a vacancy 120
occurring prior to the expiration of the term for which the 121
member's predecessor was appointed shall hold office as a member 122
for the remainder of that term. A member shall continue in office 123
subsequent to the expiration of a term until a successor takes 124
office or until a period of sixty days has elapsed, whichever 125
occurs first. 126

(F) Before entering upon the discharge of official duties, 127
each member shall take, ~~and file with the secretary of state,~~ the 128
oath of office required by Section 7 of Article XV, Ohio 129
Constitution. 130

(G) Each member, except for the director or the director's 131
designee, shall receive a per diem amount fixed pursuant to 132
section 124.15 of the Revised Code when actually attending to 133
matters of the board and for the time spent in necessary travel, 134
and all actual and necessary expenses incurred in the discharge of 135
official duties. 136

(H) The director of commerce may remove any member of the 137
board the director appoints for malfeasance, misfeasance, or 138
nonfeasance. 139

(I) Membership on the board and holding any office of the 140
board does not constitute holding a public office or employment 141
within the meaning of any section of the Revised Code, or an 142
interest, either direct or indirect, in a contract or expenditure 143

of money by the state or any municipal corporation, township, 144
special district, school district, county, or other political 145
subdivision. No member or officer of the board is disqualified 146
from holding any public office or employment nor shall the officer 147
or member forfeit any public office or employment by reason of 148
holding a position as an officer or member of the board. 149

(J) The board, and each section of the board, shall meet only 150
after adequate advance notice of the meeting has been given to 151
each member of the board or section, as appropriate. 152

Sec. 4740.04. The administrative section of the Ohio 153
construction industry licensing board is responsible for the 154
administration of this chapter and shall do all of the following: 155

(A) Schedule the contractor examinations each of the other 156
sections of the board directs. Each type of examination shall be 157
held at least four times per year. 158

(B) Select and contract with one or more persons to do all of 159
the following relative to the examinations: 160

(1) Prepare, administer, score, and maintain the 161
confidentiality of the examinations; 162

(2) Be responsible for all the expenses required to fulfill 163
division (B)(1) of this section; 164

(3) Charge an applicant a fee in an amount the administrative 165
section of the board authorizes for administering the examination; 166

~~(4) Design the examination for each type of contractor to 167
determine an applicant's competence to perform that type of 168
contracting. 169~~

(C) Issue and renew licenses as follows: 170

(1) Issue a license to any individual who the appropriate 171
specialty section of the board determines is qualified pursuant to 172

section 4740.06 of the Revised Code to hold a license and has 173
attained, within the twelve months preceding the individual's 174
application for licensure, a score on the examination that the 175
appropriate specialty section authorizes for the licensed trade. 176

(a) Each license shall include ~~a~~ the contractor's name, 177
license number ~~and an,~~ expiration date, and the name of the 178
contracting company associated with the individual, as applicable. 179

(b) Each license issued to an individual who holds more than 180
one valid license shall contain the same license number and 181
expiration date as the original license issued to that individual. 182

(2) Renew licenses for individuals who meet the renewal 183
requirements of section 4740.06 of the Revised Code. 184

(D) Make an annual written report to the director of commerce 185
on proceedings had by or before the board for the previous year 186
and make an annual statement of all money received and expended by 187
the board during the year; 188

(E) Keep a record containing the name, address, the date on 189
which the board issues or renews a license to, and the license 190
number of, every heating, ventilating, and air conditioning 191
contractor, refrigeration contractor, electrical contractor, 192
plumbing contractor, and hydronics contractor issued a license 193
pursuant to this chapter; 194

(F) Regulate a contractor's use and display of a license 195
issued pursuant to this chapter and of any information contained 196
in that license; 197

(G) Adopt rules in accordance with Chapter 119. of the 198
Revised Code as necessary to properly discharge the administrative 199
section's duties under this chapter. The rules shall include, but 200
not be limited to, the following: 201

(1) Application procedures for examinations; 202

(2) Specifications for continuing education requirements for license renewal that address all of the following:	203 204
(a) A requirement that an individual who holds any number of valid and unexpired licenses accrue a total of ten hours of continuing education courses per year;	205 206 207
(b) Fees the board charges to persons who provide continuing education courses, in an amount of twenty-five dollars annually for each person approved to provide courses, not more than ten dollars plus one dollar per credit hour for each course offered <u>submitted to a specialty section of the board for approval according to division (F) of section 4740.05 of the Revised Code</u> , and one dollar per credit hour of instruction per attendee;	208 209 210 211 212 213 214
(c) A provision limiting approval of continuing education courses to one year.	215 216
(3) Requirements for criminal records checks of applicants under section 4776.03 of the Revised Code.	217 218
(H) Adopt any continuing education curriculum as the other sections of the board establish or approve pursuant to division (C) <u>(F)</u> of section 4740.05 of the Revised Code;	219 220 221
(I) Keep a record of its proceedings and do all things necessary to carry out this chapter.	222 223
Sec. 4740.05. (A) Each <u>specialty</u> section of the Ohio construction industry licensing board, other than the administrative section, shall do all of the following:	224 225 226
(1) <u>(A)</u> Adopt rules in accordance with Chapter 119. of the Revised Code that are limited to the following:	227 228
(a) <u>(1)</u> Criteria for the section to use in evaluating the qualifications of an individual;	229 230
(b) <u>(2)</u> Criteria for the section to use in deciding whether to	231

authorize the administrative section to issue, renew, suspend,	232
revoke, or refuse to issue or renew a license;	233
(e) (3) The determinations and approvals the section makes	234
under the reciprocity provision of section 4740.08 of the Revised	235
Code;	236
(d) (4) Criteria for continuing education courses conducted	237
pursuant to this chapter;	238
(e) (5) A requirement that persons <u>any training agency</u> seeking	239
approval to provide continuing education courses submit the	240
required information to the appropriate <u>specialty</u> section of the	241
board at least thirty days, but not more than one year, prior to	242
the date on which the course is proposed to be offered;	243
(f) (6) A prohibition against any person <u>training agency</u>	244
providing a continuing education course unless the administrative	245
section of the board approved that person <u>training agency</u> not more	246
than one year prior to the date the course is offered;	247
(g) (7) A list of disqualifying offenses pursuant to sections	248
4740.06, 4740.10, and 4776.10 of the Revised Code.	249
(2) (B) Investigate allegations in reference to violations of	250
this chapter and the rules adopted pursuant to it that pertain to	251
the <u>specialty</u> section and determine by rule a procedure to conduct	252
investigations and hearings on these allegations;	253
(3) (C) Maintain a record of its proceedings;	254
(4) (D) Grant approval to a person <u>training agency</u> to offer	255
continuing education courses pursuant to rules the board adopts;	256
(5) (E) As required, do all things necessary to carry out this	257
chapter-	258
(B) In accordance with rules they establish, the trade	259
sections of the board shall authorize the administrative section	260
to issue, renew, suspend, revoke, or refuse to issue or renew	261

~~licenses for the classes of contractors for which each has primary
responsibility as set forth in section 4740.02 of the Revised
Code.~~

~~(C) Each trade section of the board shall establish;~~

(F) Establish or approve a continuing education curriculum
for license renewal for each class of contractors for which the
section has primary responsibility. No curriculum may require more
than five hours per year in specific course requirements. No
contractor may be required to take more than ten hours per year in
continuing education courses. The ten hours shall be the aggregate
of hours of continuing education for all licenses the contractor
holds.

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

Sec. 4740.06. (A) Any individual who applies for a license
shall file a written application with the appropriate specialty
section of the Ohio construction industry licensing board,
accompanied with the application fee as determined pursuant to
section 4740.09 of the Revised Code. ~~The individual shall file the
application not more than sixty days nor less than thirty days
prior to the date of the examination.~~ The application shall be on
the form the section prescribes and verified by the applicant's
oath. The applicant shall provide information satisfactory to the
section showing that the applicant meets the requirements of
division (B) of this section.

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

(1) Be at least eighteen years of age;

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

resident of the United States;	292
(3) Either have been a tradesperson in the type of licensed	293
trade for which the application is filed for not less than five	294
years immediately prior to the date the application is filed, be a	295
currently registered engineer in this state with three years of	296
business experience in the construction industry in the trade for	297
which the engineer is applying to take an examination, or have	298
other experience acceptable to the appropriate <u>specialty</u> section	299
of the board;	300
(4) Maintain contractor's liability insurance, including	301
without limitation, complete operations coverage, in an amount the	302
appropriate <u>specialty</u> section of the board determines <u>and only in</u>	303
<u>one contracting company name;</u>	304
(5) Not have done any of the following:	305
(a) Been convicted of or pleaded guilty to a crime of moral	306
turpitude or a disqualifying offense as those terms are defined in	307
section 4776.10 of the Revised Code;	308
(b) Violated this chapter or any rule adopted pursuant to it;	309
(c) Obtained or renewed a license issued pursuant to this	310
chapter, or any order, ruling, or authorization of the board or a	311
section of the board by fraud, misrepresentation, or deception;	312
(d) Engaged in fraud, misrepresentation, or deception in the	313
conduct of business.	314
(C) When an applicant for licensure as a contractor in a	315
licensed trade meets the qualifications set forth in division (B)	316
of this section and passes the required examination, the	317
appropriate <u>specialty</u> section of the board, within ninety days	318
after the application was filed, shall authorize the	319
administrative section of the board to license the applicant for	320
the type of contractor's license for which the applicant	321

qualifies. A specialty section of the board may withdraw its 322
authorization to the administrative section for issuance of a 323
license for good cause shown, on the condition that notice of that 324
withdrawal is given prior to the administrative section's issuance 325
of the license. 326

(D)(1) Except as provided in division (D)(2) of this section, 327
if an applicant does not pass the required examination, the 328
applicant may retake the examination not less than sixty days 329
after the applicant's most recent examination. 330

(2) An applicant who does not pass the required examination 331
after taking the examination five times under this section shall 332
reapply for a license under division (A) of this section before 333
retaking the required examination any subsequent time. 334

(E) All licenses a contractor holds pursuant to this chapter 335
shall expire annually on the same date, which shall be the 336
expiration date of the original license the contractor holds. An 337
individual holding a valid, unexpired license may renew the 338
license, without reexamination, by submitting an application to 339
the appropriate specialty section of the board not more than 340
ninety calendar days before the expiration of the license, along 341
with the renewal fee the specialty section requires and proof of 342
compliance with the applicable continuing education requirements. 343
The applicant shall provide information in the renewal application 344
satisfactory to demonstrate to the appropriate specialty section 345
that the applicant continues to meet the requirements of division 346
(B) of this section. 347

Upon application and within one calendar year after a license 348
has expired, a section may waive any of the requirements for 349
renewal of a license upon finding that an applicant substantially 350
meets the renewal requirements or that failure to timely apply for 351
renewal is due to excusable neglect. A section that waives 352
requirements for renewal of a license may impose conditions upon 353

the licensee and assess a late filing fee of not more than double 354
the usual renewal fee. An applicant shall satisfy any condition 355
the section imposes before a license is reissued. 356

~~(E)~~(F) An individual holding a valid license may request the 357
section of the board that authorized that license to place the 358
license in inactive status under conditions, and for a period of 359
time, as that section determines. 360

~~(F)~~(G) Except for the ninety-day extension provided for a 361
license assigned to a ~~business entity~~ contracting company under 362
division (D) of section 4740.07 of the Revised Code, a license 363
held by an individual immediately terminates upon the death of the 364
individual. 365

~~(G)~~(H) Nothing in any license issued by the Ohio construction 366
industry licensing board shall be construed to limit or eliminate 367
any requirement of or any license issued by the Ohio fire marshal. 368

~~(H)~~(I)(1) Subject to divisions ~~(H)~~(I)(2), (3), and (4) of 369
this section, no ~~trade~~ specialty section of the board shall adopt, 370
maintain, renew, or enforce any rule, or otherwise preclude in any 371
way, an individual from receiving or renewing a license under this 372
chapter due to any past criminal activity or interpretation of 373
moral character, except as pursuant to division (B)(5)(a) of this 374
section. If the specialty section denies an individual a license 375
or license renewal, the reasons for such denial shall be put in 376
writing. 377

(2) Except as otherwise provided in this division, if an 378
individual applying for a license has been convicted of or pleaded 379
guilty to a misdemeanor that is not a crime of moral turpitude or 380
a disqualifying offense less than one year prior to making the 381
application, the section may use its discretion in granting or 382
denying the individual a license. Except as otherwise provided in 383
this division, if an individual applying for a license has been 384

convicted of or pleaded guilty to a felony that is not a crime of 385
moral turpitude or a disqualifying offense less than three years 386
prior to making the application, the section may use its 387
discretion in granting or denying the individual a license. The 388
provisions in this paragraph do not apply with respect to any 389
offense unless the section, prior to the effective date of this 390
amendment, was required or authorized to deny the application 391
based on that offense. 392

In all other circumstances, the section shall follow the 393
procedures it adopts by rule that conform to division ~~(H)~~(I)(1) of 394
this section. 395

(3) In considering a renewal of an individual's license, the 396
section shall not consider any conviction or plea of guilty prior 397
to the initial licensing. However, the board may consider a 398
conviction or plea of guilty if it occurred after the individual 399
was initially licensed, or after the most recent license renewal. 400

(4) The section may grant an individual a conditional license 401
that lasts for one year. After the one-year period has expired, 402
the license is no longer considered conditional, and the 403
individual shall be considered fully licensed. 404

Sec. 4740.07. (A) Except as otherwise provided in this 405
section, the administrative section of the Ohio construction 406
industry licensing board shall issue and renew all licenses under 407
this chapter in the name of the individual who meets the 408
requirements of section 4740.06 of the Revised Code. 409

(B) ~~Any individual may~~ All individuals applying for a license 410
under this chapter shall request, at the time of applying for a 411
license ~~or at any time thereafter,~~ that the individual's license 412
be assigned to a ~~business entity~~ contracting company with whom the 413
individual is ~~associated as a full-time officer, proprietor,~~ 414
~~partner, or employee~~ employed. If the individual is issued ~~or~~ 415

holds a license and meets the requirements of this section for the 416
assignment of the license to a ~~business entity~~ contracting 417
company, the administrative section shall assign the license to 418
and issue a license in the name of the ~~business entity~~ contracting 419
company. The license assigned and issued to a ~~business entity~~ 420
contracting company under this division shall state the name and 421
position of the individual who assigned the license to the 422
~~business entity~~ contracting company. If a license is not assigned 423
to a contracting company in accordance with this division, the 424
appropriate specialty section of the board shall place that 425
license in inactive status. 426

(C) During the period a ~~business entity~~ contracting company 427
holds a license issued under division (B) of this section, the 428
administrative section shall not issue another license to the 429
individual who assigned the license to the ~~business entity~~ 430
contracting company for the same type of contracting for which the 431
~~business entity~~ contracting company utilizes the assigned license. 432

(D)(1) If ~~an individual~~ a contractor who assigned a license 433
to a ~~business entity~~ contracting company under division (B) of 434
this section ceases to be associated with the ~~business entity~~ 435
contracting company for any reason, including the death of the 436
~~individual contractor~~, the ~~individual contractor~~ or ~~business~~ 437
~~entity~~ contracting company immediately shall notify the 438
appropriate specialty section of the board of the date on which 439
the ~~individual contractor~~ ceased to be associated with the 440
~~business entity~~ contracting company. A Such a license assigned to 441
a business entity assignment is invalid ninety according to the 442
following, as applicable: 443

(a) Ninety calendar days after the ~~date on which the~~ 444
~~individual who assigned the license ceases to be associated with~~ 445
~~the business entity or at~~ death of the contractor; 446

(b) Ninety calendar days after the contractor completes a 447

change of company form; 448

(c) At an earlier time to which the ~~business entity~~ 449
contracting company and the ~~individual contractor~~ agree. 450

(2) If a license ~~assigned~~ assignment made to a ~~business~~ 451
entity contracting company becomes invalid pursuant to division 452
(D)(1) of this section and another individual has assigned a 453
license to the ~~business entity~~ contracting company for the same 454
type of contracting for which the invalidated license assignment 455
had been ~~assigned made~~, the ~~business entity~~ contracting company 456
may continue to operate under the other assigned license. 457

(E) Any work a ~~business entity~~ contracting company conducts 458
under a the license assigned under this section or displayed under 459
division (F) of section 4740.04 of the Revised Code is deemed to 460
be conducted under the personal supervision of the individual 461
named in the license and any violation of any term of the license 462
is deemed to have been committed by the individual named in the 463
license. 464

~~For the period of time during which more than one license for~~ 465
~~the same type of contracting is assigned to a business entity, any~~ 466
~~work the business entity conducts under any of those licenses is~~ 467
~~deemed to be conducted under the personal supervision of the~~ 468
~~individuals named in those licenses and any violation of any term~~ 469
~~of any license is deemed to have been committed by the individuals~~ 470
~~named in all of the licenses.~~ 471

(F) No individual who assigns a license to a ~~business entity~~ 472
contracting company shall assign a license for the same type of 473
contracting to another ~~business entity~~ contracting company until 474
the original license ~~assigned~~ assignment is invalid pursuant to 475
division (D) of this section. 476

(G) Any individual who assigns a license to a ~~business entity~~ 477
contracting company under this section shall be actively engaged 478

in business as the type of contractor for which the license is 479
issued and be readily available for consultation with the ~~business~~ 480
~~entity~~ contracting company to which the license is assigned. 481

(H) No license assigned under this section shall be assigned 482
to more than one ~~business entity~~ contracting company at a time. 483

Sec. 4740.08. When a written reciprocity agreement between 484
the states exists, and an individual who is registered, licensed, 485
or certified in another state applies to the appropriate specialty 486
section of the Ohio construction industry licensing board submits 487
a copy of the reciprocity agreement, and pays the licensure fee 488
determined pursuant to section 4740.09 of the Revised Code, the 489
appropriate specialty section of the board shall authorize the 490
administrative section to issue, without examination, a license to 491
that individual if the appropriate specialty section of the board 492
determines, pursuant to rules it adopts, that the requirements for 493
registration, licensure, or certification under the laws of the 494
other state are substantially equal to the requirements for 495
licensure in this state and that the other state extends similar 496
reciprocity to persons licensed under this chapter. The 497
appropriate specialty section of the board may withdraw its 498
authorization to the administrative section for issuance of a 499
license for good cause prior to the administrative section's 500
issuance of the license. 501

Sec. 4740.09. The fees for licenses and their renewal, 502
including late fees, subject to the approval of the controlling 503
board, shall be determined by each respective specialty section of 504
the Ohio construction industry ~~examining~~ licensing board. Each 505
respective specialty section of the board may increase these fees, 506
provided that no increase exceeds fifty per cent of the lowest fee 507
determined by that section of the board during the three-year 508
period immediately preceding an increase, and further provided 509

that no increase is made more than once a year. 510

Sec. 4740.10. (A) A specialty section of the Ohio 511
construction industry licensing board may impose any of the 512
following, or any combination of the following, disciplinary 513
actions against an applicant or license holder for committing an 514
act listed in division (B) of this section: 515

(1) Suspend, revoke, or refuse to issue any license; 516

(2) Require additional continuing education hours; 517

(3) Issue a fine. 518

(B)(1) An applicant or licensee shall be subject to 519
disciplinary action as prescribed under division (A) of this 520
section for any of the following: 521

(a) Having been convicted of or pleading guilty to a crime of 522
moral turpitude or disqualifying offense as those terms are 523
defined in section 4776.10 of the Revised Code; 524

(b) Violating any provision of this chapter; 525

(c) Violating any rule adopted pursuant to this chapter; 526

(d) Obtaining or attempting to obtain a license or a renewal 527
of such license pursuant to this chapter by means of fraud, 528
deception, or misrepresentation; 529

(e) Obtaining an order, ruling, or authorization from any 530
section of the board by means of fraud or misrepresentation; 531

(f) Engaging in fraud, misrepresentation, or deception in the 532
conduct of business; 533

(g) Transferring the person's license to another person 534
without the approval of the appropriate specialty section; 535

(h)(i) Allowing the person's license to be used by an 536
unlicensed person or entity; 537

(ii) Division (B)(1)(h)(i) of this section does not apply to 538
a contracting company that has been assigned a license under 539
section 4740.07 of the Revised Code. 540

(i) Failing to comply with a disciplinary action imposed by 541
the appropriate specialty section; 542

(j) Failing to maintain insurance throughout the license 543
year, unless the license has properly been placed in inactive 544
status under section 4740.06 of the Revised Code. 545

(2) The appropriate specialty section of the board may take 546
disciplinary action against an applicant or license holder as 547
prescribed under division (A) of this section upon receiving 548
notice that a municipal corporation or any other governmental 549
agency has suspended or revoked the local contracting license or 550
registration of an individual or contracting company that also 551
holds a license pursuant to this chapter. 552

(C) The appropriate specialty sections shall direct the 553
administrative section to refuse to issue any license to an 554
applicant upon a finding by the appropriate specialty section that 555
the applicant has done either of the following: 556

(1) Had another person take the required examination for the 557
applicant; 558

(2) Failed to pass the required examination. 559

(D) If an individual fails to request a hearing within thirty 560
days after the date a specialty section, in accordance with 561
section 119.07 of the Revised Code, notifies the individual of the 562
board's intent to impose a disciplinary action against the 563
individual under division (A) of this section, the specialty 564
section, by a majority vote of a quorum of the section members, 565
may impose the action against the individual without holding an 566
adjudication hearing. 567

Sec. 4740.13. (A) No person shall act as or claim to be a 568
type of contractor that this chapter licenses unless that person 569
holds or has been assigned a license issued pursuant to this 570
chapter for the type of contractor that person is acting as or 571
claiming to be. 572

(B) Upon the request of the appropriate specialty section of 573
the Ohio construction industry licensing board, the attorney 574
general may bring a civil action for appropriate relief, including 575
but not limited to a temporary restraining order or permanent 576
injunction in the court of common pleas of the county where the 577
unlicensed person resides or is acting as or claiming to be a 578
licensed contractor. 579

(C) A contractor licensed under this chapter may install, 580
service, and maintain the related or interfaced control wiring for 581
equipment and devices related to their specific license, on the 582
condition that the control wiring is less than twenty-five volts. 583

(D) A person is not an electrical contractor subject to 584
licensure under this chapter for work that is limited to the 585
construction, improvement, renovation, repair, testing, or 586
maintenance of the following systems using less than fifty volts 587
of electricity: fire alarm or burglar alarm, cabling, tele-data 588
sound, communication, and landscape lighting and irrigation. 589

Sec. 4740.131. Nothing in this chapter shall be construed to 590
prohibit a contractor from leasing, on a temporary or permanent 591
basis, an employee from a professional employer organization, as 592
defined by section 4125.01 of the Revised Code, or from a 593
temporary agency to perform work under the direct supervision of 594
the contractor. 595

Sec. 4740.16. (A) The An investigator appointed by the 596
director of commerce, on behalf of the appropriate specialty 597

section of the Ohio construction industry licensing board may 598
investigate any person who allegedly has violated section 4740.13 599
of the Revised Code. If, after an investigation pursuant to 600
section 4740.05 of the Revised Code, the appropriate specialty 601
section determines that reasonable evidence exists that a person 602
has violated section 4740.13 of the Revised Code, ~~within seven~~ 603
~~days after that determination~~, the appropriate specialty section 604
shall send a written notice to that person in the same manner as 605
prescribed in section 119.07 of the Revised Code for licensees, 606
~~except that the notice shall specify that a hearing will be held~~ 607
~~and specify the date, time, and place of the hearing.~~ 608

(B) The appropriate specialty section shall hold a hearing 609
regarding the alleged violation in the same manner prescribed for 610
an adjudication hearing under section 119.09 of the Revised Code. 611
If the appropriate specialty section, after the hearing, 612
determines a violation has occurred, the appropriate specialty 613
section, upon an affirmative vote of ~~four~~ a majority of its 614
members, may impose a fine on the person, not exceeding one 615
thousand dollars per violation per day and may file a complaint 616
against the person with the appropriate local prosecutor for 617
criminal prosecution. The appropriate specialty section's 618
determination is an order that the person may appeal in accordance 619
with section 119.12 of the Revised Code. 620

~~(C) If the person who allegedly committed a violation of~~ 621
~~section 4740.13 of the Revised Code fails to appear for a hearing,~~ 622
~~the appropriate section may request the court of common pleas of~~ 623
~~the county where the alleged violation occurred to compel the~~ 624
~~person to appear before the appropriate section for a hearing.~~ 625

~~(D)~~ If the appropriate specialty section assesses a person a 626
civil penalty for a violation of section 4740.13 of the Revised 627
Code and the person fails to pay that civil penalty within the 628

time period prescribed by the appropriate specialty section, the 629
appropriate specialty section shall forward to the attorney 630
general the name of the person and the amount of the civil penalty 631
for the purpose of collecting that civil penalty. In addition to 632
the civil penalty assessed pursuant to this section, the person 633
also shall pay any fee assessed by the attorney general for 634
collection of the civil penalty. 635

(D) If a person fails to request a hearing within thirty days 636
after the date the appropriate specialty section, in accordance 637
with section 119.07 of the Revised Code, notifies the person of 638
the section's intent to act against the person under division (A) 639
of this section, the section, by majority vote of a quorum of the 640
section members, may take the action against a person without 641
holding an adjudication hearing. 642

Section 2. That existing sections 4740.01, 4740.02, 4740.04, 643
4740.05, 4740.06, 4740.07, 4740.08, 4740.09, 4740.13, and 4740.16 644
and section 4740.10 of the Revised Code are hereby repealed. 645

Section 3. Notwithstanding division (B) of section 4740.07 of 646
the Revised Code, as amended by this act, an individual who is 647
licensed as a speciality contractor pursuant to section 4740.06 of 648
the Revised Code on the effective date of this act and who has not 649
assigned the individual's license to a contracting company shall 650
have sixty days after the effective date of this act to assign the 651
license to a contracting company in accordance with section 652
4740.07 of the Revised Code, as amended by this act. If a license 653
is not assigned to a contracting company within sixty days after 654
the effective date of this act, the appropriate specialty section 655
of the Ohio Construction Industry Licensing Board shall place the 656
license in inactive status. 657