



Ohio Legislative Service Commission

Bill Analysis

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S.B. 183

128th General Assembly
(As Introduced)

Sens. Schaffer, Patton

BILL SUMMARY

- Extends a grandfather exemption in the Architects Law to further exempt certain corporations from requirements under the Law.

CONTENT AND OPERATION

Corporations and the Architects Law

Under continuing law, no person can practice architecture or hold forth as an architect or registered architect unless the person (1) has complied with the Architects Law and (2) is the holder of a certificate of qualification to practice architecture issued or renewed and registered under that Law (R.C. 4703.18(A)). In general, a corporation may provide architectural services in Ohio as long as the services are provided only through natural persons registered to provide those services (R.C. 4703.18(G)). A corporation cannot provide architectural services, however, nor can it hold itself out to the public as providing architectural services or use a name including the word "architect" or any modification or derivation of the word, unless the corporation files certain information with the Architects Board and otherwise complies with all requirements of the Architects Law. A corporation that was granted a charter prior to August 7, 1943, to engage in providing architectural services or that was otherwise lawfully providing architectural services prior to November 15, 1982, is exempt from this prohibition. (R.C. 4703.18(H).)

Under current law, all corporations, regardless of the date of charter or service, must comply with the following provisions:

(1) No corporation can provide or offer to provide architectural services in Ohio unless more than 50% of the shareholders or directors are professional engineers,

surveyors, architects, or landscape architects who are registered in Ohio or any other state and who own more than 50% of the interests in the corporation (R.C. 4703.18(J)).

(2) Each corporation through which architectural services are offered or provided in Ohio must designate one or more directors, who are registered in Ohio, as being in responsible charge of the professional architectural activities and decisions (R.C. 4703.18(K)).

(3) With regard to a corporation organized under the General Corporation Law (R.C. Chapter 1701.), the corporation must obtain a certificate of authorization from the Architects Board before engaging in providing architectural services in Ohio (R.C. 4703.18(L)).¹

The bill exempts certain corporations from the above provisions. Specifically, the bill exempts a corporation that was granted a charter prior to August 7, 1943, to engage in providing architectural services or was otherwise lawfully providing architectural services prior to November 15, 1982, in Ohio. (R.C. 4703.18(J).)

Affect on existing contracts

Section 3 of the bill states that the amendments included in the bill must not be interpreted as affecting the obligations imposed under any contract in existence on the bill's effective date. Any corporation providing architectural services pursuant to a contract on the bill's effective date must comply with the changes prior to renewing the contract.

Declarations of the General Assembly regarding the Architects Law

Under Section 4 of the bill, the General Assembly recognizes and finds all of the following:

(1) The Architects Law is 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 engage to provide those services.

¹ The Architects Board can not issue a certificate of authorization unless persons owning more than 50% of the corporation's shares and more than 50% of the interests in the corporation are professional engineers, surveyors, architects, or landscape architects, or a combination of those professions, who are registered in Ohio or any other state (R.C. 4703.18(L)).

(3) Persons who hold themselves out as providing architectural services should have the qualifications that the representation indicates they have.

(4) The exemption for corporations that were granted a charter prior to August 7, 1943, to engage in providing architectural services or that were otherwise lawfully providing architectural services prior to November 15, 1982, has outlived its usefulness in its current form.

The bill declares that it is the intent of the General Assembly in passing the bill to protect the safety and general welfare of the people of Ohio. The bill also declares that it is the policy of the state to require persons providing architectural services to comply with the Architects Law and to meet the quality standards that are included in that Law in order to maintain the provision of reliable architectural services. As such, the amendments included in the bill are intended to be remedial and not punitive in nature.

HISTORY

ACTION	DATE
Introduced	10-08-09

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