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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

S.B. 238  
135<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsor:** Sen. Schaffer

Abby Gerty, Research Analyst

### SUMMARY

- Establishes an optional certification for specialty residential construction contractors.
- Specifies procedures for certification including application requirements, renewal procedures, and continuing education requirements for specialty residential contractors with exceptions.
- Prohibits an individual from claiming to be a certified residential-only contractor if that individual has not been issued a residential-only certificate, and imposes criminal penalties for violations of that prohibition.

### DETAILED ANALYSIS

#### Specialty residential contractor

The bill establishes a new, optional certification for specialty residential construction contractors. Under the bill, a “residential-only certification” is issued by the Ohio Construction Industry Licensing Board (OCILB) to a residential heating, ventilating, and air conditioning contractor, residential refrigeration contractor, residential electrical contractor, residential plumbing contractor, or residential hydronics contractor.<sup>1</sup>

#### Certification issuance and renewal

##### Application requirements

An individual or residential contracting company that seeks a residential-only certification must complete an application that includes an individual’s name, the name of the residential contracting company associated with the individual, the amount of time the

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<sup>1</sup> R.C. 4740.18(A)(1).

individual has engaged in residential contracting, and any other information required by the appropriate specialty section of the OCILB.<sup>2</sup> The application must include a \$100 certification fee unless the certificate is set to expire in less than five years. In such a case, the fee is reduced proportionally based on the duration of the certification period. The certification fee cannot be less than \$20.<sup>3</sup>

Additionally, the applicant must maintain and provide proof of contractor's liability insurance that includes coverage of at least \$250,000 for complete operations and coverage of at least \$250,000 for construction, improvements, renovations, repairs, or maintenance performed by subcontractors.<sup>4</sup>

When a residential-only certification is issued, it must include all the following:

- The individual's name and certificate number;
- The name of the residential contracting company associated with the individual;
- The license number associated with any other licenses held by the individual.

## **Renewal**

Under the bill, all residential-only certificates expire every five years on the same date of the expiration date of the original residential-only certificate. An individual holding a valid, unexpired residential-only certificate can renew it by submitting an application to the appropriate specialty section of the OCILB. The application must be submitted 90 days before the certificate's expiration, along with a \$100 renewal fee.<sup>5</sup>

The bill requires a renewal application to provide proof that the individual still meets the liability insurance requirements under the initial application requirements.<sup>6</sup>

## **Continuing education**

### **Requirements**

In addition to the renewal application requirements mentioned above, an applicant must provide proof that they have completed 20 hours of OCILB-approved continuing education in the preceding five-year certification period. If the certification period is less than five years, the number of continuing education hours required is instead the product of four hours times the number of full years that elapsed since the certification was issued. For

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<sup>2</sup> R.C. 4740.18(B)(1).

<sup>3</sup> R.C. 4740.18(B)(4).

<sup>4</sup> R.C. 4740.18(B)(2) and (3).

<sup>5</sup> R.C. 4740.18(D).

<sup>6</sup> R.C. 4740.18(D)(1).

example, if the certification period was three years, 12 continuing education hours would be required. The number of required continuing education hours must be at least four hours.<sup>7</sup>

Under the bill, a continuing education course may be counted for the renewal of a certificate if both of the following apply:

- The course is offered by a training agency approved by the Administrative Section of the OCILB that pays a \$25 annual fee for the purposes of establishing and maintaining that approval;
  - In addition to the \$25 fee, a training agency must remit a fee of \$1 per credit hour of instruction for each person who attends the training agency's continuing education courses.<sup>8</sup>
- The course of study or program of instruction is approved by the appropriate specialty section of the Board following payment by the training agency of a one-time fee of \$10 plus \$1 per credit hour.<sup>9</sup>

### **Exceptions**

Within one year after the expiration of a residential-only certificate, the bill allows the appropriate specialty section of the OCILB to waive any renewal requirements if that section finds that the applicant substantially meets renewal requirements or their failure to apply for renewal is due to excusable neglect. A specialty section of the OCILB can impose any conditions deemed necessary for renewal and assess a late fee of up to \$200.<sup>10</sup>

### **Criminal penalties**

The bill prohibits an individual from knowingly acting as, or claiming to be a certified residential-only contractor without being issued a residential-only certificate. An individual who acts as a residential contractor without a residential-only certificate is guilty of a minor misdemeanor for the first violation and a fourth degree misdemeanor for each subsequent violation. If an individual is found to be in violation of this prohibition, the Attorney General, on the appropriate specialty section's request, may bring a civil action for appropriate relief, including a temporary restraining order or permanent injunction. This prohibition also applies to an individual purporting to offer continuing education courses.<sup>11</sup>

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<sup>7</sup> R.C. 4740.18(D)(2).

<sup>8</sup> R.C. 4740.18(G).

<sup>9</sup> R.C. 4740.18(F).

<sup>10</sup> R.C. 4740.18(E).

<sup>11</sup> R.C. 4740.18(H) and (I) and 4740.99.

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## HISTORY

Action	Date
Introduced	03-26-24

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