The Common Sense Initiative is established in R.C. 107.61 to eliminate excessive and duplicative rules and regulations that stand in the way of job creation. Under the Common Sense Initiative, agencies must balance the critical objectives of regulations that have an adverse impact on business with the costs of compliance by the regulated parties. Agencies should promote transparency, responsiveness, predictability, and flexibility while developing regulations that are fair and easy to follow. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.
**Reason for Submission**

1. R.C. 106.03 and 106.031 require agencies, when reviewing a rule, to determine whether the rule has an adverse impact on businesses as defined by R.C. 107.52. If the agency determines that it does, it must complete a business impact analysis and submit the rule for CSI review.

Which adverse impact(s) to businesses has the agency determined the rule(s) create?

The rule(s):

a. ☒ Requires a license, permit, or any other prior authorization to engage in or operate a line of business.

b. ☒ Imposes a criminal penalty, a civil penalty, or another sanction, or creates a cause of action for failure to comply with its terms.

c. ☒ Requires specific expenditures or the report of information as a condition of compliance.

d. ☒ Is likely to directly reduce the revenue or increase the expenses of the lines of business to which it will apply or applies.

**Regulatory Intent**

2. Please briefly describe the draft regulation in plain language. Please include the key provisions of the regulation as well as any proposed amendments.

Pursuant to section 4740.02 of the Revised Code, the Ohio Construction Industry Licensing Board (“OCILB”) was created to regulate and oversee the licensing, training/continuing education, and discipline of HVAC, refrigeration, electrical, plumbing, and hydronics contractors in Ohio. The rules set forth in Chapter 4101:16 of the Administrative Code establish the processes and responsibilities of OCILB in regulating contractors in the specialty trades; the licensing and continuing education requirements for contractors in the specialty trades; and the requirements for agencies that provide continuing education courses to current licensees.

Additionally, new rule 4101:16-2-14 of the Administrative Code is proposed to effectuate division (H) of section 4743.041 of the Revised Code. The proposed new rule sets forth the qualifications under which an individual may be issued a temporary contractor license, the required form in which the application must be made, and the validity period for temporary contractor licenses.

A list with a description of the individual rules and the proposed changes is attached as “BIA Attachment A.”
3. Please list the Ohio statute(s) that authorize the agency, board or commission to adopt the rule(s) and the statute(s) that amplify that authority.

R.C. 4740.04, R.C. 4740.05, R.C. 4740.06; R.C. 4743.041

4. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program? If yes, please briefly explain the source and substance of the federal requirement.

No. No.

5. If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

Not applicable.

6. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?

Pursuant to Chapter 4740 of the Revised Code, the General Assembly established OCILB to regulate commercial contractors who performed work in certain specialty trades to ensure the safety of the services. The specialty trades regulated are of a nature that are highly technical, involve life-safety issues, and that can result in serious injury or death if not handled by a qualified and trained contractor. The regulatory requirements for those commercial contractors – experience qualifications, continuing education, insurance, etc. – are designed to ensure that the work being done is performed by qualified experts and that the public is protected when in public or commercial buildings.

Additionally, the public purpose of proposed new rule 4101:16-2-14 of the Administrative Code is to implement section 4743.041 of the Revised Code, as it applies to contractor licenses issued by OCILB. The 133rd General Assembly enacted Amended Substitute Senate Bill 7/section 4743.041 of the Revised Code, which required all agencies to issue a temporary occupational license to members of the military and their spouses if they met certain qualifications. Division (H) of section 4743.041 of the Revised Code states that all impacted agencies “shall adopt rules under Chapter 119. of the Revised Code as necessary to implement this section.”

7. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?

The rules are successful when: 1) The impacted parties are provided with clear guidelines as to how to comply with the applicable requirements in an efficient and effective manner; and 2) Ohioans are protected from accidents arising from improper HVAC, hydronics, electrical,
refrigeration, and plumbing work in public and commercial buildings. The success of the rule will be measured by eliciting feedback from the public, stakeholders, and any interested parties regarding the clarity and impact of the rules, as well as by investigating any incidents where the goals of the regulations are not met.

8. Are any of the proposed rules contained in this rule package being submitted pursuant to R.C. 101.352, 101.353, 106.032, 121.93, or 121.931? If yes, please specify the rule number(s), the specific R.C. section requiring this submission, and a detailed explanation.

No.

Development of the Regulation

9. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation. If applicable, please include the date and medium by which the stakeholders were initially contacted.

Stakeholders were contacted via e-mail on September 9, 2020.

Please see the “BIA Attachment B.”

10. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?

Stakeholders were notified of the proposed rule and provided with an opportunity to give input. The Ohio Department of Commerce did not receive any stakeholder comments or input requesting changes to the proposed rule package.

11. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?

No scientific data was used to develop the rules.

12. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn’t the Agency consider regulatory alternatives?

The rules were drafted to implement and follow the statutory requirements of Chapter 4740 and section 4743.041 of the Revised Code. Alternative regulations were not considered in proposing these rules or their amendments.

13. Did the Agency specifically consider a performance-based regulation? Please explain. Performance-based regulations define the required outcome, but don’t dictate the process the regulated stakeholders must use to achieve compliance.
No, performance-based regulations were not considered in proposing these rules as they are not appropriate.

14. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?

Chapter 4740 of the Revised Code created and authorized OCILB to regulate contractors in the specialty trades. No other entity or agency is permitted to adopt rules necessary for implementing the provisions of Chapter 4740 of the Revised Code. Additionally, OCILB conducted a thorough review of the Revised Code and Administrative Code to ensure there was no duplication.

15. Please describe the Agency’s plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.

The Ohio Department of Commerce and OCILB will notify the stakeholders and the industry about this rule package, will train its staff on its implementation, and will also be available by telephone, mail, and e-mail to answer any questions from the industry and the public.

**Adverse Impact to Business**

16. Provide a summary of the estimated cost of compliance with the rule. Specifically, please do the following:
   a. Identify the scope of the impacted business community; and
   b. Identify the nature of all adverse impact (e.g., fees, fines, employer time for compliance,); and
   c. Quantify the expected adverse impact from the regulation.

   *The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a “representative business.” Please include the source for your information/estimated impact.*

   Please see the attached “BIA Attachment C.”

17. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?

Chapter 4740 of the Revised Code mandates that OCILB regulate and impose licensing, continuing education, and other requirements on electrical, HVAC, refrigeration, hydronics, and plumbing commercial contractors. The important public interest of ensuring the safety of Ohioans in and around electrical, HVAC, refrigeration, hydronics, and plumbing systems in public or commercial buildings justifies the relatively small adverse impact to the regulated business community.
Regulatory Flexibility

18. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.

No. Chapter 4740 of the Revised Code does not provide any exemptions or alternative means of compliance for small businesses, and as the focus is on ensuring specialty commercial contractors are highly trained and qualified to do their specialized work, exemptions or alternative means of compliance would be inappropriate.

19. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?

The Ohio Department of Commerce and OCILB have been and remain committed to working with all regulated parties to ensure that any paperwork offenses are resolved without a negative consequence for first-time offenders. Typically, the OCILB notifies a party of any paperwork mistakes or violations (regardless of whether it is the party’s first paperwork error) and assists the party in making any necessary corrections. All reasonable efforts are made to provide an opportunity to remedy non-compliances before fines or penalties are considered.

20. What resources are available to assist small businesses with compliance of the regulation?

OCILB is easily accessible by e-mail, mail, and telephone for questions or requests for assistance, and OCILB’s website also provides resources and contact information for inquiring parties. Both the Ohio Department of Commerce and OCILB strive to provide great customer service, and helping regulated parties achieve compliance has been and remains a priority.
OCILB RULES

BIA ATTACHMENT A

4101:16-1-01, Definitions (Amend) – This rule sets forth the definitions of terms used in Chapter 4101:16 of the Administrative Code. The amendment proposes to add the definitions for the terms “license” and “licensee,” as those terms are commonly used in Chapter 4101:16 of the Administrative Code and adding them in this rule will allow them to be used more efficiently throughout Chapter 4101:16 of the Administrative Code. The amendment proposed to remove the definitions of “contractor” and “business experience,” as their use in Chapter 4101:16 of the Administrative Code was minimal and inconsistent. The proposed amendment also makes numerous grammatical, capitalization, punctuation, wording, and other non-substantive changes to add clarity and consistency to the rules in Chapter 4101:16 of the Administrative Code.

4101:16-1-02, Notice of administrative rules hearing (Amend) – This rule establishes the public notice requirements for when OCILB is considering adopting, amending, or rescinding administrative rules. The proposed amendment to this rule contains only non-substantive changes: punctuation corrections and wording changes to make the rule consistent with the structure of OCILB and easier to read.

4101:16-1-03, Public meetings (Amend) – This rule sets forth the public notice requirements for OCILB meetings, the process for news media to request advance notice of such meetings, and the applicable rules of parliamentary procedure for OCILB meetings. The proposed amendment adds the requirement that requests by news media for advance notice of public OCILB meetings should include the news media contact’s e-mail address to allow news media to receive notice by e-mail as well. The proposed amendment also corrects a Revised Code section reference, removes an incorrect Revised Code section reference, corrects a misspelled word, removes an unnecessary word, corrects the names of the specialty sections of OCILB, and changes some punctuation to add clarity to the rule.

4101:16-1-04, Administrative section (Amend) – This rule establishes the officers and responsibilities of the administrative section of OCILB. The proposed amendment to this rule contains only non-substantive changes: punctuation corrections and wording changes to make the rule and its terminology consistent with other rules and statutes for OCILB and to ensure the intended meaning of the rule is clear.

4101:16-1-05, Investigations (Amend) – This rule sets forth the processes for the submission and investigation of complaints against licensees, the remedies OCILB may pursue against non-compliant licensees, and the requirements that OCILB must adhere to during the investigation or disciplinary processes. The proposed amendment removes a redundant paragraph that is already established by statute, corrects a word, removes the requirement that a complaint must be submitted in writing, and changes the wording of the provisions in the rule to be consistent with statutes that the rule is amplifying.

4101:16-1-06, Disciplinary action against a licensee (Amend) – This rule sets forth when OCILB may take disciplinary action against a licensee or deny the issuance of a license, the requirement of an administrative hearing to determine the action to be taken, and the right of appeal for a party adversely affected by an adjudication order pursuant to this rule. The
proposed amendment to this rule removes the offense of soliciting or accepting improper compensation under section 2921.43 of the Revised Code from the list of disqualifying offenses; adds the act of obtaining an order, ruling, or authorization from OCILB by means of deception as a ground for disciplinary action; corrects the spelling of a word; and modifies the wording of various provisions for clarity and consistency.

4101:16-1-07, **Adjudication hearings (Amend)** – This rule sets forth the requirement that OCILB conduct its adjudication hearings in accordance with Chapter 119 of the Revised Code. The proposed amendment to this rule only changes “adjudicative” to “adjudication,” to make it consistent with the other rules in Chapter 4101:16 of the Administrative Code.

4101:16-1-08, **Compliant contractor program (Amend)** – This rule sets forth the eligibility requirements for the compliant contractor program, the modified licensing requirements for members of the compliant contractor program, and the ways a member may be removed or re-admitted to the compliant contractor program. The proposed amendment to this rule contains only non-substantive changes: corrects a misspelled word, corrects a capitalization error, adds a missing punctuation mark, removes an unnecessary word, corrects grammatical errors, and modifies the wording of the rule for efficiency and consistency reasons.

4101:16-2-01, **Qualifications to take licensing examination (Amend)** – This rule sets forth the qualifications required for a prospective licensee to take the licensing examination. The proposed amendment to this rule expands one potential way an individual may be deemed to have acceptable experience by allowing individuals who were employees of a commercial contracting company for the five years immediately prior to applying for a license to also be considered to have acceptable experience. The proposed amendment also includes multiple non-substantive changes: makes punctuation changes, corrects misspelled words, and modifies language for ease of reading and comprehension.

4101:16-2-02, **Application procedures for licensing examination and results (Amend)** – This rule sets forth the application procedures for individuals who wish to take the examination for a contractor’s license, including the requirements relating to criminal records checks and the issuance/denial of a license. The proposed amendment to this rule removes the unnecessary titles of each rule paragraph, removes the offense of soliciting or accepting improper compensation under section 2921.43 of the Revised Code from the list of disqualifying offenses, removes unnecessary and redundant language, corrects internal citations, corrects punctuation, and modifies language for efficiency and clarity purposes.

4101:16-2-03, **Examinations (Amend)** – This rule sets forth the requirements and processes relating to the licensing examination for prospective licensees. The proposed amendment to this rule removes unnecessary and/or redundant language, removes the requirement that the notice of whether an individual passed or failed the examination be in writing, and rewords multiple provisions for increased clarity and conciseness.

4101:16-2-04, **Issuance of licenses to successful applicants (Amend)** – This rule establishes the requirements and processes for the issuance of a contractor license, as well as the required contents of a license itself. The proposed amendment to this rule corrects a citation to another rule in the Administrative Code, removes redundant language, adds the requirement that a license must have the name of the contracting company to which the license is assigned, and adds or modifies language for clarity.

4101:16-2-05, **Display of license (Amend)** – This rule sets forth the requirements for displaying a contractor license. The proposed amendment to this rule contains only non-substantive changes: removes unnecessary/redundant language, inserts a missing “the,” and re-words some language to be more simplified and comprehensible.
4101:16-2-06, Notice of renewal date and application for renewal (Amend) – This rule sets forth the requirements for the license renewal application and when it must be sent to licensees. The proposed amendment to this rule removes the requirement that the license renewal application be “in writing.” The proposed amendment also fixes the first sentence of the rule, which currently is not understandable due to missing words, by reorganizing the language of the rule to make clear that the renewal application must be made available to the licensee at least ninety days prior to the expiration of the license.

4101:16-2-07, Renewal of license (Amend) – This rule sets forth the requirements for renewing a contractor license issued by OCILB. The proposed amendment to this rule does not make any substantive changes to the rule. Instead, the proposed amendment makes punctuation and grammar corrections, removes unnecessary/redundant language, and modifies language for a clearer or more concise understanding of its meaning.

4101:16-2-08, Continuing education – hours of instruction requirements (Amend) – This rule sets forth the continuing education requirements for licensees who wish to renew their contractor licenses. The proposed amendment to this rule contains only non-substantive changes: replaces “specialty contractor” or “contractor” with “licensee,” to be consistent with the other rules and for economy; modifies paragraph (A)(1) to cover both licensees with only one non-electrical contractor license or more than one non-electrical contractor licenses and removes the current paragraph (A)(3) in its entirety because its requirements were identical to those in paragraph (A)(1); removes unnecessary language; corrects citations to the Revised Code; makes grammatical and punctuation corrections; and modifies the wording of some provisions to add clarity.

4101:16-2-09, Fees and insurance (Amend) – This rule establishes the fee requirements for contractor applications for examination, issuance of contractor licenses, renewal of contractor licenses, training agency approvals, and continuing education course approvals. This rule also establishes the contractor liability requirements for licensees. The proposed amendment to this rule contains only non-substantive changes: corrects a punctuation mark, corrects words in the wrong form, and removes the redundant “nonrefundable” adjective before certain fees.

4101:16-2-10, Reciprocity (Amend) – This rule sets forth the requirements and restrictions for an individual to be issued a contractor license under a reciprocity agreement with another state. The proposed amendment to this rule contains only non-substantive changes: makes punctuation changes; modifies the language to more closely align with the statute being amplified, section 4740.08 of the Revised Code; removes unnecessary words; and adds clarifying language in paragraph (C).

4101:16-2-11, Conditional licenses (Amend) – This rule sets forth the requirements and restrictions for a conditional contractor license. The proposed amendment to this rule contains only non-substantive changes: rephrases the first sentence of paragraph (B) in a more straightforward and simple manner.

4101:16-2-12, Inactive status (Amend) – This rule sets forth the requirements and restrictions for a contractor license placed in inactive status. The proposed amendment to this rule contains only non-substantive changes: removes titles of paragraphs as they are unnecessary and inconsistent with the style of other rules; corrects punctuation marks; corrects a misspelled word; inserts omitted words for clarity; removes a redundant requirement; and reorganizes and rephrases provisions for better readability and economy.

4101:16-2-13, Military provisions related to licensure (Amend) – This rule sets forth the ways a veteran’s experience, education, and training can impact licensure as a contractor, license renewal, and continuing education requirements. The proposed amendment to this rule
contains only non-substantive changes: corrects improper punctuation, replaces “department” with “board,” corrects misspelled words or words in the wrong form, makes a grammatical correction, and rephrases some provisions to use less words and to have a clearer meaning.

4101:16-2-14, Temporary licenses for members of the military and their spouses (New) – This rule is being proposed to effectuate division (H) of section 4743.041 of the Revised Code and sets forth the qualifications under which an individual may be issued a temporary contractor license.

4101:16-3-01, Approval of training agencies (Amend) – This rule sets forth the requirements and processes for training agencies to obtain approval to offer continuing education courses to licensees. The proposed amendment to this rule adds a ground for disapproval or non-renewal of a training agency approval: engaging in fraud, misrepresentation, or deception in obtaining an approval from OCILB or in conducting business. The proposed amendment also removes redundant/unnecessary language; removes a citation to a rule that does not exist; adds an omitted word; removes a deadline requirement that, in its current form, was not understandable; rephrases a provision to make it active voice, instead of passive; adds missing rule citations; and rephrases a provision to make it more simple and clearer to understand.

4101:16-3-02, Continuing education requirements - reporting (Amend) – This rule sets forth the reporting requirements for approved training agencies. The proposed amendment to this rule removes an incorrect citation to a section of the Revised Code; changes the deadline for submitting rosters and required fees to 14 calendar days, instead of business days; corrects a misspelled term; removes redundant/unnecessary language; adds a term for increased clarity; and inserts missing punctuation.

4101:16-3-03, Continuing education – course approval (Amend) – This rule sets forth the requirements and processes relating to the approval of continuing education courses for licensees. The proposed amendment to this rule removes an incorrect citation to a section of the Revised Code; corrects punctuation; removes a confusing provision on when an application for course approval must be submitted; expands the time in which an application for course approval must be submitted – from no less than 30 days prior to the course to no less than 60 days prior to the course; adds or modifies language to make provisions more clear; removes a redundant provision; modifies a provision to make it active voice, instead of passive; changes the deadline for submitting rosters to 14 calendar days, instead of 14 business days; and corrects citations to rules in the Administrative Code.
BIA Attachment B
OCILB STAKEHOLDERS

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<table>
<thead>
<tr>
<th>Rule</th>
<th>Scope of the impacted business community</th>
<th>Nature of adverse impact</th>
<th>Quantify the expected adverse impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>4101:16-1-01 Definitions.</td>
<td>Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies and training agencies that provide continuing education to those contractors</td>
<td>No adverse impact, as described in section 107.52 of the Revised Code, is expected from this rule or the proposed changes.</td>
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</tr>
<tr>
<td>4101:16-1-02 Notice of administrative rules hearing.</td>
<td>Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies and training agencies that provide continuing education to those contractors</td>
<td>No adverse impact, as described in section 107.52 of the Revised Code, is expected from this rule or the proposed changes.</td>
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</tr>
<tr>
<td>4101:16-1-03 Public meetings.</td>
<td>Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies and training agencies that provide continuing education to those contractors</td>
<td>No adverse impact, as described in section 107.52 of the Revised Code, is expected from this rule or the proposed changes.</td>
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</tr>
<tr>
<td>4101:16-1-04 Administrative section.</td>
<td>Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies and training agencies that provide continuing education to those contractors</td>
<td>No adverse impact, as described in section 107.52 of the Revised Code, is expected from this rule or the proposed changes.</td>
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</tr>
<tr>
<td>4101:16-1-05 Investigations.</td>
<td>HVAC, hydronics, refrigeration, electrical, and plumbing</td>
<td>No adverse impact, as described in section 107.52 of the Revised Code, is</td>
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<td>Section</td>
<td>Description</td>
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<tr>
<td>4101:16-1-06 Disciplinary action against a licensee.</td>
<td>HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The existing rule can impose a penalty, sanction, or other cause of action for failure to comply with its terms. The existing rule allows a license to be denied, revoked, or suspended or a fine or additional continuing education courses imposed for a violation of any rules adopted by OCILB under Chapter 4740 of the Revised Code. Any criminal or civil penalty, sanction, or other cause of action created due to the failure to comply with the terms of this rule is established and set forth in section 4740.10 of the Revised Code, which this rule amplifies. The proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule.</td>
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<tr>
<td>4101:16-1-07 Adjudication hearings.</td>
<td>Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies and training agencies that provide continuing education to those contractors</td>
<td>No adverse impact, as described in section 107.52 of the Revised Code, is expected from this rule or the proposed changes.</td>
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<tr>
<td>4101:16-1-08 Compliant contractor program.</td>
<td>HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The existing rule requires the report of information as a condition of compliance by requiring prospective members of the compliant contractor program to complete and submit an application for the compliant contractor program along with their renewal application. These requirements are unchanged in the proposed amendment to this rule, and the proposed amendment does not add a new or increased adverse impact on the affected parties.</td>
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<tr>
<td>Rule Number</td>
<td>Description</td>
<td>Requirements and Impact</td>
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<tr>
<td>4101:16-2-01 Qualifications to take licensing examination.</td>
<td>Prospective HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The existing rule requires the report of information by requiring contractors to submit an application for licensing examination, submit to a criminal background test, and provide any documentation required to show that the eligibility requirements are met. The existing rule also requires specific expenditures and is likely to increase the expenses of the lines of business to which it applies by requiring the submission of a fee for application for examination, which is set by existing rule 4101:16-2-09 of the Administrative Code and is $25.00. The proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule.</td>
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</tr>
<tr>
<td>4101:16-2-02 Application procedures for licensing examination and results.</td>
<td>Prospective HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The existing rule requires the report of information by requiring contractors to submit an application for licensing examination, submit to a criminal background test, and provide any documentation required to show that the eligibility requirements are met. The existing rule also requires specific expenditures and is likely to increase the expenses of the lines of business to which it applies by requiring the submission of a fee for application for examination, which is set by existing rule 4101:16-2-09 of the Administrative Code and is $25.00. The proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule.</td>
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</tr>
<tr>
<td>4101:16-2-03 Examinations.</td>
<td>Prospective HVAC, hydronics, refrigeration, electrical, and plumbing</td>
<td>No adverse impact, as described in section 107.52 of the Revised Code, is expected from this rule or the proposed changes.</td>
<td></td>
</tr>
<tr>
<td>Rule Number</td>
<td>Section Title</td>
<td>Contractors/Contracting Companies</td>
<td>Description</td>
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</tr>
<tr>
<td>4101:16-2-04</td>
<td>Issuance of licenses to successful applicants.</td>
<td>Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The existing rule requires specific expenditures and is likely to increase the expenses of the lines of business to which it applies by requiring applicants for a contractor license who have passed the licensing examination to pay the $25.00 fee required by rule 4101:16-2-09 of the Administrative Code to be issued a contractor license. This requirement is unchanged in the proposed amendment to this rule, and the proposed amendment does not add a new or increased adverse impact on the affected parties.</td>
</tr>
<tr>
<td>4101:16-2-05</td>
<td>Display of license.</td>
<td>HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The existing rule is likely to increase the expenses of the lines of business to which it applies by requiring licensed contractors to display the license and license number at its office(s) and on items associated with the specialty contracting business. The amount of the adverse impact will depend greatly on the licensee and what items require the display of the license. The proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule.</td>
</tr>
<tr>
<td>4101:16-2-06</td>
<td>Notice of renewal date and application for renewal.</td>
<td>HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>No adverse impact, as described in section 107.52 of the Revised Code, is expected from this rule or the proposed changes.</td>
</tr>
<tr>
<td>4101:16-2-07</td>
<td>Renewal of license.</td>
<td>HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The existing rule requires the report of information, specific expenditures, and is likely to increase the expenses of the lines of business to which it applies by requiring licensed contractors who wish to renew their license to submit an application for renewal, pay the renewal fee required by rule 4101:16-2-09 of the Administrative Code, certify that at the licensee has maintained at least $500,000.00 in contractor liability insurance, and comply with the</td>
</tr>
</tbody>
</table>
continuing education requirements. The renewal fee is $60.00 for annual renewal of each license, $180.00 for triennial renewal of each license, and a late fee of not more than $120.00 for any license not timely renewed. These requirements are unchanged in the proposed amendment to this rule, and the proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule.

<table>
<thead>
<tr>
<th>Rule</th>
<th>Description</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>4101:16-2-08 Continuing education – hours of instruction requirements.</td>
<td>HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The existing rule is likely to increase the expenses of the lines of business to which it applies by requiring licensed contractors who wish to renew their license to take a certain amount of continuing education hours each year, for which there will presumably be a cost. The cost of each course will depend on the training agency and is up to the training agency to set, so, the amount cannot be estimated. These requirements are unchanged in the proposed amendment to this rule, and the proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule.</td>
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</tbody>
</table>
| 4101:16-2-09 Fees and insurance. | Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies and training agencies that provide continuing education to those contractors | The existing rule requires specific expenditures and is likely to increase the expenses of the lines of business to which it applies by requiring the following fees or insurance:  
- $25.00 – application for examination  
- $25.00 – issuance of a license  
- $60.00 – annual renewal of a license  
- $180.00 – triennial renewal of a license  
- Not more than $120.00 – late renewal of a license  
- $30.00 – penalty fee for a fee paid to OCILB that is returned as unpaid |
| 4101:16-2-10 Reciprocity. | Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies | The existing rule requires the report of information by requiring contractors licensed in other states to submit an application for a license through reciprocity. This requirement is unchanged in the proposed amendment to this rule, and the proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule. |
| 4101:16-2-11 Conditional licenses. | HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies | No adverse impact, as described in section 107.52 of the Revised Code, is expected from this rule or the proposed changes. |
| 4101:16-2-12 Inactive status. | HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies | The existing rule requires the report of information by requiring contractors who wish to place their licenses into an inactive status to submit a request to the appropriate specialty section for the license to be placed in an inactive status. The existing rule also imposes a penalty, sanction, or other cause of action for failure to comply with its terms by allowing an inactive license to be suspended or revoked if the inactive licensee has engaged in specialty contracting or in an activity requiring a valid license under Chapter 4740 of the Revised Code. |

- $10.00 plus $1.00/credit hour – application fee for continuing education course approval
- $1.00/credit hour of instruction per attendee – attendance fee for each continuing education course
- $25.00 – application fee for training agency approval

These requirements are unchanged in the proposed amendment to this rule, and the proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule.
| 4101:16-2-13 Military provisions related to licensure. | Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies | The existing rule requires the report of information by requiring veterans or veterans’ spouses who wish to renew a license that expired due to the veteran’s military service to present evidence that the veteran was honorably discharged or separated from the military under honorable conditions not more than 6 months prior to the date evidence is submitted.

The existing rule also requires the report of information by requiring a veteran who wishes to request an extension of a continuing education reporting requirement to submit a request in writing and proper documentation certifying the applicable active duty service and the length of the active duty service.

These requirements are unchanged in the proposed amendment to this rule, and the proposed amendment to this rule is not expected to change the scope, nature, or amount of the adverse impact of this rule. |
<table>
<thead>
<tr>
<th>Rule Number</th>
<th>Text</th>
<th>Proposed Rule</th>
<th>Nature, or amount of the adverse impact of this rule.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4101:16-2-14</td>
<td>Temporary licenses for members of the military and their spouses.</td>
<td>Prospective and licensed HVAC, hydronics, refrigeration, electrical, and plumbing contractors/contracting companies</td>
<td>The proposed rule requires the report of information and is likely to increase the expenses of the lines of business to which it applies by requiring a temporary license applicant to submit an application for a temporary license, provide proof of active military duty service of applicant or applicant’s spouse, provide proof of a valid license issued by another state or jurisdiction, and to submit to a criminal records background check. This proposed rule is being proposed to implement section 4743.041 of the Revised Code, so, any adverse impact is imposed as a result of section 4743.041 of the Revised Code.</td>
</tr>
<tr>
<td>4101:16-3-01</td>
<td>Approval of training agencies.</td>
<td>Prospective and approved training agencies</td>
<td>The existing rule requires a company who wishes to operate a training agency that offers continuing education courses to contractor licensees to obtain an approval from OCILB first. The existing rule also requires the report of information, specific expenditures, and is likely to increase the expenses of the lines of business to which it applies by requiring prospective and approved training agencies to submit an annual application for training agency approval, submit policies and information about the training agency, and pay the following fees:</td>
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<td>- $10.00 plus $1.00/credit hour – application fee for continuing education course approval</td>
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<td>- $1.00/credit hour of instruction per attendee – attendance fee for each continuing education course</td>
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<td></td>
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<td>- $25.00 – application fee for training agency approval</td>
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<td></td>
<td>These requirements are unchanged in the proposed amendment to this rule, and the proposed amendment to this rule is not expected to change the scope,</td>
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</tbody>
</table>
The existing and proposed amended rule can also impose a penalty, sanction, or other cause of action for failure to comply with its terms. The existing rule allows an agency approval to be disapproved or not renewed if the agency fails to comply with any of the training agency rules, and under the proposed amendment, in addition to the rule violations, the proposed amended rule would allow for a training agency to be disapproved or not renewed for approval if it engages in fraud, misrepresentation, or deception in the conduct of business or in obtaining an approval.

<table>
<thead>
<tr>
<th>4101:16-3-02 Continuing education requirements – reporting.</th>
<th>Training agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>The existing rule requires the report of information, specific expenditures, and is likely to increase the expenses of the lines of business to which it applies by requiring training agencies to submit rosters of attendance for its continuing education courses and attendance fees ($1.00/credit hour of instruction per attendee) set by rule 4101:16-2-09 of the Administrative Code to OCILB. The current rule requires the roster and the fees be submitted within 14 business days from the date of completion of the course, but the proposed amendment to the rule requires the roster and the fees to be submitted within 14 calendar days from the date of completion of the course.</td>
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</table>

The existing rule can also impose a penalty, sanction, or other cause of action for failure to comply with its terms by allowing a licensee to be subject to disciplinary action pursuant to section 4740.10 of the Revised Code and rule 4101:16-1-06 of the Administrative Code if the licensee falsifies information pertaining to the completion of continuing education requirements. The existing rule...
also allows an agency to be removed from the approved training agency list if the agency fails to notify OCILB of the date, time, and place of a continuing education course or if the agency falsely reports information about attendance and completion of courses by a licensee. These potential penalties or sanctions imposed by this rule are unchanged in the proposed amendment to this rule.

<table>
<thead>
<tr>
<th>4101:16-3-03 Continuing education – course approval.</th>
<th>Prospective and approved training agencies</th>
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<tbody>
<tr>
<td>The existing rule requires a training agency that wishes to offer a specific continuing education course to contractor licensees to obtain a course approval from OCILB first. The existing rule also requires the report of information, specific expenditures, and is likely to increase the expenses of the lines of business to which it applies by requiring training agencies to submit an application for course approval, documentation related to the course, and an application fee of $10.00 plus $1.00/credit hour. These requirements are unchanged in the proposed amendment to this rule, and the proposed amendment to this rule is not expected to change the scope, nature, or amount of this adverse impact of this rule.</td>
<td></td>
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</tbody>
</table>

The existing rule also requires the report of information by requiring training agencies to submit rosters of attendance for its continuing education courses. The current rule requires the roster be submitted within 14 business days from the date of completion of the course, but the proposed amendment to the rule requires the roster to be submitted within 14 calendar days from the date of completion of the course.

The existing rule can also impose a penalty, sanction, or other cause of action for failure to comply with its terms. The existing rule allows an agency approval to be disapproved or not renewed if the agency fails to comply with any of the
training agency rules, including this existing rule. These potential penalties or sanctions imposed by this rule are unchanged in the proposed amendment to this rule.