

The Construction Conversation

Ohio's Legislative, Administrative, and Judicial Two-Way Newsletter

October, 2021

A Service of Luther L. Liggett, Attorney at Law
LLiggett@columbus.rr.com

Legislative: Regulation Reduction

Senate Bill 9 is set to pass, with the goal of reducing administrative rules in each state agency by 30%. Sponsored by Senator Robert McColley (R, Napoleon) and Christina Roegner (R, Hudson), the bill passed the Senate along party lines, and is pending a vote in the House Government Oversight Committee. (Cont'd page 2.)

Legislative: Out-of-State Licenses Recognized

House Bill 203 proposes automatic Ohio licensure of any professional licensed in another state. Sponsored by Representative Jenna Powell (R, Arcanum), the sponsor believes that easier access to occupational licensing will create jobs in Ohio and help employers in recruiting (Cont'd p. 2.)

Legislative: Residential Construction Contractor Licensure

Senate Bill 142 would create a Residential "only" Contractor License through the Ohio Construction Industry Licensing Board. Significantly, the bill creates an enforcement fund for filing complaints against non-OCILB unlicensed contractors. (Cont'd p. 2.)

Legislative: Design Professional Legislation

Two bills are moving which impact the Design Professions. SB 56 passed the Senate unanimously, and was heard the third time in the House Civil Justice Committee

with no opposition, to require that public contract indemnification clauses are void to the extent the Design Professional cannot be insured. (Cont'd p. 2.)

Legislative: Licensure Sunset

The House State and Local Government Committee began hearing testimony from licensing agencies to determine if any license requirements should terminate. Existing law terminates all such license authority every five years unless affirmatively renewed. (Cont'd p. 3.)

Administrative: Infrastructure Grants

The State of Ohio Department of Development awarded more than \$12 million to 13 recipients in local infrastructure grants. Additional water infrastructure grants of \$93 million went to 54 projects, with \$3.7 million in H2Ohio grants for drinking water infrastructure. (Cont'd p. 3.)

The Construction Conversation

October, 2021

Page 2

Legislative: Regulation Reduction **(Cont'd)**

If enacted, the new law would require each agency to reduce administrative rules by 10% annually for three years. Significantly, no agency could adopt new rules without maintaining the prior reduction, thus requiring a reduction of additional rules to enact a new one.

Agencies have not testified publicly against the legislation, as they are subject to legislative oversight. However, in private agencies oppose the provisions.

Building Officials around the state have expressed opposition to the legislation, particularly interested in uniform building codes. If the Board of Building Standards attempts to adopt an update of a uniform International Code Council package, the old package along with additional rules must be cut to meet the annual 10% reduction.

On October 28, 2021, the Committee accepted an amendment restricting agencies from adopting any rule which would be more restrictive than federal law on the same subject.

Foreshadowing the full vote, the amendment was adopted along party lines.

Legislative: Out-of-State Licenses **Recognized (Cont'd)**

The legislation does not create “reciprocity”, which already is provided in Ohio law if the other state similarly recognizes Ohio’s license. This legislation merely assists out-of-state individuals to avoid Ohio licensing requirements.

Matt Szolosi of the Affiliated Construction Trades of Ohio (ACT Ohio)

testified in opposition. Recognizing the Ohio Construction Industry Licensing Board’s work, he stated that, HB 203 “is opening the floodgates to unlicensed or inadequately licensed out of state contractors...”.

With significant opposition, the fate of the legislation in the House State and Local Government Committee is unclear.

Legislative: Residential Construction **Contractor Licensure (Cont'd)**

Senator Tim Schaffer (R, Lancaster) introduced the bill, which has enjoyed three hearings before the Senate Small Business and Economic Opportunity Committee.

The initiative is driven by the viewpoint that most construction complaints are residential, and not commercial, where contractors do not require a license by the state.

The bill is ready for a vote, with no apparent opposition. The new requirements would not impact commercial construction.

Legislative: Design Professional **Legislation (Cont'd)**

Sponsored by Senator Bill Blessing (R, Cincinnati), the only licensed Engineer in the General Assembly, SB 56 is ready for passage.

House Bill 175 would deregulate “ephemeral” water sources, constituting the watershed sources of Ohio’s wetlands. The Ohio business community considers these wetlands to be too vague or insignificant to suffer Ohio Environmental Protection Agency regulation when it comes to real estate development.

The Construction Conversation

October, 2021

Page 3

But, these formative wetlands are the origins of all Ohio waterways. The wetlands foster a plethora of wildlife and growth. Pollute the source waters, and the downstream inevitably suffers.

The bill to deregulate the source waters passed the House by party lines over EPA objection. After three hearings in the Senate Agriculture and Natural Resources Committee, the bill is poised to pass.

Legislative: Licensure Sunset (Cont'd)

Ohio Revised Code 101.63 was enacted by Senate Bill 255 two sessions ago, as a conservative initiative to examine the need for professional licenses as obstacles to employment.

19 agencies are up for consideration in the near future. Testifying before the Committee were:

Chiropractic Board
Vision Professional Board
Attorney General Charitable Section
Ohio Department of Insurance
Occupational Therapy Board
Counselor, Social Worker Board
Embalmers and Funeral Directors Board
Chemical Dependency Professionals Board
Veterinary Medical Licensing Board
Dental Board

There appears no apparent sequence of which board testifies next. The entire system of licensure boards is to be completed in five years, currently in its third year of review with very few boards reviewed.

Administrative: Infrastructure Grants (Cont'd)

The Neighborhood Revitalization grants range from \$500,000 to \$750,000 for various local community projects such as storm sewers, water lines, and streetlights.

The Ohio BUILDS initiative for water is only the first for 60 counties, with another \$250 million to be announced later.

The H2Ohio wastewater funds from the Ohio Environmental Protection Agency range up to \$500,000 for municipal water and sewer systems across the state.

-- 30 --

The Construction Conversation

October, 2021

Page 4

Join us in

The Construction Conversation

Call-In

on

**Wednesday, November 17,
2021**

3:30 p.m.

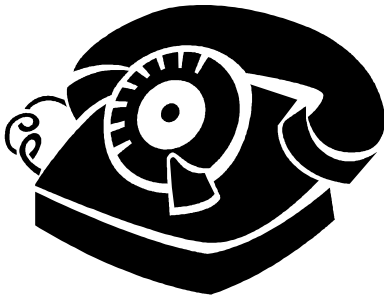
Join Zoom Meeting

[https://us02web.zoom.us/j/87334734928?
pwd=Tmx0OHJpMnBhd241Q1FERTlnM
21zZz09](https://us02web.zoom.us/j/87334734928?pwd=Tmx0OHJpMnBhd241Q1FERTlnM21zZz09)

Meeting ID: 873 3473 4928

Passcode: 068908

929-205-6099, 87334734928#



The Construction Conversation

October, 2021

Page 5