



MEMORANDUM

TO: Shannon Himes, Ohio Department of Commerce

FROM: Christopher Smyke, Regulatory Policy Advocate

DATE: November 30, 2017

RE: **CSI Review – Construction Industry Licensing Board Regulations (OAC 4101:16-1-05, 4101:16-2-04, 4101:16-2-07, 4101:16-2-08, and 4101:16-3-03)**

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) 107.54, CSI has reviewed the abovementioned administrative rule and associated Business Impact Analysis (BIA). This memo represents CSI's comments to the Agency as provided for in ORC 107.54.

Analysis

On September 22, 2017 the Ohio Department of Commerce (ODC) submitted a draft rule package consisting of five amended rules to the CSI Office. The official public comment period closed on October 6, 2017 with no comments submitted.

Ohio Administrative Code (OAC) Chapter 4101:16 regulates a multitude of construction industry jobs under the Ohio Construction Industry Licensing Board (OCILB), by setting forth licensing and training requirements for professionals who provide services in HVAC, hydronics, refrigeration, electrical work, and plumbing. The rules in this package specifically cover investigations, issuance of licenses, license renewal, and continuing education (CE). Proposed changes to the rules include grammatical corrections, as well as granting the OCILB the authority to approve and oversee online CE courses.

ODC contacted stakeholders via email prior to filing with CSI. The BIA includes a comprehensive list of stakeholders contacted. No comments were received during this process. In addition, no comments were received during the CSI public comment period.

The impacted business community includes any of the licensed professionals listed above, as well

as training agencies and organizations that provide CE courses. Adverse impacts in the pre-existing rules include requirements on issuance and renewal of licenses, such as examination, monetary fees, liability insurance, CE, and criminal background checks. The rules also authorize investigations into professional misconduct based on complaints, and the investigatory authority can refer the case for civil or criminal charges. The BIA notes that potential costs are associated with the development and administration of online courses; since the courses are not mandatory, the BIA asserts that the adverse impact of the amendments will be minimal.

The BIA justifies the existing rules by the need to protect the public through oversight over key construction professions and conform to the statutory requirements of ORC 4740. In addition, the BIA asserts that the implementation of online CE courses will reduce costs on licensees. Following review of the draft rules and BIA, it has been determined that the standards espoused by the CSI Office have been met, and the adverse impacts of the draft rules are justified.

Recommendations

For the reasons discussed above, the CSI Office does not have any recommendations for this rule package.

Conclusion

Based on the above comments, the CSI Office concludes that the Ohio Department of Commerce should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

CC: Emily Kaylor, Lt. Governor's Office