

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 1301:3-11-08

**Rule Type:** New

**Rule Title/Tagline:** Denial of initial application or renewal application for elevator contractor's or elevator mechanic's license.

**Agency Name:** Department of Commerce

**Division:** Division of Industrial Compliance

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#### **I. Rule Summary**

1. **Is this a five year rule review?** No
  - A. **What is the rule's five year review date?**
2. **Is this rule the result of recent legislation?** Yes
  - A. **If so, what is the bill number, General Assembly and Sponsor?** HB 107 - 134  
- Brian Baldrige
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 4785.08
5. **What statute(s) does the rule implement or amplify?** 4785.
6. **Does the rule implement a federal law or rule in a manner that is more stringent or burdensome than the federal law or regulation requires?** No
  - A. **If so, what is the citation to the federal law or rule?** Not Applicable
7. **What are the reasons for proposing the rule?**

Chapter 4785. of the Revised Code establishes a licensing requirement for elevator mechanics and elevator contractors providing conveyance services. The Chapter also

includes the minimum qualifications an applicant must demonstrate to qualify to obtain each type of license. This rule establishes the criteria that the Division may use to deny an initial applicant or renewal applicant under Chapter 4785. of the Revised Code and rules promulgated thereunder.

**8. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

The rule establishes the reasons an initial application or renewal application for an elevator contractor's license or elevator mechanic's license may be denied, including reference to specific criminal offenses that may disqualify an applicant from obtaining a license as provided for in section 9.79 of the Revised Code.

The rule references rules in the Ohio Administrative Code, which are exempt from the requirements of section 121.71 through 121.74 of the Revised Code. R.C. 121.75(A)(1)(d).

**9. Does the rule incorporate material by reference? Yes**

**10. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

The rule references rules in the Administrative Code and portions of the Revised Code, which are exempt from the requirements of sections 121.71 through 121.74 of the Revised Code. R.C. 121.75(A)(1)(a) & (d).

**11. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

*Not Applicable*

## **II. Fiscal Analysis**

**12. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

0.00

This rule merely identifies the reasons an initial application or renewal application for an elevator contractor's or elevator mechanic's license may be denied. This rule,

however, does not generate revenue nor increase the Division's expenditures directly. As such, it should have no impact on the Division's biennium.

- 13. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

Not applicable.

- 14. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

- 15. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**

- 16. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

Not applicable.

### **III. Common Sense Initiative (CSI) Questions**

- 17. Was this rule filed with the Common Sense Initiative Office? Yes**

- 18. Does this rule have an adverse impact on business? Yes**

- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No**

- B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? Yes**

If an applicant has "done any of the following" items identified in the rule, then the applicant may be denied an initial application or renewal application as a sanction for having done those items. Such items include having been convicted of a disqualifying offense as defined in rule 1301:3-11-01 of the Ohio Administrative Code or having violated any provision of Chapter 4785. of the Revised Code.

- C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes**

But not directly, the requirement to submit the information by which the Division may use this rule to determine if an application may be denied is found

in rule 1301:3-11-05 of the Ohio Administrative Code and section 4785.04 of the Revised Code.

- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? Yes**

But only indirectly. For example, the rule permits an application for an elevator mechanic's license to be denied if the applicant has engaged in fraud, misrepresentation, or deception in the conduct of business. While engaging in such fraud might be revenue generating for the business, and not engaging in fraud might increase the expenses of the lines of business to which this rule applies, protection of customers of such licensees from fraud justifies any purported increase in the costs of business for licensees.

**IV. Regulatory Restriction Requirements under S.B. 9. Note: This section only applies to agencies described in R.C. 121.95(A).**

- 19. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? No**

- A. How many new regulatory restrictions do you propose adding to this rule?**

Not Applicable

- B. How many existing regulatory restrictions do you propose removing from this rule?**

Not Applicable

- C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**

Not Applicable

- D. Please justify the adoption of the new regulatory restriction(s).**

Not Applicable