
DEPARTMENT OF COMMERCE

Licensing unit

- Creates a unit within the Department of Commerce that can administer the licensing, registration, and related ministerial functions of the other divisions within the Department.

Securities Law

- Exempts certain persons from the dealer license requirement.
- Modifies the definition of "institutional investor."

Small Government Fire Department Services Loan Program

- Creates the Small Government Fire Department Services Revolving Loan Fund.
- Permits the State Fire Marshal to loan money from the Fund for purposes of the existing Small Government Fire Department Services Revolving Loan Program.

State Liquor Regulatory Fund

- Generally requires all money collected under the Liquor Control Law to be credited to the existing State Liquor Regulatory Fund, rather than the Liquor Control Fund as required under current law.

Real estate licenses

- Increases, from \$10,000 per year to \$25,000 per fiscal year, the amount of loans the Real Estate Education and Research Fund may advance annually to applicants for salesperson licenses.
- Permits a licensed real estate broker or salesperson whose license is on deposit as an armed serviceperson to take up to the longer of 12 months after the licensee's first birthday after discharge or the amount of time the licensee spent on active duty to complete continuing education requirements.
- Permits a licensee who is the spouse of a member of the armed forces an extended time period to renew the license and to complete continuing education requirements.
- Specifies that "armed forces" in the context of the licensure of real estate brokers and salespersons includes the Ohio National Guard and any other state's national guard.



Real estate appraiser assistants

- Requires that, in accordance with federal law, real estate appraiser assistants complete 14 classroom hours of continuing education instruction annually, without existing law's two-year grace period.
- Exempts real estate appraisers who have obtained a temporary certification or license from existing law's continuing education requirements.

Licensing unit

(R.C. 121.08)

The bill creates a licensing unit within the Division of Administration of the Department of Commerce. The purpose of the new unit would be to administer the licensing, registration, and related ministerial functions of the other divisions within the Department. The other divisions that would be expected to transfer functions to the new division would include:

- The Office of the State Fire Marshal;
- The Division of Financial Institutions;
- The Division of Real Estate and Professional Licensing;
- The Division of Liquor Control;
- The Division of Industrial Compliance;
- The Division of Unclaimed Funds;
- The Division of Securities.

Securities Law – "institutional investors" and dealer license exemption

(R.C. 1707.01 and 1707.14)

The bill exempts from the dealer license requirement persons who have no Ohio place of business, are federally registered, and effect transactions in Ohio only with institutional investors.



The bill also modifies the definition of "institutional investor" under the Ohio Securities Law to more specifically identify the types of entities included and, for many institutional investors, create an asset threshold of \$10,000,000.

Under current law, "institutional investor" means:	Under the bill, "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity:
A bank.	A bank or international banking institution.
An insurance company.	An insurance company. A separate account of an insurance company.
Pension fund or pension fund trust, employees' profit-sharing fund, or employees' profit-sharing trust.	An employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by certain types of fiduciaries. Certain plans established and maintained by a state or local government for the benefit of its employees, if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a duly designated public official or by a certain type of fiduciary.
Any trust in respect of which a bank is trustee or cotrustee.	A trust, if it has total assets in excess of \$10,000,000, its trustee is a bank, and its participants are exclusively plans of the types described in the cell above, regardless of the size of their assets, except a trust that includes as participants certain similar self-directed plans.
Any association engaged, as a substantial part of its business or operations, in purchasing or holding securities.	An investment company as defined in the federal Investment Company Act.
	A federally registered broker-dealer or a state licensed dealer.
	A 501(c)(3) organization or specified type of business form with total assets in excess of \$10,000,000.
	A licensed small business investment company with total assets in excess of \$10,000,000.
	A private business development company with total assets in excess of \$10,000,000.



Under current law, "institutional investor" means:	Under the bill, "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity:
	A federal covered investment adviser acting for its own account.
	A "qualified institutional buyer."
	A "major U.S. institutional investor."
A corporation. "Institutional investor" does not include any business entity formed for the primary purpose of evading the Ohio Securities Law.	Any other person, other than an individual, of institutional character with total assets in excess of \$10,000,000 not organized for the specific purpose of evading the Ohio Securities Law.
	Any other person specified by rule adopted or order issued under the Ohio Securities Law.

Small Government Fire Department Services Revolving Loan Program

(R.C. 3737.17)

The bill creates the Small Government Fire Department Services Revolving Loan Fund and permits the State Fire Marshal to loan moneys from the Fund for the purposes of the Small Government Fire Department Services Revolving Loan Program. Under continuing law, the Program administers loans to qualifying small governments to expedite purchases of major equipment for fire fighting, ambulance, emergency medical, or rescue services, and to expedite projects for the construction or renovation of fire department buildings.

The Fund will consist of moneys from repaid loans under the Program, investment earnings on money in the Fund, and moneys appropriated to the Fund.

State Liquor Regulatory Fund

(R.C. 4301.12)

The bill generally requires all money collected under the Liquor Control Law to be credited to the existing State Liquor Regulatory Fund rather than the Liquor Control Fund as provided under current law. Finally, the bill removes a provision regarding the use of money in the Liquor Control Fund for paying the operating expenses of the Liquor Control Commission.



Real estate licenses

Real Estate Education and Research Fund

(R.C. 4735.06)

The bill increases, from \$10,000 per year to \$25,000 per fiscal year, the overall limit of the amount of loans the Real Estate Education and Research Fund is permitted to lend to applicants for salesperson licenses. Under continuing law, these individual loans, not exceeding \$2,000, may be used by applicants to complete education requirements for licensure.

Real estate broker and salesperson licenses – military

(R.C. 4735.13 and 4735.141)

The bill changes the time period within which a licensed real estate broker or salesperson who is a member of the armed forces must complete existing continuing education requirements. Specifically, the bill permits a broker or salesperson whose license is on deposit as an armed serviceperson to take up to the longer of 12 months after the broker's or salesperson's first birthday after discharge (continuing law) or the amount of time equal to the total number of months the licensee spent on active duty (added by the bill). The bill states that this extension must not exceed the total number of months that the licensee served in active duty. The broker or salesperson must submit proper documentation of active duty service and the length of that service to the Superintendent of the Division of Real Estate and Professional Licensing.

Similarly, the bill permits a licensee, who is the spouse of a member of the armed forces whose service results in the licensee's absence from Ohio (or in the case of a licensee who holds a license through a reciprocity agreement, the spouse's service results in the licensee's absence from the licensee's state of residence), to take up to the same amount of time as described in the paragraph above to complete continuing education requirements. The bill requires the licensee to submit proper documentation of the spouse's active duty service and the length of that service. The bill also extends the time period within which such a licensee must renew the license to the renewal date that follows the date of the spouse's discharge from the armed forces.

The bill specifies that "armed forces" means the U.S. armed forces, a reserve component of the U.S. armed forces, the Ohio National Guard, and the national guard of any other state.



Real estate appraiser assistants – continuing education

(R.C. 4763.01 and 4763.07)

The bill requires, in accordance with federal law, that each state-registered real estate appraiser assistant annually complete, and submit proof of successfully completing, a minimum of 14 classroom hours of continuing education instruction in courses or seminars approved by the Real Estate Appraiser Board. Current law exempts an appraiser assistant from these requirements for the first two years of being classified as an appraiser assistant. The bill removes this grace period.

Continuing law requires the completion of 14 hours of continuing education instruction for state-certified general real estate appraisers, state-certified residential real estate appraisers, and state-licensed residential real estate appraisers. The bill exempts appraisers with a certification or license from another state that is temporarily recognized in Ohio.

The bill removes "appraisal consulting" and "appraisal consulting service" from the Real Estate Appraiser Law, as these terms appear to no longer be used in the industry.

