74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session MEASURE: HB 2111 STAFF MEASURE SUMMARY CARRIER: Rep. Gilliam

House Committee on Consumer Protection

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass **Vote:** 6 - 0 - 1

Yeas: Bonamici, Galizio, Gilliam, Nelson, Riley, Holvey

Nays: 0

Exc.: Smith P.

Prepared By: Steve Dixon, Administrator

Meeting Dates: 1/26

WHAT THE MEASURE DOES: Requires construction contracting business owner claiming status as responsible managing individual exercise management and supervisory authority over construction activities of business. Authorizes Construction Contractor Board (CCB) to adopt rules defining management and supervisory authority over construction activities of business.

ISSUES DISCUSSED:

- Responsible Managing Individuals (RMI) role in construction contractor business under current law and how
 individuals become designated as an RMI.
- Competency test requirements of RMIs and "professional test takers" who receive designation as RMIs solely for test taking purposes.
- CCB's intention in ensuring that those taking required tests actually exercise management or supervisory authority of a given business.
- The burdens, if any, that this measure will place upon construction contractors and managers of businesses.

EFFECT OF COMMITTEE AMENDMENT: No Amendments

BACKGROUND: Under current law, RMIs of construction contractors are required to pass related tests to prove competency in order to be licensed as a construction contractor business. Individuals designated as RMIs can be professional test takers and take required tests for construction contracting businesses for a fee. These individuals register as RMIs and do not actually exercise supervisory authority over a given company.

House Bill 2111 will authorize CCB to ensure that person taking required test actually exercises managerial authority and meet competency requirements necessary for maintaining a construction contracting business.