## 74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session MEASURE: HB 2659 A STAFF MEASURE SUMMARY CARRIER: Rep. Holvey

**House Committee on Consumer Protection** 

REVENUE: No revenue impact FISCAL: Fiscal statement issued

**Action:** Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the

Committee on Judiciary

**Vote:** 4 - 2 - 1

**Yeas:** Bonamici, Galizio, Riley, Holvey

Nays: Gilliam, Girod

Exc.: Nelson

**Prepared By:** Steve Dixon, Administrator **Meeting Dates:** 2/26, 3/14, 4/11, 4/16

**WHAT THE MEASURE DOES:** Allows the Construction Contractors Board (CCB) to investigate the financial and criminal history of a license applicant for the past five years from the date of application. Requires licensee to report financial and criminal activity for owners, officers, managers and others. CCB may choose to revoke or not issue a license if an agent of the applicant, or the applicant, has committed a felony or misdemeanor involving fraud or dishonesty, or has outstanding construction debt or civil penalties.

## **ISSUES DISCUSSED:**

- Appropriateness of creating a crime of shoddy construction work and giving CCB the ability to issue criminal citations and other investigatory powers. Alternative to giving CCB the ability to issue criminal citations.
- Appropriateness of posting bankruptcies, uncollected civil penalties and other financial information on the CCB website.
- Problems faced by CCB and consumers when looking into fitness of a given contractor
- CCB's ability to ensure fitness of contractors before they enter the marketplace.

**EFFECT OF COMMITTEE AMENDMENT:** Rewrites House Bill 2659. Removes provisions dealing with crime of shoddy construction work and giving CCB ability to issue criminal citations. Allows CCB to investigate applicants for past court judgments, criminal charges and other administrative orders. Clarifies that a judgment or civil penalty arising from a construction related business activity is a construction debt. Expands the information that must be disclosed to CCB when applying for a license including court judgments, criminal charges and administrative orders. Expands CCB's ability to suspend or refuse to issue a license and issue civil penalties. Expands emergency suspension powers of CCB to include unpaid construction debt, court judgments and other administrative orders. Establishes new enforcement authority for CCB to issue cease and desist orders and orders of corrective action and civil penalty authority for licensed and non-licensed contractors.

**BACKGROUND:** CCB has had some problem getting information needed to ensure the market has been functioning properly and consumers may lack some tools needed to determine whether a contractor has a criminal history, unpaid judgments or administrative orders.