

REVENUE: No revenue impact

FISCAL: No fiscal impact

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<b>Action:</b>	Do Pass
<b>Vote:</b>	5 - 0 - 0
<b>Yeas:</b>	Deckert, George L., Monnes Anderson, Starr, Metsger
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Janet Adkins, Administrator
<b>Meeting Dates:</b>	1/25

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**WHAT THE MEASURE DOES:** Requires a licensed contractor to notify the Construction Contractors Board of changes to the names or address of owners, officers, managers, members, trustees, or responsible managing individuals. If the applicant for a contractors license is a trust, requires the names of trustees on the application.

**ISSUES DISCUSSED:**

- Instances of individuals starting a new business or companies replacing officers to avoid enforcement or to make it more difficult for the public to find out about previous claims or judgments
- Difficulty in some business arrangements of identifying the responsible individual if wrongdoing has occurred

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Construction contractor licenses are issued to business entities such as partnerships, corporations, or limited liability companies (LLCs). Partnerships and corporations are currently required by statute to notify the Construction Contractors Board of any changes in partners or corporate officers. The statute does not, however, include language that would cover limited liability companies (LLCs) or other forms of ownership such as joint ventures or trusts. The board indicates that most new licensees are LLCs.

SB 91 expands the existing notice-of-change provision to cover managers, members, trustees and responsible managing individuals. Notice of changes to ownership or a responsible party keep the board's records updated and enable the agency to better protect consumers from unscrupulous contractors and to hold appropriate individuals accountable for unpaid construction debt.