2007 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2476 STATUS: A-Engrossed

SUBJECT: Proof of licensure of building trade contractor for work performed for public body **GOVERNMENT UNIT AFFECTED:** Department of Consumer and Business Services, Public

Contracting Bodies

PREPARED BY: Adrienne Sexton **REVIEWED BY:** Theresa McHugh

DATE: May 10, 2007

<u>2007-2009</u> <u>2009-2011</u>

EXPENDITURES: See Comments.

EFFECTIVE DATE: January 1, 2008

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The measure directs a public body that contracts for work that requires a building trade or contractor license to have proof of that license and the appropriate bond before the work can begin. The Department of Consumer and Business Services (DCBS) would have the authority to impose a civil penalty on a public body found to be not in compliance.

DCBS reports the fiscal impact is indeterminate, because of uncertainties around investigation and enforcement proceedings in the event of a public body's failure to comply.

There could be minimal additional costs to a public contracting body to assure compliance with the measure's requirements.