

## HOUSE AMENDMENTS TO HOUSE BILL 2112

By COMMITTEE ON CONSUMER PROTECTION

May 11

1 On page 1 of the printed bill, line 2, after “contractors” insert a period and delete the rest of  
2 the line.

3 Delete lines 4 through 28 and delete page 2 and insert:

4 **“SECTION 1. Sections 2 to 5 of this 2007 Act are added to and made a part of ORS**  
5 **chapter 701.**

6 **“SECTION 2. As used in sections 3 to 5 of this 2007 Act, ‘zero-lot-line dwelling’ means a**  
7 **single-family dwelling unit constructed in a group of attached units in which:**

8 **“(1) Each attached unit extends from foundation to roof with open space on two sides;**  
9 **and**

10 **“(2) Each dwelling unit is separated by a property line.**

11 **“SECTION 3. A contractor that constructs a new residential structure or zero-lot-line**  
12 **dwelling shall offer to the property owner a written warranty against defects in materials**  
13 **and workmanship for the structure or dwelling. A property owner may accept or refuse the**  
14 **offer of a warranty by the contractor.**

15 **“SECTION 4. (1) A contractor that constructs a new residential structure or zero-lot-line**  
16 **dwelling shall provide a recommended maintenance schedule to the property owner.**

17 **“(2) The Construction Contractors Board shall develop the minimum information that a**  
18 **contractor shall provide to a property owner under subsection (1) of this section. The mini-**  
19 **imum information shall include, but need not be limited to, the following:**

20 **“(a) Definitions and descriptions of moisture intrusion and water damage.**

21 **“(b) An explanation of how moisture intrusion and water damage can occur.**

22 **“(c) Advice on how to recognize the signs of water damage.**

23 **“(d) Appropriate steps to take when water damage is discovered.**

24 **“(3) The board shall make the information developed under this section available without**  
25 **charge to contractors that construct new residential structures or zero-lot-line dwellings.**

26 **“SECTION 5. (1) The Construction Contractors Board shall adopt rules that require a**  
27 **contractor to use standard contractual terms in construction contracts for which ORS**  
28 **701.055 requires a written contract. The standard contractual terms shall be clear, use words**  
29 **of common understanding and shall include, but need not be limited to:**

30 **“(a) An acknowledgement of a written warranty offer, if an offer is required by section**  
31 **3 of this 2007 Act, and indication of the acceptance or rejection of the warranty offer;**

32 **“(b) A summary on the contractor’s bid proposal of the notices required under ORS**  
33 **87.093 or under rules adopted under 701.055 (13);**

34 **“(c) Acknowledgement of the receipt of the information required by the board under**  
35 **section 4 of this 2007 Act;**

1       “(d) An explanation of the property owner’s rights under the contract, including, but not  
2 limited to, the ability to file a claim with the board and the existence of any mediation or  
3 arbitration provision in the contract, set forth in a conspicuous manner as defined by the  
4 board by rule; and

5       “(e) Notice of the construction defect notice procedure under ORS 701.560 to 701.595, set  
6 forth in a conspicuous manner as defined by the board by rule.

7       “(2) A property owner who enters into a written contract for the construction, im-  
8 provement or repair of a residential structure or zero-lot-line dwelling may cancel the con-  
9 tract by delivery of a written notice of cancellation anytime prior to midnight at the end of  
10 the next business day. The notice of cancellation may be delivered in any written form or  
11 by any means that can readily be converted to written form, including, but not limited to,  
12 facsimile, electronic mail and regular mail, that sufficiently states the intention of the  
13 property owner to cancel the contract.

14       “(3) Subsection (2) of this section does not allow a property owner to cancel a contract:

15       “(a) If both parties agree that work is to begin before the cancellation period has expired;  
16 or

17       “(b) After a contractor substantially begins the construction, improvement or repair.

18       “SECTION 6. Sections 2 to 5 of this 2007 Act apply to new residential structure or zero-  
19 lot-line dwelling sales that close on or after July 1, 2008.”.

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