

A-Engrossed
House Bill 2476

Ordered by the House May 10
Including House Amendments dated May 10

Sponsored by Representative SCHAUFLER

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires public body to require proof that person contracting to perform building trade work for public body is properly licensed **and appropriately bonded**. [*Prohibits noncomplying public body from recovering certain damages from unlicensed person.*]

Allows Department of Consumer and Business Services to impose civil penalty on public body or contracting agency that fails to ensure licensure and bonding.

A BILL FOR AN ACT

Relating to public body contracts for work in licensed building trades.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) As used in this section:

(a) "Contracting agency" has the meaning given that term in ORS 279A.010.

(b) "Public body" has the meaning given that term in ORS 174.109.

(2) Except as provided in subsection (3) of this section, if a public body contracts for a person to perform work described in ORS 446.395 to 446.420, 447.010 to 447.156, 479.510 to 479.945, 479.950 or 480.510 to 480.670 or ORS chapter 455, 460, 693 or 701 for the public body, and the work may lawfully be performed only by a person who is properly licensed, the public body shall require the person, and any disclosed first-tier subcontractor, to provide the public body with proof of licensure and appropriate bonding before commencing the work.

(3) If a public body uses a contracting agency to contract for a person to perform work described in subsection (2) of this section, the contracting agency is responsible for fulfilling the duties of the public body under subsection (2) of this section.

(4) The failure of a person or disclosed first-tier subcontractor to provide proof of licensure and appropriate bonding to a public body as described in subsection (2) of this section makes the contract voidable by the public body. The Department of Consumer and Business Services may impose a civil penalty not exceeding \$25,000 on a public body or contracting agency that fails to ensure the licensure and appropriate bonding of a person under subsection (2) of this section.

SECTION 2. Section 1 of this 2007 Act applies to contracts that a public body enters into on or after the effective date of this 2007 Act.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.