

## HOUSE AMENDMENTS TO HOUSE BILL 2498

By COMMITTEE ON CONSUMER PROTECTION

May 7

1 On page 1 of the printed bill, line 2, delete “creating new provisions; and”.

2 In line 3, after “701.010” insert “and 701.055”.

3 Delete lines 5 through 16.

4 In line 17, delete “3” and insert “1”.

5 On page 2, line 5, delete the boldfaced material.

6 In line 8, restore the bracketed material and delete the boldfaced material.

7 After line 9, insert:

8 “(6) An owner who contracts for one or more licensed contractors to perform work wholly or  
9 partially within the same calendar year on not more than four residential structures of the owner.  
10 This subsection does not apply to an owner contracting for work that requires a building permit  
11 unless the work that requires a permit is performed by, or under the direction of, a general con-  
12 tractor.”.

13 In line 10, delete “(6)” and insert “(7)”.

14 In line 16, delete “(7)” and insert “(8)”.

15 In line 30, delete “(8)” and insert “(9)”.

16 In line 31, delete “(9)” and insert “(10)”.

17 In line 33, delete “(10)” and insert “(11)”.

18 In line 38, delete “(11)” and insert “(12)”.

19 In line 43, delete “(12)” and insert “(13)”.

20 In line 45, delete “(13)” and insert “(14)”.

21 On page 3, line 1, delete “(14)” and insert “(15)”.

22 In line 4, delete “(15)” and insert “(16)”.

23 After line 5, insert:

24 “**SECTION 2.** ORS 701.055 is amended to read:

25 “701.055. (1) A person may not undertake, offer to undertake or submit a bid to do work as a  
26 contractor unless that person has a current, valid license issued by the Construction Contractors  
27 Board. A partnership, corporation or joint venture may not undertake, offer to undertake or submit  
28 a bid to do work as a contractor unless that partnership, corporation or joint venture is licensed  
29 under this chapter. A partnership or joint venture is licensed for the purpose of offering to under-  
30 take work as a contractor on a structure if any of the partners or joint venturers whose name ap-  
31 pears in the business name of the partnership or joint venture is licensed under this chapter.

32 “(2) A licensed partnership or corporation shall notify the board immediately upon any change  
33 in licensed partners or corporate officers. If a partnership no longer has a licensed partner, the  
34 partnership may not conduct activities that require a license under this chapter.

35 “(3) A city, county or the State of Oregon may not issue a building permit to any person re-

1 quired to be licensed under this chapter that does not have a current, valid license. A county, city  
2 or state agency that requires the issuance of a permit as a condition precedent to construction, al-  
3 teration, improvement, demolition, movement or repair of any building or structure or the  
4 appurtenances to the structure shall, as a condition for issuing the permit, require that the applicant  
5 for a permit file a written statement, subscribed by the applicant. The statement must affirm that  
6 the applicant is licensed under this chapter, give the license number and state that the license is  
7 in full force and effect, or, if the applicant is exempt from licensing under this chapter, list the basis  
8 for the exemption. The city, county or state agency shall list the contractor's license number on the  
9 permit obtained by that contractor.

10 “(4) If the applicant for a building permit is exempt from licensure under ORS 701.010 [(6)] (7),  
11 the city, county or state shall supply the applicant with an Information Notice to Property Owners  
12 About Construction Responsibilities. The city, county or state may not issue a building permit for  
13 a residential structure to the applicant until the applicant signs a statement in substantially the  
14 following form:

15 “ \_\_\_\_\_  
16

17 (a) I have read and understand the Information Notice to Property Owners About Construction  
18 Responsibilities; and

19 (b) I own, reside in or will reside in the completed dwelling. My general contractor is  
20 \_\_\_\_\_, Construction Contractors Board license no. \_\_\_\_\_, license expiration date  
21 \_\_\_\_\_. I will instruct my general contractor that all subcontractors who work on this  
22 dwelling must be licensed with the Construction Contractors Board; or

23 (c) I am performing work on property I own, a residence that I reside in or a residence that I  
24 will reside in.

25 (d) I will be my own general contractor and, if I hire subcontractors, I will hire only subcon-  
26 tractors licensed with the Construction Contractors Board.

27 (e) If I change my mind and do hire a general contractor, I will contract with a general con-  
28 tractor who is licensed with the Construction Contractors Board and I will immediately notify the  
29 office issuing this building permit of the name of the general contractor \_\_\_\_\_.

30 “ \_\_\_\_\_  
31

32 “(5) The board shall adopt by rule a form entitled ‘Information Notice to Property Owners About  
33 Construction Responsibilities’ that shall describe, in nontechnical language and in a clear and co-  
34 herent manner using words in their common and everyday meaning, the responsibilities property  
35 owners are undertaking by acting as their own general contractor and the problems that could de-  
36 velop. The responsibilities described in the form shall include, but not be limited to:

37 “(a) Compliance with state and federal laws regarding Social Security tax, income tax and un-  
38 employment tax.

39 “(b) Workers’ compensation insurance on workers.

40 “(c) Liability and property damage insurance.

41 “(6) The board shall develop and furnish to city, county and state building permit offices, at no  
42 cost to the offices, the Information Notice to Property Owners About Construction Responsibilities  
43 and the statement to be signed by the permit applicant.

44 “(7) A city or county that requires a business license for engaging in a business subject to  
45 regulation under this chapter shall require that the licensee or applicant for issuance or renewal

1 of the business license file, or have on file, with the city or county, a signed statement that the  
2 licensee or applicant is licensed under this chapter.

3 “(8) It is prima facie evidence of doing business as a contractor if a person for that person’s own  
4 use performs, employs others to perform, or for compensation and with the intent to sell the struc-  
5 ture, arranges to have performed any work described in ORS 701.005 (3) if within any 36-month pe-  
6 riod that person offers for sale two or more newly built structures on which that work was  
7 performed.

8 “(9) Licensure under this chapter is prima facie evidence that the licensee conducts a separate,  
9 independent business.

10 “(10) The provisions of this chapter are exclusive and a city, county or other political subdivi-  
11 sion may not require or issue any registrations, licenses or surety bonds, nor charge any fee for the  
12 regulatory or surety registration of any contractor licensed with the board. This subsection does  
13 not limit or abridge the authority of any city or county to:

14 “(a) License and levy and collect a general and nondiscriminatory license fee levied upon all  
15 businesses or upon business conducted by any firm within the city or county;

16 “(b) Require a contractor to pay a fee, post a bond or require insurance when the city, county  
17 or political subdivision is contracting for the service of the contractor; or

18 “(c) Regulate a contractor that is not required to be licensed under this chapter.

19 “(11)(a) A contractor shall maintain a list that includes the following information about all  
20 subcontractors or other contractors performing work on a project for that contractor:

21 “(A) Names and addresses.

22 “(B) License numbers.

23 “(b) The contractor must deliver the list referred to in paragraph (a) of this subsection to the  
24 board within 72 hours after a board request made during reasonable working hours.

25 “(12) A contractor may not hire any subcontractor or other contractor to perform work unless  
26 the subcontractor or contractor is licensed under this chapter or exempt from licensure under ORS  
27 701.010.

28 “(13) A consumer notification form designed to specifically inform a property owner what the  
29 property owner should do to protect themselves in a residential repair, remodel or construction  
30 project shall be prepared by the board and provided at no cost to all licensed contractors. The  
31 contractor shall deliver the form to the property owner when the contractor submits a bid or pro-  
32 posal for work on a residential structure. The form shall include an explanation of the meaning of  
33 licensure, including a statement that licensure is not an endorsement of a contractor’s work, and  
34 an explanation of the bond and insurance levels required of contractors for the benefit of property  
35 owners. The form must not be larger than one side of a sheet of paper that is 8-1/2 inches by 11  
36 inches. The contractor may reproduce the form on the contractor’s bid proposal.

37 “(14) A contractor may not perform work subject to this section for an owner of a residential  
38 structure without a written contract if the aggregate contract price exceeds \$2,000. If the price of  
39 a contract was initially less than \$2,000, but during the course of performance the contract exceeds  
40 that amount, the contractor shall mail or otherwise deliver a written contract to the owner not later  
41 than five days after the contractor knows or should reasonably know that the contract price will  
42 exceed \$2,000. Failure to have a written contract will not void the contract.

43 “(15) Except as provided in ORS 671.540, a contractor that is not licensed under ORS 671.560  
44 shall hire a person licensed under ORS 671.560 to perform landscaping work.”.

45 Delete lines 6 and 7.

