

House Bill 3125

Sponsored by Representative THATCHER

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 **as introduced**.

Allows certain organizations purchasing former illegal drug manufacturing site to arrange for decontamination of site without being licensed as construction contractors. Requires organization claiming exemption from licensure to maintain insurance covering decontamination work.

Expands content required for full disclosure prior to transfer or sale of contaminated former illegal drug manufacturing site.

A BILL FOR AN ACT

1
2 Relating to former illegal drug manufacturing sites; creating new provisions; and amending ORS
3 453.870.

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

5 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS 453.855 to**
6 **453.912.**

7 **SECTION 2. (1) As used in this section, "purchasing organization" means a corporation,**
8 **foundation, league, chamber of commerce, board, club, association, society or other entity**
9 **that is organized:**

10 (a) **To be nonprofit or not-for-profit and whose earnings do not inure to the benefit of**
11 **any private shareholder or individual; and**

12 (b) **For religious, charitable, scientific, educational, fraternal, benevolent or civic pur-**
13 **poses or as a member trade or professional organization.**

14 (2) **In addition to any licensing exemption under ORS 701.010 available to a purchasing**
15 **organization, ORS 701.055 does not apply to a purchasing organization that arranges for a**
16 **contractor licensed under ORS 453.888 to perform work described in a written work plan**
17 **approved under ORS 453.885 on real property owned by the purchasing organization.**

18 (3) **A purchasing organization that claims exemption from licensure under subsection (2)**
19 **of this section must obtain public liability, personal injury and property damage insurance**
20 **covering the decontamination work arranged by the purchasing organization. The insurance**
21 **must be in the amount specified under ORS 701.105 for a residential-only specialty contrac-**
22 **tor. The insurance must cover a one-year period beginning on the date the Department of**
23 **Consumer and Business Services removes the property from listing as not fit for use. The**
24 **insurance required under this subsection is in addition to any insurance required of a con-**
25 **tractor who performs the decontamination work.**

26 **SECTION 3. ORS 453.870 is amended to read:**

27 453.870. *[(1) Any property that is not fit for use as determined under ORS 453.876 may be trans-*
28 *ferred or sold if full, written disclosure, as required by rules of the Department of Human Services, is*
29 *made to the prospective purchaser, attached to the earnest money receipt, if any, and shall accompany*
30 *but not be a part of the sale document nor be recorded. However, such property shall continue to be*

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.

1 *subject to the provisions of ORS 453.876, regardless of transfer or sale under this section.]*

2 **(1) A person may transfer or sell a property that is determined under ORS 453.876 to be**
3 **not fit for use, if the transferor or seller provides the transferee or purchaser with:**

4 **(a) A full, written disclosure of the contamination, including an evaluation of the surface**
5 **contamination levels;**

6 **(b) Photographs or video recordings showing all areas of the real property that are con-**
7 **taminated;**

8 **(c) An evaluation of the type and extent of work that will be necessary to approve the**
9 **property; and**

10 **(d) Any other information required by rules adopted by the Department of Human Ser-**
11 **vices.**

12 **(2) The disclosure described in subsection (1) of this section must be provided to the**
13 **transferee or purchaser prior to the acceptance of any earnest money or other payment by**
14 **the transferor or seller.**

15 [(2)] **(3) Any transferee or purchaser who does not receive the [notice described in subsection**
16 **(1)] disclosure as provided under subsections (1) and (2) of this section may set aside the transfer**
17 **or sale as voidable and bring suit to recover damages for any losses incurred because of the failure**
18 **to give such notice.**

19 [(3)] **(4) The transferor or seller of any property described in subsection (1) of this section shall**
20 **notify the department of the transfer or sale as required by rule of the department.**

21 **SECTION 4. (1) Section 2 of this 2007 Act applies to property transferred to, or purchased**
22 **by, a purchasing organization on or after the effective date of this 2007 Act.**

23 **(2) The amendments to ORS 453.870 by section 3 of this 2007 Act apply to a sale or**
24 **transfer of property for which the transferor or seller first accepts earnest money or other**
25 **payment on or after the effective date of this 2007 Act.**

26