

# House Bill 3125

Sponsored by COMMITTEE ON BUSINESS AND LABOR

## 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**.

Specifies earliest date for filing claim against construction contractor for unpaid labor or materials.

## A BILL FOR AN ACT

1  
2 Relating to the filing of claims against construction contractors; creating new provisions; and  
3 amending ORS 701.140.

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

5 **SECTION 1.** ORS 701.140 is amended to read:

6 701.140. A complaint under ORS 701.139 must arise from the performance, or a contract for the  
7 performance, of work that requires a contractor license issued by the Construction Contractors  
8 Board. The complaint must be of one or more of the following types:

9 (1) A complaint against a contractor by the owner of a structure or other real property for the  
10 following:

11 (a) Negligent work.

12 (b) Improper work.

13 (c) Breach of contract.

14 (2) A complaint against a contractor by the owner of a structure or other real property to dis-  
15 charge, or to recoup funds expended in discharging, a lien established under ORS 87.010 to 87.060  
16 and 87.075 to 87.093 under circumstances described under this subsection. If the complaint is pro-  
17 cessed under ORS 701.145, the Construction Contractors Board may reduce the amount of the com-  
18 plaint by any amount the complainant owes the contractor. The board shall process complaints  
19 described in this subsection under ORS 701.145 only if:

20 (a) The owner paid the contractor for that contractor's work subject to this chapter;

21 (b) A lien is filed against the property of the owner under ORS 87.010 to 87.060 and 87.075 to  
22 87.093 because the contractor failed to pay the person claiming the lien for that person's contribu-  
23 tion toward completion of the improvement; and

24 (c) The complaint is described in ORS 701.139 (1) or (3)(a) or (b).

25 (3) A complaint against a licensed subcontractor by a licensed contractor for the following:

26 (a) Negligent work;

27 (b) Improper work; or

28 (c) Breach of contract.

29 (4) A complaint by a person furnishing labor to a contractor or owed employee benefits by a  
30 contractor.

31 (5) A complaint, as limited by rule of the board, by a person furnishing material or renting or

**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 supplying equipment to a contractor. The minimum limit set by the board may not exceed \$150.

2 (6) A complaint by a subcontractor against a contractor for unpaid labor or materials arising  
3 out of a contract **if, as of the claim filing date, 45 days have passed since the later of:**

4 (a) **The date that the contractor received the invoice for the labor and materials or, if**  
5 **no invoice is sent, the date of the initial billing statement; or**

6 (b) **The date on which the claim is made certain by agreement of the parties or by oper-**  
7 **ation of law.**

8 **SECTION 2. The amendments to ORS 701.140 by section 1 of this 2009 Act apply to claims**  
9 **for unpaid labor or materials arising out of a contract that the supplier of labor or materials**  
10 **enters into on or after the effective date of this 2009 Act.**

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