

HOUSE AMENDMENTS TO HOUSE BILL 3689

By COMMITTEE ON CONSUMER PROTECTION AND GOVERNMENT ACCOUNTABILITY

February 12

1 On page 3 of the printed bill, delete lines 30 through 42 and insert:

2 “**SECTION 2. Section 3 of this 2010 Act is added to and made a part of the Construction**
3 **Lien Law.**

4 “**SECTION 3.** (1) A subcontractor or a person that provides labor, materials or equipment for
5 a project to renovate, remodel, repair or otherwise alter an existing owner-occupied residence may
6 not perfect a claim of lien against the owner’s property under ORS 87.035 if the subcontractor or
7 the person provided or contracted to provide services, labor, materials or equipment to a contractor
8 that was unlicensed at the earlier of the following times:

9 “(a) The time the subcontractor or the person first contracted with the contractor for the
10 project; or

11 “(b) The time the person first delivered labor, materials or equipment to the project site.

12 “(2) Subsection (1) of this section does not apply if the services, labor, materials or equipment
13 is purchased with cash or consumer credit.”.

14 On page 4, delete lines 2 through 45 and delete page 5.

15 On page 6, delete lines 1 through 42.

16 In line 43, delete “5” and insert “4”.

17 On page 8, delete lines 1 through 4 and insert:

18 “(8)(a) ‘Home improvement’ means a renovation, remodel, repair or alteration by a residential
19 contractor to an existing owner-occupied:

20 “(A) Residence that is a site-built home;

21 “(B) Condominium, rental residential unit or other residential dwelling unit that is part of a
22 larger structure, if the property interest in the unit is separate from the property interest in the
23 larger structure;

24 “(C) Modular home constructed off-site;

25 “(D) Manufactured dwelling; or

26 “(E) Floating home, as defined in ORS 830.700.

27 “(b) ‘Home improvement’ does not include a renovation, remodel, repair or alteration by a resi-
28 dential contractor:

29 “(A) To a structure that contains one or more dwelling units and is four stories or less above
30 grade; or

31 “(B) That the residential contractor performed in the course of constructing a new residential
32 structure.”.

33 On page 9, delete lines 38 through 45 and insert:

34 “**SECTION 5. Section 6 of this 2010 Act is added to and made a part of ORS chapter 701.**

35 “**SECTION 6. Notwithstanding the conditions specified for probation in ORS 701.102 (3),**

1 the Construction Contractors Board may place a contractor on probation as provided in ORS
2 701.102 (3) if the contractor offers to perform a home improvement, accepts a deposit of more
3 than 50 percent of the total contract price and:

4 “(1) Fails to perform diligently and in accordance with the contract specifications the
5 home improvement for which the contractor received the deposit; or

6 “(2) Fails to perform the home improvement for which the contractor received the de-
7 posit and fails to return the deposit within 10 days after a reasonable demand to return the
8 deposit.”.

9 On page 10, delete lines 1 through 4.

10 In line 5, delete “8” and insert “7”.

11 In line 31, delete “9” and insert “8”.

12 On page 11, line 18, delete “10” and insert “9”.

13 Delete lines 19 through 32 and insert:

14 **“SECTION 10. (1) Sections 3 and 6 of this 2010 Act, the amendments to ORS 87.007,**
15 **701.005, 701.410 and 701.420 by sections 1, 4, 7 and 8 of this 2010 Act and the repeal of ORS**
16 **87.091 by section 9 of this 2010 Act become operative on January 1, 2011.**

17 **“(2) Sections 3 and 6 of this 2010 Act, the amendments to ORS 87.007, 701.005, 701.410 and**
18 **701.420 by sections 1, 4, 7 and 8 of this 2010 Act and the repeal of ORS 87.091 by section 9 of**
19 **this 2010 Act apply to sales of residential property and home improvements that occur and**
20 **claims of lien that are filed, perfected or waived on or after the operative date specified in**
21 **subsection (1) of this section.**

22 **“(3) The Construction Contractors Board, before the operative date specified in sub-**
23 **section (1) of this section, may adopt rules or take any action that is necessary to enable the**
24 **board to exercise, on or after the operative date specified in subsection (1) of this section,**
25 **all the duties, functions and powers conferred on the board by sections 3 and 6 of this 2010**
26 **Act and the amendments to ORS 87.007, 701.005, 701.410 and 701.420 by sections 1, 4, 7 and 8**
27 **of this 2010 Act.”.**

28 In line 33, delete “12” and insert “11”.