

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 783 - A5**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: Matt Stayner  
Reviewed by: Susie Jordan  
Date: 6/17/13

**Measure Description:**

Changes continuing education requirements for residential construction contractors.

**Government Unit(s) Affected:**

Construction Contractors Board (CCB)

**Summary of Expenditure Impact:**

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	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
Other Funds	485,319	491,621
<b>Total Funds</b>	<b>\$485,319</b>	<b>\$491,621</b>
Positions	2	2
FTE	2.00	2.00

**Summary of Revenue Impact**

	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
Other Funds	462,188	595,250
<b>Total Funds</b>	<b>\$462,188</b>	<b>\$595,250</b>

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

The measure repeals current statute applicable to the Construction Contractors' Board related to education and training program approval, continuing education rules and fees, and exemptions from continuing education requirements and requires the Construction Contractors' Board (CCB) to adopt rules establishing a continuing education system for residential contractors that include minimum standards for the approval of continuing education providers and continuing education courses. The measure allows the CCB to enter into paid licensing agreements with approved continuing education

providers for the use of board-developed continuing education classes and materials and allows the CCB to set fees for the approval of continuing education providers, the approval of continuing education courses, the approval of specialized education courses, continuing education courses provided by the CCB, and per-student, per-course completed fees.

The measure sets out the general requirements for continuing education of residential contractors for licensure renewal including three hours of instruction in laws, regulations, and business practices from the CCB or using materials developed and licensed by the CCB by approved providers and an additional five hours of continuing education provided by approved continuing education providers using courses that the CCB approves. Additional continuing education would be required of residential contractors with six or less consecutive years of licensing by the CCB. The bill allows for CCB to grant exceptions to continuing education under certain circumstances.

The CCB would require staff to develop rules, create an implementation plan, create and administer licensing contracts, evaluate both continuing education providers and courses, develop and implement procedures for the tracking and verification of course attendance, and educate contractors on the new continuing education requirements. CCB estimates that a full-time Program Analyst 2 position and a full-time Administrative Specialist 2 position would be required to complete the additional work. LFO notes, however, that due to a lack of revenue, CCB is currently holding 10 authorized positions vacant and therefore no new position authority would be required should the revenue anticipated by the agency be sufficient to allow these positions to be filled.

CCB anticipates that two distinct revenue streams would be created by the bill: the approval of continuing education providers and the per-student, per-course fee collected by providers from each contractor upon the completion of an approved course.

Although the table above details the CCB anticipated revenue and expenditures, LFO believes that no adjustment to the agency's budgeted expenditure limitation or position authority would be required until the agency produces sufficient revenue due to the changes contemplated by the bill to warrant such an adjustment.

Joint Committee on Ways and Means

Carrier – House: Rep.  
Carrier – Senate: Sen.

**Revenue:**

**Fiscal:** Y

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**Action:**

**Vote:**

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

**Prepared By:** Matt Stayner, Legislative Fiscal Office

**Meeting Date:** June 18, 2013

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**WHAT THE MEASURE DOES:**

Changes continuing education requirements for commercial construction contractors; establishes differing requirements based on the number of years the individual has been licensed; revises criteria for Construction Contractors Board approval of continuing education programs; requires Board to establish a category system for continuing education programs; applies to licensing period beginning on or after January 1, 2014; declares emergency, effective on passage.

**ISSUES DISCUSSED:**

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**EFFECT OF COMMITTEE AMENDMENT:**

Replaces bill entirely; repeals current statute applicable to the Construction Contractors Board related to education and training program approval, continuing education rules and fees, and exemptions from continuing education requirements and requires the Construction Contractor’s Board (CCB) to adopt rules establishing a continuing education system for residential contractors that include minimum standards for the approval of continuing education providers and continuing education courses; allows the CCB to enter in to paid licensing agreements with approved continuing education providers for the use of board-developed continuing education classes and materials and allows the CCB to set fees for the approval of continuing education providers, the approval of continuing education courses, the approval of specialized education courses, continuing education courses provided by the CCB, and per-student, per-course completed fees.

Sets out the general requirements for continuing education of residential contractors for licensure renewal including three hours of instruction in laws, regulations, and business practices from the CCB or using materials developed and licensed by the CCB by approved providers and an additional five hours of continuing education provided by approved continuing education providers using courses that the CCB approves. Additional continuing education would be required of residential contractors with six or less consecutive years of licensing by the CCB; allows for CCB to grant exceptions to continuing education under certain circumstances.

**BACKGROUND:**