

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	6 - 0 - 0
Yeas:	Edwards, Girod, Monroe, Starr, Thomsen, Beyer
Nays:	0
Exc.:	0
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	2/4, 3/4, 3/11

WHAT THE MEASURE DOES: Requires limited partnership applicants for construction contractor licenses include, as part of application, the name and address of certain members of the limited partnership. Requires the reporting of any changes in names and address of certain limited partnership members. Deletes redundant reporting requirement. Establishes residential locksmith services contractor license. Establishes home inspector services contractor license.

ISSUES DISCUSSED:

- Need for information on second and third tier partners
- Difference between limited partners and general partners
- Amendment to establish less expensive licenses for locksmiths and home inspectors

EFFECT OF COMMITTEE AMENDMENT: Establishes residential locksmith services contractor license. Establishes home inspector services contractor license.

BACKGROUND: The Construction Contractors Board (CCB) is the licensing and regulatory agency for residential and commercial construction contractors, as well as subcontractors and home inspectors, for the State of Oregon. The Board investigates and adjudicates complaints filed against licensees and assesses sanctions where applicable, and provides education and testing on construction laws and business practices.

The CCB allows the following types of business entities to apply for licensure under the board: sole proprietors; corporations; limited liability companies; limited liability partnerships; partnerships or joint ventures; trusts; or limited partnerships. A *limited partnership* (LP) is formed by two or more persons, at least one being a limited partner and at least one being a general partner, the latter of which control the business and are liable. Limited partners have no active management role and their liability is limited. Limited partnerships must file either a certificate (if based in Oregon) or an application for registration (if based outside Oregon) with the Corporation Division of the Secretary of State.

Under current law, when applying for licensure under the CCB, a limited partnership must only include the name and address of general partners. For nearly all types of business entities, CCB requires applicants to disclose the names, addresses and Social Security numbers of principals involved in the business. CCB has asserted the importance of obtaining information about limited partners to determine whether any have been convicted of crimes or have outstanding debts that might affect licensure of the limited partnership. Senate Bill 207-A clarifies that limited partnerships are to be treated the same as other business entities with regard to disclosure of members.

Senate Bill 207-A also establishes specific licenses for home inspectors and for locksmiths. The purpose of this new class of license is to lower the expense of obtaining this type of business license.

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This summary has not been adopted or officially endorsed by action of the committee.