

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass the A-Engrossed Measure
Vote:	6 - 0 - 0
Yeas:	Edwards, Girod, Monroe, Starr, Thomsen, Beyer
Nays:	0
Exc.:	0
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	5/14

WHAT THE MEASURE DOES: Allows Construction Contractors Board to revoke, suspend or refuse to issue license to individual who has engaged in dishonesty by enabling evasion of certain obligations. Adds unpaid wages to the definition of “construction debt.” Modifies terms used in statute prohibiting unlicensed contractors from perfecting construction lien or obtaining judicial or administrative remedy.

ISSUES DISCUSSED:

- Clarification that measure does not apply for mistakenly providing incorrect information
- Cost to Construction Contractors Board for implementation
- Importance of ability to sanction bad actors

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Oregon law requires anyone who performs construction activities involving improvements to real property, for compensation, to be licensed with the Construction Contractors Board (CCB). Examples of activities for which this applies include roofing, siding, painting, carpentry, concrete, on-site appliance repair, heating and air conditioning, home inspections, tree service, plumbing, electrical, floor covering, installation of manufactured dwellings and land development.

Licensure requires completion of prerequisite training and passage of a statewide test. Applicants must then file an assumed business name, corporation or limited liability corporation with the Secretary of State, obtain a surety bond and provide proof of general liability insurance, provide evidence of worker’s compensation and other employer account numbers, and submit a completed application to CCB. The application fee is \$325 and is good for two years.

Under current law, CCB has the authority to revoke, suspend or refuse to issue or renew a license for a variety of reasons. House Bill 2540-A allows the Board to revoke, suspend or refuse to issue or renew a license in cases where the licensee /applicant demonstrates dishonesty, specifically for evading any of the following obligations: income taxes, Social Security contributions, unemployment insurance taxes, workers’ compensation premiums, wage and hour laws, occupational safety and health laws, child support, alimony, judgments, garnishments, or other laws or debts identified by CCB by rule.

House Bill 2540-A also adds unpaid wages to the definition of “construction debt,” thereby allowing CCB to refuse, revoke or suspend licensure if a person has failed to pay wages.