

# Senate Bill 205

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## 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**.

Eliminates requirement that Construction Contractors Board rules require certain contract terms as mandatory contract contents.

## A BILL FOR AN ACT

1  
2 Relating to residential construction contract terms; amending ORS 701.305.

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

4 **SECTION 1.** ORS 701.305 is amended to read:

5 701.305. (1) A contractor may not perform work to construct, improve or repair a residential  
6 structure or zero-lot-line dwelling for a property owner without a written contract if the aggregate  
7 contract price exceeds \$2,000. If the price of a contract was initially less than \$2,000, but during the  
8 course of performance the contract exceeds that amount, the contractor shall mail or otherwise  
9 deliver a written contract to the property owner not later than five days after the contractor knows  
10 or should reasonably know that the contract price will exceed \$2,000. Failure to have a written  
11 contract will not void the contract.

12 (2) The Construction Contractors Board shall adopt rules that require a contractor to use  
13 standard contractual terms in a construction contract for which subsection (1) of this section re-  
14 quires a written contract. The standard contractual terms shall be clear[,] **and** use words of common  
15 understanding. [*and shall include but need not be limited to:*]

16 [*(a) A statement that the contractor is licensed by the board;*]

17 [*(b) The name, license number, address and telephone number of the contractor as shown on board*  
18 *records on the date the contract is entered into;*]

19 [*(c) An acknowledgment of a written offer of a warranty, if an offer is required by ORS 701.320,*  
20 *and indication of the acceptance or rejection of the offered warranty;*]

21 [*(d) A list of the notices required under ORS 87.093 or under rules adopted under ORS 701.330*  
22 *and 701.335 (2) on the contractor's bid proposal; and*]

23 [*(e) An explanation of the property owner's rights under the contract, including, but not limited to,*  
24 *the ability to file a claim with the board and the existence of any mediation or arbitration provision*  
25 *in the contract, set forth in a conspicuous manner as defined by the board by rule.*]

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**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.