

A-Engrossed
Senate Bill 207

Ordered by the Senate March 18
Including Senate Amendments dated March 18

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor John A. Kitzhaber, M.D., for Construction Contractors Board)

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.

Requires that construction contractor license application filed by limited partnership include name and address of certain limited partnership members. Requires reporting changes in names and addresses of certain limited partnership members. Deletes redundant disclosure requirement.

Creates residential locksmith services contractor license and home inspector services contractor license. Imposes bond, insurance and responsible managing individual requirements for requirements for residential locksmith services contractor and home inspector services contractor. Exempts residential locksmith services contractor and home inspector services contractor from residential contractor continuing education requirement.

A BILL FOR AN ACT

1
2 Relating to applications for licensing by the Construction Contractors Board; creating new pro-
3 visions; and amending ORS 701.005, 701.021, 701.046, 701.081 and 701.114.

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

5 **SECTION 1.** ORS 701.046 is amended to read:

6 701.046. (1) Except as provided in subsection (2) of this section, an applicant for a construction
7 contractor license must submit the application on a form prescribed by the Construction Contractors
8 Board. The application shall include, but not be limited to, the following information:

9 (a) The endorsement being sought.

10 (b) A list of construction debts involving the applicant, or an owner or officer of the applicant,
11 if the order, award, penalty or judgment that establishes the debt was issued within the preceding
12 five years.

13 (c) For each person described in paragraphs (h), [*and*] (i) **and** (j) of this subsection, a Social
14 Security number.

15 (d) Workers' compensation insurance account number, if the applicant is required to have
16 workers' compensation insurance.

17 (e) Unemployment insurance account number, if the applicant is required to have unemployment
18 insurance.

19 (f) State withholding tax account number, if the applicant is required to withhold state income
20 tax.

21 (g) Federal employer identification number, if the applicant is required to have a federal em-
22 ployer identification number.

23 (h) The name and address of:

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.

1 (A) Each partner, if the applicant is a partnership, limited liability partnership or foreign limited
2 liability partnership.

3 (B) The general partner, if the applicant is a limited partnership.

4 (C) Each joint venturer, if the applicant is a joint venture.

5 (D) The owner, if the applicant is a sole proprietorship.

6 (E) The officers, if the applicant is a corporation.

7 (F) The manager and each member, if the applicant is a manager-managed limited liability com-
8 pany.

9 (G) Each member, if the applicant is a member-managed limited liability company.

10 (H) The responsible managing individual designated by the applicant.

11 (I) Each trustee, if the applicant is a trust.

12 (i) The name and address of the following if the applicant is a partnership, limited liability
13 partnership, foreign limited liability partnership, joint venture, manager-managed limited liability
14 company or member-managed limited liability company:

15 (A) Each partner in a partnership, limited liability partnership or foreign limited liability part-
16 nership that is a partner, joint venturer or member of the applicant.

17 (B) Each general partner in a limited partnership that is a partner, joint venturer or member
18 of the applicant.

19 (C) Each joint venturer in a joint venture that is a partner, joint venturer or member of the
20 applicant.

21 (D) The manager and each member of a manager-managed limited liability company that is a
22 partner, joint venturer or member of the applicant.

23 (E) Each member of a member-managed limited liability company that is a partner, joint
24 venturer or member of the applicant.

25 (F) Each officer of a corporation that is a partner, joint venturer or member of the applicant.

26 [(G) *The general partner in a limited partnership that is a partner, joint venturer or member of the*
27 *applicant.*]

28 [(H)] (G) Each individual who has a controlling ownership interest in, or management authority
29 over, the applicant and who meets criteria adopted by the board by rule.

30 (j) **The name and address of the following if the applicant is a limited partnership:**

31 (A) **Each partner of any partnership, limited liability partnership or foreign limited li-**
32 **ability partnership that is the general partner of the applicant.**

33 (B) **Each general partner of any limited partnership that is the general partner of the**
34 **applicant.**

35 (C) **Each joint venturer in any joint venture that is the general partner of the applicant.**

36 (D) **The manager and each member of any manager-managed limited liability company**
37 **that is the general partner of the applicant.**

38 (E) **Each member of any member-managed limited liability company that is the general**
39 **partner of the applicant.**

40 (F) **Each officer of any corporation that is the general partner of the applicant.**

41 [(j)] (k) For each person described in paragraphs (h), [and] (i) **and (j)** of this subsection, infor-
42 mation as required by board rule regarding the following if related to construction activities:

43 (A) A final judgment against the person by a court in any state entered within five years pre-
44 ceding the application date that requires the person to pay money to another person or to a public
45 body if the judgment remains unsatisfied on the application date.

1 (B) A final order against the person by an administrative agency in any state issued within five
2 years preceding the application date that requires the person to pay money to another person or to
3 a public body if the order remains unsatisfied on the application date.

4 (C) A court action against the person in any state pending on the application date that alleges
5 the person owes money to another person or to a public body.

6 (D) An action by an administrative agency in any state pending on the application date that
7 seeks an order that the person pay money to another person or to a public body.

8 (E) A conviction for a crime listed in ORS 701.098 (1)(i) entered within five years preceding the
9 application date.

10 (F) An indictment for a crime listed in ORS 701.098 (1)(i) filed within five years preceding the
11 application date.

12 [(k)] (L) The basis on which the applicant meets the standards for independent contractor status
13 under ORS 670.600.

14 (2) Subsection (1)(h), [and] (i) **and (j)** of this section does not apply if the applicant is a company
15 that offers securities registered with the United States Securities and Exchange Commission for sale
16 to the general public.

17 (3) The application described in subsection (1) of this section must be accompanied by proof
18 satisfactory to the board that the applicant:

19 (a) Is in compliance with ORS 701.091.

20 (b) Has the legal capacity to enter into contracts.

21 (4) Subsection (3)(a) of this section does not apply to an applicant for licensing with endorsement
22 solely as a residential or commercial developer.

23 (5) An applicant shall conform to the information provided by the applicant on the application
24 and to the terms of the application.

25 **SECTION 2.** ORS 701.114 is amended to read:

26 701.114. (1) Except as provided in this subsection, a contractor licensed under this chapter shall
27 immediately notify the Construction Contractors Board of any change in the identity, name or ad-
28 dress of a person who holds a position with the contractor that is described in ORS 701.046 (1)(h),
29 [or] (i) **or (j)** or of a responsible managing individual for the contractor as defined in ORS 701.091.
30 A contractor described in ORS 701.046 (2) is not required to report a change in the identity, name
31 or address of a person described in ORS 701.046 (1)(h), [or] (i) **or (j)**.

32 (2) Except as provided in this subsection, if a partner or joint venturer departs from a contrac-
33 tor that is a partnership or joint venture, the contractor must obtain a new license before continu-
34 ing to conduct activities that require a license under this chapter. A contractor described in ORS
35 701.046 (2) that is a partnership or joint venture is not required to obtain a new license upon de-
36 parture of a partner or joint venturer.

37 **SECTION 3. Sections 4 and 5 of this 2013 Act are added to and made a part of ORS**
38 **chapter 701.**

39 **SECTION 4. (1) A residential locksmith services contractor license authorizes the holder**
40 **to operate a business providing the services of locksmiths as defined in ORS 701.475 for res-**
41 **idential or small commercial structures, but does not authorize the holder to engage in other**
42 **contractor activities.**

43 **(2) Notwithstanding ORS 701.126, the Construction Contractors Board may not impose a**
44 **continuing education requirement for a residential locksmith services contractor. This sub-**
45 **section does not exempt a responsible managing individual for the business from compliance**

1 with any continuing education requirements established by the board under ORS 701.485 for
2 a certified locksmith.

3 (3) Notwithstanding ORS 701.122, the board may not require a residential locksmith ser-
4 vices contractor or the responsible managing individual for the business to take a test
5 measuring the knowledge of the contractor or responsible managing individual regarding
6 business practices and laws affecting construction contractors.

7 **SECTION 5.** (1) A home inspector services contractor license authorizes the holder to
8 operate a business providing the services of home inspectors as defined in ORS 701.005, but
9 does not authorize the holder to engage in other contractor activities.

10 (2) Notwithstanding ORS 701.126, the Construction Contractors Board may not impose a
11 continuing education requirement for a home inspector services contractor. This subsection
12 does not exempt a responsible managing individual for the business from compliance with
13 any continuing education requirements established by the board under ORS 701.350 for a
14 certified home inspector.

15 (3) Notwithstanding ORS 701.122, the board may not require a home inspector services
16 contractor or the responsible managing individual for the business to take a test measuring
17 the knowledge of the contractor or responsible managing individual regarding business
18 practices and laws affecting construction contractors.

19 **SECTION 6.** ORS 701.005 is amended to read:

20 701.005. As used in this chapter:

21 (1) "Board" means the Construction Contractors Board.

22 (2) "Commercial contractor" means a licensed contractor that holds an endorsement as a:

23 (a) Commercial general contractor level 1;

24 (b) Commercial specialty contractor level 1;

25 (c) Commercial general contractor level 2;

26 (d) Commercial specialty contractor level 2; or

27 (e) Commercial developer.

28 (3) "Commercial developer" means a developer of property that is zoned for or intended for use
29 compatible with a small commercial or large commercial structure.

30 (4) "Construction debt" means an amount owed under:

31 (a) An order or arbitration award issued by the board that has become final by operation of law;

32 (b) A judgment, arbitration award or civil penalty that has become final by operation of law
33 arising from construction activities within the United States; or

34 (c) A judgment or civil penalty that has become final by operation of law arising from a failure
35 to comply with ORS 656.017.

36 (5) "Contractor" means any of the following:

37 (a) A person that, for compensation or with the intent to sell, arranges or undertakes or offers
38 to undertake or submits a bid to construct, alter, repair, add to, subtract from, improve, inspect,
39 move, wreck or demolish, for another, a building, highway, road, railroad, excavation or other
40 structure, project, development or improvement attached to real estate, or to do any part thereof.

41 (b) A person that purchases or owns property and constructs or for compensation arranges for
42 the construction of one or more residential structures or small commercial structures with the in-
43 tent of selling the structures.

44 (c) A school district, as defined in ORS 332.002, that permits students to construct a residential
45 structure or small commercial structure as an educational experience to learn building techniques

1 and sells the completed structure.

2 (d) A community college district, as defined in ORS 341.005, that permits students to construct
3 a residential structure or small commercial structure as an educational experience to learn building
4 techniques and sells the completed structure.

5 (e) A person except a landscape contracting business, nurseryman, gardener or person engaged
6 in the commercial harvest of forest products, that is engaged as an independent contractor to re-
7 move trees, prune trees, remove tree limbs or stumps or to engage in tree or limb guying.

8 (f) A business that supplies the services of a home inspector certified under ORS 701.350 or a
9 cross-connection inspector and backflow assembly tester certified under ORS 448.279.

10 (g) A person that for compensation arranges, undertakes, offers to undertake or submits a bid
11 to clean or service chimneys.

12 (6) "Developer" means a contractor that owns property or an interest in property and engages
13 in the business of arranging for construction work or performing other activities associated with the
14 improvement of real property, with the intent to sell the property.

15 (7)(a) "General contractor" means a contractor whose business operations require the use of
16 more than two unrelated building trades or crafts that the contractor supervises or performs in
17 whole or part, whenever the sum of all contracts on any single property, including materials and
18 labor, exceeds an amount established by rule by the board.

19 (b) "General contractor" does not mean a specialty contractor or a residential limited contrac-
20 tor.

21 (8)(a) "Home improvement" means a renovation, remodel, repair or alteration by a residential
22 contractor to an existing owner-occupied:

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

24 (B) Condominium, rental residential unit or other residential dwelling unit that is part of a
25 larger structure, if the property interest in the unit is separate from the property interest in the
26 larger structure;

27 (C) Modular home constructed off-site;

28 (D) Manufactured dwelling; or

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

30 (b) "Home improvement" does not include a renovation, remodel, repair or alteration by a resi-
31 dential contractor:

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

34 (B) That the residential contractor performed in the course of constructing a new residential
35 structure.

36 (9)(a) "Home inspector" means a person who, for a fee, inspects and provides written reports
37 on the overall physical condition of a residential structure.

38 (b) "Home inspector" does not include persons certified under ORS chapter 455 to inspect new,
39 repaired or altered structures for compliance with the state building code.

40 (10) "Key employee" means an employee or owner of a contractor who is a corporate officer,
41 manager, superintendent, foreperson or lead person or any other employee the board identifies by
42 rule.

43 (11) "Large commercial structure" means a structure that is not a residential structure or small
44 commercial structure.

45 (12) "Officer" means any of the following persons:

- 1 (a) A president, vice president, secretary, treasurer or director of a corporation.
- 2 (b) A general partner in a limited partnership.
- 3 (c) A manager in a manager-managed limited liability company.
- 4 (d) A member of a member-managed limited liability company.
- 5 (e) A trustee.
- 6 (f) A person the board defines by rule as an officer. The definition of officer adopted by board
- 7 rule may include persons not listed in this subsection who may exercise substantial control over a
- 8 business.
- 9 (13) "Residential contractor" means a licensed contractor that holds an endorsement as a:
 - 10 (a) Residential general contractor;
 - 11 (b) Residential specialty contractor;
 - 12 (c) Residential limited contractor; [or]
 - 13 (d) Residential developer[.];
 - 14 (e) **Residential locksmith services contractor; or**
 - 15 (f) **Home inspector services contractor.**
- 16 (14) "Residential developer" means a developer of property that is zoned for or intended for use
- 17 compatible with a residential or small commercial structure.
- 18 (15)(a) "Residential structure" means:
 - 19 (A) A residence that is a site-built home;
 - 20 (B) A structure that contains one or more dwelling units and is four stories or less above grade;
 - 21 (C) A 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 (D) A modular home constructed off-site;
 - 25 (E) A manufactured dwelling;
 - 26 (F) A floating home as defined in ORS 830.700; or
 - 27 (G) An appurtenance to a home, structure, unit or dwelling described in subparagraphs (A) to
 - 28 (F) of this paragraph.
- 29 (b) "Residential structure" does not mean:
 - 30 (A) Subject to paragraph (a)(C) of this subsection, a structure that contains both residential and
 - 31 nonresidential units;
 - 32 (B) Transient lodging;
 - 33 (C) A residential school or residence hall;
 - 34 (D) A state or local correctional facility other than a local facility for persons enrolled in work
 - 35 release programs maintained under ORS 144.460;
 - 36 (E) A youth correction facility as defined in ORS 420.005;
 - 37 (F) A youth care center operated by a county juvenile department under administrative control
 - 38 of a juvenile court pursuant to ORS 420.855 to 420.885;
 - 39 (G) A detention facility as defined in ORS 419A.004;
 - 40 (H) A nursing home;
 - 41 (I) A hospital; or
 - 42 (J) A place constructed primarily for recreational activities.
- 43 (16) "Responsible managing individual" means an individual who:
 - 44 (a) Is an owner described in ORS 701.094 or an employee of the business;
 - 45 (b) Exercises management or supervisory authority, as defined by the board by rule, over the

1 construction activities of the business; and

2 (c)(A) Successfully completed the training and testing required for licensing under ORS 701.122
3 within a period the board identifies by rule;

4 (B) Demonstrated experience the board requires by rule; or

5 (C) Complied with the licensing requirements of ORS 446.395.

6 (17) "Small commercial structure" means:

7 (a) A nonresidential structure that has a ground area of 10,000 square feet or less, including
8 exterior walls, and a height of not more than 20 feet from the top surface of the lowest flooring to
9 the highest interior overhead finish of the structure;

10 (b) A nonresidential leasehold, rental unit or other unit that is part of a larger structure, if the
11 unit has a ground area of 12,000 square feet or less, excluding exterior walls, and a height of not
12 more than 20 feet from the top surface of the lowest flooring to the highest interior overhead finish
13 of the unit;

14 (c) A nonresidential structure of any size for which the contract price of all construction con-
15 tractor work to be performed on the structure as part of a construction project does not total more
16 than \$250,000; or

17 (d) An appurtenance to a structure or unit described in paragraphs (a) to (c) of this subsection.

18 (18) "Specialty contractor" means a contractor who performs work on a structure, project, de-
19 velopment or improvement and whose operations as such do not fall within the definition of "general
20 contractor." "Specialty contractor" includes a person who performs work regulated under ORS
21 446.395.

22 (19) "Zero-lot-line dwelling" means a single-family dwelling unit constructed in a group of at-
23 tached units in which:

24 (a) Each attached unit extends from foundation to roof with open space on two sides; and

25 (b) Each dwelling unit is separated by a property line.

26 **SECTION 7.** ORS 701.005, as amended by section 59, chapter 630, Oregon Laws 2011, is
27 amended to read:

28 701.005. As used in this chapter:

29 (1) "Board" means the Construction Contractors Board.

30 (2) "Commercial contractor" means a licensed contractor that holds an endorsement as a:

31 (a) Commercial general contractor level 1;

32 (b) Commercial specialty contractor level 1;

33 (c) Commercial general contractor level 2;

34 (d) Commercial specialty contractor level 2; or

35 (e) Commercial developer.

36 (3) "Commercial developer" means a developer of property that is zoned for or intended for use
37 compatible with a small commercial or large commercial structure.

38 (4) "Construction debt" means an amount owed under:

39 (a) An order or arbitration award issued by the board that has become final by operation of law;

40 (b) A judgment or civil penalty that has become final by operation of law arising from con-
41 struction activities within the United States; or

42 (c) A judgment or civil penalty that has become final by operation of law arising from a failure
43 to comply with ORS 656.017.

44 (5) "Contractor" means any of the following:

45 (a) A person that, for compensation or with the intent to sell, arranges or undertakes or offers

1 to undertake or submits a bid to construct, alter, repair, add to, subtract from, improve, inspect,
2 move, wreck or demolish, for another, a building, highway, road, railroad, excavation or other
3 structure, project, development or improvement attached to real estate, or to do any part thereof.

4 (b) A person that purchases or owns property and constructs or for compensation arranges for
5 the construction of one or more residential structures or small commercial structures with the in-
6 tent of selling the structures.

7 (c) A school district, as defined in ORS 332.002, that permits students to construct a residential
8 structure or small commercial structure as an educational experience to learn building techniques
9 and sells the completed structure.

10 (d) A community college district, as defined in ORS 341.005, that permits students to construct
11 a residential structure or small commercial structure as an educational experience to learn building
12 techniques and sells the completed structure.

13 (e) A person except a landscape contracting business, nurseryman, gardener or person engaged
14 in the commercial harvest of forest products, that is engaged as an independent contractor to re-
15 move trees, prune trees, remove tree limbs or stumps or to engage in tree or limb guying.

16 (f) A business that supplies the services of a home inspector certified under ORS 701.350 or a
17 cross-connection inspector and backflow assembly tester certified under ORS 448.279.

18 (g) A person that for compensation arranges, undertakes, offers to undertake or submits a bid
19 to clean or service chimneys.

20 (6) "Developer" means a contractor that owns property or an interest in property and engages
21 in the business of arranging for construction work or performing other activities associated with the
22 improvement of real property, with the intent to sell the property.

23 (7)(a) "General contractor" means a contractor whose business operations require the use of
24 more than two unrelated building trades or crafts that the contractor supervises or performs in
25 whole or part, whenever the sum of all contracts on any single property, including materials and
26 labor, exceeds an amount established by rule by the board.

27 (b) "General contractor" does not mean a specialty contractor or a residential limited contrac-
28 tor.

29 (8)(a) "Home improvement" means a renovation, remodel, repair or alteration by a residential
30 contractor to an existing owner-occupied:

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

32 (B) Condominium, rental residential unit or other residential dwelling unit that is part of a
33 larger structure, if the property interest in the unit is separate from the property interest in the
34 larger structure;

35 (C) Modular home constructed off-site;

36 (D) Manufactured dwelling; or

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

38 (b) "Home improvement" does not include a renovation, remodel, repair or alteration by a resi-
39 dential contractor:

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

42 (B) That the residential contractor performed in the course of constructing a new residential
43 structure.

44 (9)(a) "Home inspector" means a person who, for a fee, inspects and provides written reports
45 on the overall physical condition of a residential structure.

1 (b) "Home inspector" does not include persons certified under ORS chapter 455 to inspect new,
2 repaired or altered structures for compliance with the state building code.

3 (10) "Key employee" means an employee or owner of a contractor who is a corporate officer,
4 manager, superintendent, foreperson or lead person or any other employee the board identifies by
5 rule.

6 (11) "Large commercial structure" means a structure that is not a residential structure or small
7 commercial structure.

8 (12) "Officer" means any of the following persons:

9 (a) A president, vice president, secretary, treasurer or director of a corporation.

10 (b) A general partner in a limited partnership.

11 (c) A manager in a manager-managed limited liability company.

12 (d) A member of a member-managed limited liability company.

13 (e) A trustee.

14 (f) A person the board defines by rule as an officer. The definition of officer adopted by board
15 rule may include persons not listed in this subsection who may exercise substantial control over a
16 business.

17 (13) "Residential contractor" means a licensed contractor that holds an endorsement as a:

18 (a) Residential general contractor;

19 (b) Residential specialty contractor;

20 (c) Residential limited contractor; [or]

21 (d) Residential developer[.];

22 (e) **Residential locksmith services contractor; or**

23 (f) **Home inspector services contractor.**

24 (14) "Residential developer" means a developer of property that is zoned for or intended for use
25 compatible with a residential or small commercial structure.

26 (15)(a) "Residential structure" means:

27 (A) A residence that is a site-built home;

28 (B) A structure that contains one or more dwelling units and is four stories or less above grade;

29 (C) A condominium, rental residential unit or other residential dwelling unit that is part of a
30 larger structure, if the property interest in the unit is separate from the property interest in the
31 larger structure;

32 (D) A modular home constructed off-site;

33 (E) A manufactured dwelling;

34 (F) A floating home as defined in ORS 830.700; or

35 (G) An appurtenance to a home, structure, unit or dwelling described in subparagraphs (A) to
36 (F) of this paragraph.

37 (b) "Residential structure" does not mean:

38 (A) Subject to paragraph (a)(C) of this subsection, a structure that contains both residential and
39 nonresidential units;

40 (B) Transient lodging;

41 (C) A residential school or residence hall;

42 (D) A state or local correctional facility other than a local facility for persons enrolled in work
43 release programs maintained under ORS 144.460;

44 (E) A youth correction facility as defined in ORS 420.005;

45 (F) A youth care center operated by a county juvenile department under administrative control

1 of a juvenile court pursuant to ORS 420.855 to 420.885;

2 (G) A detention facility as defined in ORS 419A.004;

3 (H) A nursing home;

4 (I) A hospital; or

5 (J) A place constructed primarily for recreational activities.

6 (16) "Responsible managing individual" means an individual who:

7 (a) Is an owner described in ORS 701.094 or an employee of the business;

8 (b) Exercises management or supervisory authority, as defined by the board by rule, over the
9 construction activities of the business; and

10 (c)(A) Successfully completed the training and testing required for licensing under ORS 701.122
11 within a period the board identifies by rule;

12 (B) Demonstrated experience the board requires by rule; or

13 (C) Complied with the licensing requirements of ORS 446.395.

14 (17) "Small commercial structure" means:

15 (a) A nonresidential structure that has a ground area of 10,000 square feet or less, including
16 exterior walls, and a height of not more than 20 feet from the top surface of the lowest flooring to
17 the highest interior overhead finish of the structure;

18 (b) A nonresidential leasehold, rental unit or other unit that is part of a larger structure, if the
19 unit has a ground area of 12,000 square feet or less, excluding exterior walls, and a height of not
20 more than 20 feet from the top surface of the lowest flooring to the highest interior overhead finish
21 of the unit;

22 (c) A nonresidential structure of any size for which the contract price of all construction con-
23 tractor work to be performed on the structure as part of a construction project does not total more
24 than \$250,000; or

25 (d) An appurtenance to a structure or unit described in paragraphs (a) to (c) of this subsection.

26 (18) "Specialty contractor" means a contractor who performs work on a structure, project, de-
27 velopment or improvement and whose operations as such do not fall within the definition of "general
28 contractor." "Specialty contractor" includes a person who performs work regulated under ORS
29 446.395.

30 (19) "Zero-lot-line dwelling" means a single-family dwelling unit constructed in a group of at-
31 tached units in which:

32 (a) Each attached unit extends from foundation to roof with open space on two sides; and

33 (b) Each dwelling unit is separated by a property line.

34 **SECTION 8.** ORS 701.021 is amended to read:

35 701.021. (1) Except as provided in ORS 701.010, a person or joint venture that undertakes, offers
36 to undertake or submits a bid to do work as a contractor must have a current license issued by the
37 Construction Contractors Board and possess an appropriate endorsement as provided in this section.
38 For purposes of offering to undertake or submitting a bid to do work, a partnership or joint venture
39 is licensed and endorsed if any partner or joint venturer whose name appears in the business name
40 of the partnership or joint venture has a current license issued by the board and possesses an ap-
41 propriate endorsement.

42 (2) A person or joint venture that undertakes, offers to undertake or submits a bid to do work
43 as a contractor in preparation for or in connection with a residential structure must have one of
44 the following endorsements:

45 (a) Residential general contractor.

- 1 (b) Residential specialty contractor.
- 2 (c) Residential limited contractor.
- 3 (d) Residential developer.
- 4 **(e) Residential locksmith services contractor.**
- 5 **(f) Home inspector services contractor.**

6 (3) A person or joint venture that undertakes, offers to undertake or submits a bid to do work
7 as a contractor in preparation for or in connection with a small commercial structure must have
8 one of the following endorsements:

- 9 (a) Residential general contractor.
- 10 (b) Residential specialty contractor.
- 11 (c) Residential limited contractor.
- 12 (d) Residential developer.
- 13 **(e) Residential locksmith services contractor.**
- 14 *[(e)]* **(f)** Commercial general contractor level 1.
- 15 *[(f)]* **(g)** Commercial specialty contractor level 1.
- 16 *[(g)]* **(h)** Commercial general contractor level 2.
- 17 *[(h)]* **(i)** Commercial specialty contractor level 2.
- 18 *[(i)]* **(j)** Commercial developer.

19 (4) A person or joint venture that undertakes, offers to undertake or submits a bid to do work
20 as a contractor in preparation for or in connection with a large commercial structure must have
21 one of the following endorsements:

- 22 (a) Commercial general contractor level 1.
- 23 (b) Commercial specialty contractor level 1.
- 24 (c) Commercial general contractor level 2.
- 25 (d) Commercial specialty contractor level 2.
- 26 (e) Commercial developer.

27 **SECTION 9.** ORS 701.081 is amended to read:

28 701.081. (1) A residential general contractor shall:

- 29 (a) Obtain a surety bond under ORS 701.068 in the amount of \$20,000;
- 30 (b) Obtain general liability insurance under ORS 701.073 in an amount of not less than \$500,000;

31 and

- 32 (c) Have a responsible managing individual who meets the requirements of ORS 701.091.

33 (2) A residential specialty contractor shall:

- 34 (a) Obtain a surety bond under ORS 701.068 in the amount of \$15,000;
- 35 (b) Obtain general liability insurance under ORS 701.073 in an amount not less than \$300,000;

36 and

- 37 (c) Have a responsible managing individual who meets the requirements of ORS 701.091.

38 (3) A residential limited contractor shall:

- 39 (a) Obtain a surety bond under ORS 701.068 in the amount of \$10,000;
- 40 (b) Obtain general liability insurance under ORS 701.073 in an amount not less than \$100,000;

41 and

- 42 (c) Have a responsible managing individual who meets the requirements of ORS 701.091.

43 (4) A residential developer shall:

- 44 (a) Obtain a surety bond under ORS 701.068 in the amount of \$20,000; and
- 45 (b) Obtain general liability insurance under ORS 701.073 in an amount not less than \$500,000.

- 1 **(5) A residential locksmith services contractor shall:**
2 **(a) Obtain a surety bond under ORS 701.068 in the amount of \$10,000;**
3 **(b) Obtain general liability insurance under ORS 701.073 in an amount of not less than**
4 **\$100,000; and**
5 **(c) Have a responsible managing individual for the business who is certified as a**
6 **locksmith under ORS 701.485.**
7 **(6) A home inspector services contractor shall:**
8 **(a) Obtain a surety bond under ORS 701.068 in the amount of \$10,000;**
9 **(b) Obtain general liability insurance under ORS 701.073 in an amount of not less than**
10 **\$100,000; and**
11 **(c) Have a responsible managing individual for the business who is certified as a home**
12 **inspector under ORS 701.350.**
13 **SECTION 10.** **The amendments to ORS 701.046 and 701.114 by sections 1 and 2 of this 2013**
14 **Act apply to license applications received by the Construction Contractors Board on or after**
15 **the effective date of this 2013 Act.**
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