

SENATE AMENDMENTS TO SENATE BILL 207

By COMMITTEE ON BUSINESS AND TRANSPORTATION

March 18

1 On page 1 of the printed bill, line 3, delete “701.046” and insert “701.005, 701.021, 701.046,
2 701.081”.

3 On page 3, after line 29, insert:

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

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

10 **“(2) Notwithstanding ORS 701.126, the Construction Contractors Board may not impose
11 a continuing education requirement for a residential locksmith services contractor. This
12 subsection does not exempt a responsible managing individual for the business from compli-
13 ance with any continuing education requirements established by the board under ORS 701.485
14 for a certified locksmith.**

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

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

22 **“(2) Notwithstanding ORS 701.126, the Construction Contractors Board may not impose
23 a continuing education requirement for a home inspector services contractor. This sub-
24 section does not exempt a responsible managing individual for the business from compliance
25 with any continuing education requirements established by the board under ORS 701.350 for
26 a certified home inspector.**

27 **“(3) Notwithstanding ORS 701.122, the board may not require a home inspector services
28 contractor or the responsible managing individual for the business to take a test measuring
29 the knowledge of the contractor or responsible managing individual regarding business
30 practices and laws affecting construction contractors.**

31 **“SECTION 6. ORS 701.005 is amended to read:**

32 **“701.005. As used in this chapter:**

33 **“(1) ‘Board’ means the Construction Contractors Board.**

34 **“(2) ‘Commercial contractor’ means a licensed contractor that holds an endorsement as a:**

35 **“(a) Commercial general contractor level 1;**

1 “(b) Commercial specialty contractor level 1;
2 “(c) Commercial general contractor level 2;
3 “(d) Commercial specialty contractor level 2; or
4 “(e) Commercial developer.
5 “(3) ‘Commercial developer’ means a developer of property that is zoned for or intended for use
6 compatible with a small commercial or large commercial structure.
7 “(4) ‘Construction debt’ means an amount owed under:
8 “(a) An order or arbitration award issued by the board that has become final by operation of
9 law;
10 “(b) A judgment, arbitration award or civil penalty that has become final by operation of law
11 arising from construction activities within the United States; or
12 “(c) A judgment or civil penalty that has become final by operation of law arising from a failure
13 to comply with ORS 656.017.
14 “(5) ‘Contractor’ means any of the following:
15 “(a) A person that, for compensation or with the intent to sell, arranges or undertakes or offers
16 to undertake or submits a bid to construct, alter, repair, add to, subtract from, improve, inspect,
17 move, wreck or demolish, for another, a building, highway, road, railroad, excavation or other
18 structure, project, development or improvement attached to real estate, or to do any part thereof.
19 “(b) A person that purchases or owns property and constructs or for compensation arranges for
20 the construction of one or more residential structures or small commercial structures with the in-
21 tent of selling the structures.
22 “(c) A school district, as defined in ORS 332.002, that permits students to construct a residential
23 structure or small commercial structure as an educational experience to learn building techniques
24 and sells the completed structure.
25 “(d) A community college district, as defined in ORS 341.005, that permits students to construct
26 a residential structure or small commercial structure as an educational experience to learn building
27 techniques and sells the completed structure.
28 “(e) A person except a landscape contracting business, nurseryman, gardener or person engaged
29 in the commercial harvest of forest products, that is engaged as an independent contractor to re-
30 move trees, prune trees, remove tree limbs or stumps or to engage in tree or limb guying.
31 “(f) A business that supplies the services of a home inspector certified under ORS 701.350 or a
32 cross-connection inspector and backflow assembly tester certified under ORS 448.279.
33 “(g) A person that for compensation arranges, undertakes, offers to undertake or submits a bid
34 to clean or service chimneys.
35 “(6) ‘Developer’ means a contractor that owns property or an interest in property and engages
36 in the business of arranging for construction work or performing other activities associated with the
37 improvement of real property, with the intent to sell the property.
38 “(7)(a) ‘General contractor’ means a contractor whose business operations require the use of
39 more than two unrelated building trades or crafts that the contractor supervises or performs in
40 whole or part, whenever the sum of all contracts on any single property, including materials and
41 labor, exceeds an amount established by rule by the board.
42 “(b) ‘General contractor’ does not mean a specialty contractor or a residential limited contrac-
43 tor.
44 “(8)(a) ‘Home improvement’ means a renovation, remodel, repair or alteration by a residential
45 contractor to an existing owner-occupied:

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

2 “(B) Condominium, rental residential unit or other residential dwelling unit that is part of a

3 larger structure, if the property interest in the unit is separate from the property interest in the

4 larger structure;

5 “(C) Modular home constructed off-site;

6 “(D) Manufactured dwelling; or

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

8 “(b) ‘Home improvement’ does not include a renovation, remodel, repair or alteration by a resi-

9 dential contractor:

10 “(A) To a structure that contains one or more dwelling units and is four stories or less above

11 grade; or

12 “(B) That the residential contractor performed in the course of constructing a new residential

13 structure.

14 “(9)(a) ‘Home inspector’ means a person who, for a fee, inspects and provides written reports

15 on the overall physical condition of a residential structure.

16 “(b) ‘Home inspector’ does not include persons certified under ORS chapter 455 to inspect new,

17 repaired or altered structures for compliance with the state building code.

18 “(10) ‘Key employee’ means an employee or owner of a contractor who is a corporate officer,

19 manager, superintendent, foreperson or lead person or any other employee the board identifies by

20 rule.

21 “(11) ‘Large commercial structure’ means a structure that is not a residential structure or small

22 commercial structure.

23 “(12) ‘Officer’ means any of the following persons:

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

25 “(b) A general partner in a limited partnership.

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

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

28 “(e) A trustee.

29 “(f) A person the board defines by rule as an officer. The definition of officer adopted by board

30 rule may include persons not listed in this subsection who may exercise substantial control over a

31 business.

32 “(13) ‘Residential contractor’ means a licensed contractor that holds an endorsement as a:

33 “(a) Residential general contractor;

34 “(b) Residential specialty contractor;

35 “(c) Residential limited contractor; [or]

36 “(d) Residential developer[.];

37 **“(e) Residential locksmith services contractor; or**

38 **“(f) Home inspector services contractor.**

39 “(14) ‘Residential developer’ means a developer of property that is zoned for or intended for use

40 compatible with a residential or small commercial structure.

41 “(15)(a) ‘Residential structure’ means:

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

43 “(B) A structure that contains one or more dwelling units and is four stories or less above

44 grade;

45 “(C) A condominium, rental residential unit or other residential dwelling unit that is part of a

1 larger structure, if the property interest in the unit is separate from the property interest in the
2 larger structure;

3 “(D) A modular home constructed off-site;

4 “(E) A manufactured dwelling;

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

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

8 “(b) ‘Residential structure’ does not mean:

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

11 “(B) Transient lodging;

12 “(C) A residential school or residence hall;

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

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

16 “(F) A youth care center operated by a county juvenile department under administrative control
17 of a juvenile court pursuant to ORS 420.855 to 420.885;

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

19 “(H) A nursing home;

20 “(I) A hospital; or

21 “(J) A place constructed primarily for recreational activities.

22 “(16) ‘Responsible managing individual’ means an individual who:

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

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

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

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

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

30 “(17) ‘Small commercial structure’ means:

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

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

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

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

42 “(18) ‘Specialty contractor’ means a contractor who performs work on a structure, project, de-
43 velopment or improvement and whose operations as such do not fall within the definition of ‘general
44 contractor.’ ‘Specialty contractor’ includes a person who performs work regulated under ORS
45 446.395.

1 “(19) ‘Zero-lot-line dwelling’ means a single-family dwelling unit constructed in a group of at-
2 tached units in which:

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

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

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

7 “701.005. As used in this chapter:

8 “(1) ‘Board’ means the Construction Contractors Board.

9 “(2) ‘Commercial contractor’ means a licensed contractor that holds an endorsement as a:

10 “(a) Commercial general contractor level 1;

11 “(b) Commercial specialty contractor level 1;

12 “(c) Commercial general contractor level 2;

13 “(d) Commercial specialty contractor level 2; or

14 “(e) Commercial developer.

15 “(3) ‘Commercial developer’ means a developer of property that is zoned for or intended for use
16 compatible with a small commercial or large commercial structure.

17 “(4) ‘Construction debt’ means an amount owed under:

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

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

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

24 “(5) ‘Contractor’ means any of the following:

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

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

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

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

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

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

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

45 “(6) ‘Developer’ means a contractor that owns property or an interest in property and engages

1 in the business of arranging for construction work or performing other activities associated with the
2 improvement of real property, with the intent to sell the property.

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

7 “(b) ‘General contractor’ does not mean a specialty contractor or a residential limited contrac-
8 tor.

9 “(8)(a) ‘Home improvement’ means a renovation, remodel, repair or alteration by a residential
10 contractor to an existing owner-occupied:

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

12 “(B) Condominium, rental residential unit or other residential dwelling unit that is part of a
13 larger structure, if the property interest in the unit is separate from the property interest in the
14 larger structure;

15 “(C) Modular home constructed off-site;

16 “(D) Manufactured dwelling; or

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

18 “(b) ‘Home improvement’ does not include a renovation, remodel, repair or alteration by a resi-
19 dential contractor:

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

22 “(B) That the residential contractor performed in the course of constructing a new residential
23 structure.

24 “(9)(a) ‘Home inspector’ means a person who, for a fee, inspects and provides written reports
25 on the overall physical condition of a residential structure.

26 “(b) ‘Home inspector’ does not include persons certified under ORS chapter 455 to inspect new,
27 repaired or altered structures for compliance with the state building code.

28 “(10) ‘Key employee’ means an employee or owner of a contractor who is a corporate officer,
29 manager, superintendent, foreperson or lead person or any other employee the board identifies by
30 rule.

31 “(11) ‘Large commercial structure’ means a structure that is not a residential structure or small
32 commercial structure.

33 “(12) ‘Officer’ means any of the following persons:

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

35 “(b) A general partner in a limited partnership.

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

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

38 “(e) A trustee.

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

42 “(13) ‘Residential contractor’ means a licensed contractor that holds an endorsement as a:

43 “(a) Residential general contractor;

44 “(b) Residential specialty contractor;

45 “(c) Residential limited contractor; [or]

1 “(d) Residential developer[.];

2 **“(e) Residential locksmith services contractor; or**

3 **“(f) Home inspector services contractor.**

4 “(14) ‘Residential developer’ means a developer of property that is zoned for or intended for use
5 compatible with a residential or small commercial structure.

6 “(15)(a) ‘Residential structure’ means:

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

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

10 “(C) A condominium, rental residential unit or other residential dwelling unit that is part of a
11 larger structure, if the property interest in the unit is separate from the property interest in the
12 larger structure;

13 “(D) A modular home constructed off-site;

14 “(E) A manufactured dwelling;

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

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

18 “(b) ‘Residential structure’ does not mean:

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

21 “(B) Transient lodging;

22 “(C) A residential school or residence hall;

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

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

26 “(F) A youth care center operated by a county juvenile department under administrative control
27 of a juvenile court pursuant to ORS 420.855 to 420.885;

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

29 “(H) A nursing home;

30 “(I) A hospital; or

31 “(J) A place constructed primarily for recreational activities.

32 “(16) ‘Responsible managing individual’ means an individual who:

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

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

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

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

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

40 “(17) ‘Small commercial structure’ means:

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

44 “(b) A nonresidential leasehold, rental unit or other unit that is part of a larger structure, if the
45 unit has a ground area of 12,000 square feet or less, excluding exterior walls, and a height of not

1 more than 20 feet from the top surface of the lowest flooring to the highest interior overhead finish
2 of the unit;

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

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

7 “(18) ‘Specialty contractor’ means a contractor who performs work on a structure, project, de-
8 velopment or improvement and whose operations as such do not fall within the definition of ‘general
9 contractor.’ ‘Specialty contractor’ includes a person who performs work regulated under ORS
10 446.395.

11 “(19) ‘Zero-lot-line dwelling’ means a single-family dwelling unit constructed in a group of at-
12 tached units in which:

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

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

15 “**SECTION 8.** ORS 701.021 is amended to read:

16 “701.021. (1) Except as provided in ORS 701.010, a person or joint venture that undertakes, offers
17 to undertake or submits a bid to do work as a contractor must have a current license issued by the
18 Construction Contractors Board and possess an appropriate endorsement as provided in this section.
19 For purposes of offering to undertake or submitting a bid to do work, a partnership or joint venture
20 is licensed and endorsed if any partner or joint venturer whose name appears in the business name
21 of the partnership or joint venture has a current license issued by the board and possesses an ap-
22 propriate endorsement.

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

26 “(a) Residential general contractor.

27 “(b) Residential specialty contractor.

28 “(c) Residential limited contractor.

29 “(d) Residential developer.

30 “**(e) Residential locksmith services contractor.**

31 “**(f) Home inspector services contractor.**

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

35 “(a) Residential general contractor.

36 “(b) Residential specialty contractor.

37 “(c) Residential limited contractor.

38 “(d) Residential developer.

39 “**(e) Residential locksmith services contractor.**

40 “[e] **(f)** Commercial general contractor level 1.

41 “[f] **(g)** Commercial specialty contractor level 1.

42 “[g] **(h)** Commercial general contractor level 2.

43 “[h] **(i)** Commercial specialty contractor level 2.

44 “[i] **(j)** Commercial developer.

45 “(4) A person or joint venture that undertakes, offers to undertake or submits a bid to do work

1 as a contractor in preparation for or in connection with a large commercial structure must have
2 one of the following endorsements:

3 “(a) Commercial general contractor level 1.

4 “(b) Commercial specialty contractor level 1.

5 “(c) Commercial general contractor level 2.

6 “(d) Commercial specialty contractor level 2.

7 “(e) Commercial developer.

8 **“SECTION 9.** ORS 701.081 is amended to read:

9 “701.081. (1) A residential general contractor shall:

10 “(a) Obtain a surety bond under ORS 701.068 in the amount of \$20,000;

11 “(b) Obtain general liability insurance under ORS 701.073 in an amount of not less than \$500,000;

12 and

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

14 “(2) A residential specialty contractor shall:

15 “(a) Obtain a surety bond under ORS 701.068 in the amount of \$15,000;

16 “(b) Obtain general liability insurance under ORS 701.073 in an amount not less than \$300,000;

17 and

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

19 “(3) A residential limited contractor shall:

20 “(a) Obtain a surety bond under ORS 701.068 in the amount of \$10,000;

21 “(b) Obtain general liability insurance under ORS 701.073 in an amount not less than \$100,000;

22 and

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

24 “(4) A residential developer shall:

25 “(a) Obtain a surety bond under ORS 701.068 in the amount of \$20,000; and

26 “(b) Obtain general liability insurance under ORS 701.073 in an amount not less than \$500,000.

27 **“(5) A residential locksmith services contractor shall:**

28 **“(a) Obtain a surety bond under ORS 701.068 in the amount of \$10,000;**

29 **“(b) Obtain general liability insurance under ORS 701.073 in an amount of not less than**
30 **\$100,000; and**

31 **“(c) Have a responsible managing individual for the business who is certified as a**
32 **locksmith under ORS 701.485.**

33 **“(6) A home inspector services contractor shall:**

34 **“(a) Obtain a surety bond under ORS 701.068 in the amount of \$10,000;**

35 **“(b) Obtain general liability insurance under ORS 701.073 in an amount of not less than**
36 **\$100,000; and**

37 **“(c) Have a responsible managing individual for the business who is certified as a home**
38 **inspector under ORS 701.350.”.**

39 In line 30, delete “3” and insert “10”.