

Senate Bill 783

Sponsored by COMMITTEE ON BUSINESS AND TRANSPORTATION

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**.

Changes continuing education requirements for commercial construction contractors. Establishes differing requirements based on number of years commercial contractor has been licensed.

Revises criteria for Construction Contractors Board approval of continuing education programs. Requires board to establish category system for continuing education programs. Requires continuing education based on category.

Applies to licensing periods commencing on or after January 1, 2014, and, at election of commercial construction contractor, to licensing periods commencing before January 1, 2014.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to construction contractor continuing education; creating new provisions; amending ORS
3 701.063; repealing ORS 701.123, 701.124, 701.126 and 701.127; and declaring an emergency.

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

5 **SECTION 1. Sections 2 to 4 of this 2013 Act are added to and made a part of ORS chapter**
6 **701.**

7 **SECTION 2. (1) The Construction Contractors Board shall adopt minimum quality stan-**
8 **dards to be met and maintained by public and private training and education programs ap-**
9 **proved by the board for meeting continuing education requirements under section 3 or 4 of**
10 **this 2013 Act. The board may determine the number of hours to be credited to an approved**
11 **program. In determining the standards to be adopted, the board shall give consideration to**
12 **any continuing education program standards that have been adopted by national construction**
13 **trade associations.**

14 **(2) In determining whether to approve a program for meeting continuing education re-**
15 **quirements, the board shall examine the program content, instructor qualifications and at-**
16 **tendance verification procedures and make other inquiries as the board considers reasonable**
17 **to ensure that the program presents information concerning topics relevant to construction**
18 **contractors and is presented in a competent manner to verified attendees.**

19 **(3) The board shall establish continuing education categories for matters broadly related**
20 **to:**

21 **(a) Construction business practices, such as marketing, customer service, accounting,**
22 **business law, bidding, building code and safety issues; or**

23 **(b) Specific focus subjects, such as roofing, excavation, exterior shell work and energy**
24 **efficient building.**

25 **(4) Except as provided in subsection (5) of this section and section 4 (4)(b) of this 2013**
26 **Act, one-half of the continuing education hours that a contractor is required to complete**
27 **during a licensing period must be in each category described in subsection (3) of this section.**
28 **The board may require that a minimum number of the specific focus subject program hours**

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 that a contractor is required to complete during a licensing period relate to the specialty or
2 trade practiced by the contractor.

3 (5) The board may recognize a specialized education program described under ORS 701.120
4 for purposes of continuing education credit. The requirement in subsection (4) of this section
5 to apportion required continuing education between categories does not apply if the con-
6 tractor obtains continuing education through enrollment in a specialized education program.
7 If a continuing education program provides training in the construction of one and two
8 family dwellings, the board may designate the program as a specialized education program
9 only if the program meets board requirements and includes instruction that meets the re-
10 quirements of Department of Consumer and Business Services rules adopted under ORS
11 455.805.

12 (6) A contractor applying for renewal of a license shall certify the number of continuing
13 education hours completed during the preceding licensing period. The board may require
14 training or education provider verification that the contractor completed the continuing ed-
15 ucation. A contractor may not renew a license issued by the board unless the contractor has
16 completed, at a minimum, the applicable number of hours and type of continuing education
17 required under the rules adopted under section 3 of this 2013 Act or required under section
18 4 of this 2013 Act.

19 (7) A commercial contractor shall maintain records of the continuing education hours
20 completed by key employees.

21 (8) Notwithstanding section 4 of this 2013 Act, the board may adopt rules to allow a
22 contractor who changes license type or level to obtain full or partial credit for recently
23 completed continuing education or for time that the contractor has actively held a license
24 issued by the board.

25 (9) A licensed developer is not subject to continuing education requirements under this
26 section or section 4 of this 2013 Act or rules adopted under section 3 of this 2013 Act.

27 **SECTION 3.** The Construction Contractors Board shall adopt rules establishing continu-
28 ing education requirements for residential contractors licensed by the board. The rules shall
29 include, but need not be limited to, rules establishing the required number of hours and
30 course content for continuing education. The board may establish reasonable fees for courses
31 and instruction provided by the board, or for approving the course content and instruction
32 for continuing education provided by other sources.

33 **SECTION 4.** (1) Except as provided in subsection (2) of this section, a commercial general
34 contractor level 1, or a commercial specialty contractor level 1, who has held the commercial
35 general contractor level 1 or commercial specialty contractor level 1 license in active status
36 for six or fewer consecutive years shall have a key employee, or combination of key em-
37 ployees, who complete at least 40 hours of continuing education per year.

38 (2) If a commercial general contractor level 1, or a commercial specialty contractor level
39 1, who has held the commercial general contractor level 1 or commercial specialty contractor
40 level 1 license in active status for six or fewer consecutive years has no more than four key
41 employees, the contractor shall have a key employee, or combination of key employees, who
42 complete continuing education each year equivalent to the number of key employees multi-
43 plied by eight hours.

44 (3) A commercial general contractor level 2, or a commercial specialty contractor level
45 2, who has held the commercial general contractor level 2 or commercial specialty contractor

1 level 2 license in active status for six or fewer consecutive years shall have a key employee,
 2 or combination of key employees, who complete the equivalent of at least 16 hours of con-
 3 tinuing education per year.

4 (4) A commercial general contractor level 1, a commercial specialty contractor level 1,
 5 a commercial general contractor level 2 or a commercial specialty contractor level 2 who has
 6 held that type and level of license in active status for more than six consecutive years shall
 7 have a key employee, or combination of key employees, who complete:

8 (a) At least 16 hours of continuing education every four years; or

9 (b) At least four hours of continuing education from the construction business practices
 10 category each year if the term of the contractor license is less than four years.

11 (5) This section does not apply to a commercial contractor who is subject to regulation
 12 under ORS 479.510 to 479.945 or 480.510 to 480.670 or ORS chapter 693.

13 **SECTION 5.** ORS 701.063 is amended to read:

14 701.063. (1) A license is valid for two years from the date of issuance unless the license is re-
 15 voked or suspended as set forth in ORS 701.098.

16 (2) A license may be renewed by submitting an application for renewal on the prescribed form,
 17 providing any additional information required, including evidence of completion of any required ed-
 18 ucation, and submitting the appropriate application fee, as provided by Construction Contractors
 19 Board rule.

20 (3) The board may vary the dates of license renewal by giving to the licensee written notice of
 21 the renewal date assigned and by making appropriate adjustments in the fee for the license renewal
 22 application.

23 (4) If a contractor applies for renewal not more than two years after the contractor's license
 24 lapses, upon the contractor's compliance with the requirements of subsection (2) of this section, the
 25 board may renew the lapsed license. The board may designate the effective date of renewal as the
 26 last date on which the contractor was licensed.

27 (5) A contractor may convert a license to inactive status if the contractor is not engaged in
 28 work as a contractor. A contractor having an inactive license is subject to board licensing re-
 29 quirements and application fees, but is not subject to the bonding requirement of ORS 701.068, [or]
 30 the insurance requirement of ORS 701.073 **or continuing education requirements.** [*A commercial*
 31 *general or commercial specialty contractor having an inactive license is not subject to the key employee*
 32 *continuing education requirements of ORS 701.124.*] An inactive license is not considered a valid li-
 33 cense for purposes of offering to undertake construction work, submitting a bid for construction
 34 work, obtaining a building permit or performing construction work. A license may not be placed or
 35 maintained in inactive status more than once during any two-year licensing term.

36 (6) The board shall issue a pocket-card certificate of licensure to a contractor licensed under
 37 this chapter indicating the type of license issued.

38 **SECTION 6.** ORS 701.123, 701.124, 701.126 and 701.127 are repealed.

39 **SECTION 7.** Sections 2 to 4 of this 2013 Act, the amendments to ORS 701.063 by section
 40 5 of this 2013 Act and the repeal of ORS 701.123, 701.124, 701.126 and 701.127 by section 6 of
 41 this 2013 Act apply to licensing periods that commence on or after January 1, 2014. For li-
 42 censing periods commencing before January 1, 2014, a commercial contractor may choose
 43 whether to comply with the continuing education requirements established under section 4
 44 of this 2013 Act or with the continuing education requirements that were applicable to the
 45 commercial contractor under ORS 701.124 as set forth in the 2011 Edition of Oregon Revised

1 **Statutes.**

2 **SECTION 8. This 2013 Act being necessary for the immediate preservation of the public**
3 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
4 **on its passage.**

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