

**PROPOSED AMENDMENTS TO
SENATE BILL 207**

1 On page 1 of the printed bill, line 3, delete “701.046” and insert “701.005,
2 701.021, 701.046, 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
5 made a part of ORS chapter 701.**

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

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

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

22 **“SECTION 5. (1) A home inspector services contractor license au-**

1 **thorizes the holder to operate a business providing the services of**
2 **home inspectors as defined in ORS 701.005, but does not authorize the**
3 **holder to engage in other contractor activities.**

4 **“(2) Notwithstanding ORS 701.126, the Construction Contractors**
5 **Board may not impose a continuing education requirement for a home**
6 **inspector services contractor. This subsection does not exempt a re-**
7 **sponsible managing individual for the business from compliance with**
8 **any continuing education requirements established by the board under**
9 **ORS 701.350 for a certified home inspector.**

10 **“(3) Notwithstanding ORS 701.122, the board may not require a**
11 **home inspector services contractor or the responsible managing indi-**
12 **vidual for the business to take a test measuring the knowledge of the**
13 **contractor or responsible managing individual regarding business**
14 **practices and laws affecting construction contractors.**

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

16 **“701.005. As used in this chapter:**

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

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

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

21 **“(b) Commercial specialty contractor level 1;**

22 **“(c) Commercial general contractor level 2;**

23 **“(d) Commercial specialty contractor level 2; or**

24 **“(e) Commercial developer.**

25 **“(3) ‘Commercial developer’ means a developer of property that is zoned**
26 **for or intended for use compatible with a small commercial or large com-**
27 **mmercial structure.**

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

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

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

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

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

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

13 “(b) A person that purchases or owns property and constructs or for
14 compensation arranges for the construction of one or more residential
15 structures or small commercial structures with the intent of selling the
16 structures.

17 “(c) A school district, as defined in ORS 332.002, that permits students to
18 construct a residential structure or small commercial structure as an edu-
19 cational experience to learn building techniques and sells the completed
20 structure.

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

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

29 “(f) A business that supplies the services of a home inspector certified
30 under ORS 701.350 or a cross-connection inspector and backflow assembly

1 tester certified under ORS 448.279.

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

4 “(6) ‘Developer’ means a contractor that owns property or an interest in
5 property and engages in the business of arranging for construction work or
6 performing other activities associated with the improvement of real property,
7 with the intent to sell the property.

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

13 “(b) ‘General contractor’ does not mean a specialty contractor or a resi-
14 dential limited contractor.

15 “(8)(a) ‘Home improvement’ means a renovation, remodel, repair or alter-
16 ation by a residential contractor to an existing owner-occupied:

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

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

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

22 “(D) Manufactured dwelling; or

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

24 “(b) ‘Home improvement’ does not include a renovation, remodel, repair
25 or alteration by a residential contractor:

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

28 “(B) That the residential contractor performed in the course of con-
29 structing a new residential structure.

30 “(9)(a) ‘Home inspector’ means a person who, for a fee, inspects and pro-

1 vides written reports on the overall physical condition of a residential
2 structure.

3 “(b) ‘Home inspector’ does not include persons certified under ORS chap-
4 ter 455 to inspect new, repaired or altered structures for compliance with the
5 state building code.

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

9 “(11) ‘Large commercial structure’ means a structure that is not a resi-
10 dential structure or small commercial structure.

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

12 “(a) A president, vice president, secretary, treasurer or director of a cor-
13 poration.

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

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

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

17 “(e) A trustee.

18 “(f) A person the board defines by rule as an officer. The definition of
19 officer adopted by board rule may include persons not listed in this sub-
20 section who may exercise substantial control over a business.

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

23 “(a) Residential general contractor;

24 “(b) Residential specialty contractor;

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

26 “(d) Residential developer[.];

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

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

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

1 structure.

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

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

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

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

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

10 “(E) A manufactured dwelling;

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

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

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

15 “(A) Subject to paragraph (a)(C) of this subsection, a structure that con-
16 tains both residential and nonresidential units;

17 “(B) Transient lodging;

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

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

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

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

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

25 “(H) A nursing home;

26 “(I) A hospital; or

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

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

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

30 “(b) Exercises management or supervisory authority, as defined by the

1 board by rule, over the construction activities of the business; and

2 “(c)(A) Successfully completed the training and testing required for li-
3 censing under ORS 701.122 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
8 feet or less, including exterior walls, and a height of not more than 20 feet
9 from the top surface of the lowest flooring to the highest interior overhead
10 finish of the structure;

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

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

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

21 “(18) ‘Specialty contractor’ means a contractor who performs work on a
22 structure, project, development or improvement and whose operations as such
23 do not fall within the definition of ‘general contractor.’ ‘Specialty
24 contractor’ includes a person who performs work regulated under ORS
25 446.395.

26 “(19) ‘Zero-lot-line dwelling’ means a single-family dwelling unit con-
27 structed in a group of attached units in which:

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

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

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

3 “701.005. As used in this chapter:

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

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

7 “(a) Commercial general contractor level 1;

8 “(b) Commercial specialty contractor level 1;

9 “(c) Commercial general contractor level 2;

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

11 “(e) Commercial developer.

12 “(3) ‘Commercial developer’ means a developer of property that is zoned
13 for or intended for use compatible with a small commercial or large com-
14 mercial structure.

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

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

18 “(b) A judgment or civil penalty that has become final by operation of law
19 arising from construction activities within the United States; or

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

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

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

29 “(b) A person that purchases or owns property and constructs or for
30 compensation arranges for the construction of one or more residential

1 structures or small commercial structures with the intent of selling the
2 structures.

3 “(c) A school district, as defined in ORS 332.002, that permits students to
4 construct a residential structure or small commercial structure as an edu-
5 cational experience to learn building techniques and sells the completed
6 structure.

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

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

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

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

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

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

29 “(b) ‘General contractor’ does not mean a specialty contractor or a resi-
30 dential limited contractor.

1 “(8)(a) ‘Home improvement’ means a renovation, remodel, repair or alter-
2 ation by a residential contractor to an existing owner-occupied:

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

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

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

8 “(D) Manufactured dwelling; or

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

10 “(b) ‘Home improvement’ does not include a renovation, remodel, repair
11 or alteration by a residential contractor:

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

14 “(B) That the residential contractor performed in the course of con-
15 structing a new residential structure.

16 “(9)(a) ‘Home inspector’ means a person who, for a fee, inspects and pro-
17 vides written reports on the overall physical condition of a residential
18 structure.

19 “(b) ‘Home inspector’ does not include persons certified under ORS chap-
20 ter 455 to inspect new, repaired or altered structures for compliance with the
21 state building code.

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

25 “(11) ‘Large commercial structure’ means a structure that is not a resi-
26 dential structure or small commercial structure.

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

28 “(a) A president, vice president, secretary, treasurer or director of a cor-
29 poration.

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

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

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

3 “(e) A trustee.

4 “(f) A person the board defines by rule as an officer. The definition of
5 officer adopted by board rule may include persons not listed in this sub-
6 section who may exercise substantial control over a business.

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

9 “(a) Residential general contractor;

10 “(b) Residential specialty contractor;

11 “(c) Residential limited contractor; [*or*]

12 “(d) Residential developer[.];

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

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

15 “(14) ‘Residential developer’ means a developer of property that is zoned
16 for or intended for use compatible with a residential or small commercial
17 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
21 stories or less above grade;

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

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

26 “(E) A manufactured dwelling;

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

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

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

1 “(A) Subject to paragraph (a)(C) of this subsection, a structure that con-
2 tains both residential and nonresidential units;
3 “(B) Transient lodging;
4 “(C) A residential school or residence hall;
5 “(D) A state or local correctional facility other than a local facility for
6 persons enrolled in work release programs maintained under ORS 144.460;
7 “(E) A youth correction facility as defined in ORS 420.005;
8 “(F) A youth care center operated by a county juvenile department under
9 administrative control of a juvenile court pursuant to ORS 420.855 to 420.885;
10 “(G) A detention facility as defined in ORS 419A.004;
11 “(H) A nursing home;
12 “(I) A hospital; or
13 “(J) A place constructed primarily for recreational activities.
14 “(16) ‘Responsible managing individual’ means an individual who:
15 “(a) Is an owner described in ORS 701.094 or an employee of the business;
16 “(b) Exercises management or supervisory authority, as defined by the
17 board by rule, over the construction activities of the business; and
18 “(c)(A) Successfully completed the training and testing required for li-
19 censing under ORS 701.122 within a period the board identifies by rule;
20 “(B) Demonstrated experience the board requires by rule; or
21 “(C) Complied with the licensing requirements of ORS 446.395.
22 “(17) ‘Small commercial structure’ means:
23 “(a) A nonresidential structure that has a ground area of 10,000 square
24 feet or less, including exterior walls, and a height of not more than 20 feet
25 from the top surface of the lowest flooring to the highest interior overhead
26 finish of the structure;
27 “(b) A nonresidential leasehold, rental unit or other unit that is part of
28 a larger structure, if the unit has a ground area of 12,000 square feet or less,
29 excluding exterior walls, and a height of not more than 20 feet from the top
30 surface of the lowest flooring to the highest interior overhead finish of the

1 unit;

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

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

7 “(18) ‘Specialty contractor’ means a contractor who performs work on a
8 structure, project, development or improvement and whose operations as such
9 do not fall within the definition of ‘general contractor.’ ‘Specialty
10 contractor’ includes a person who performs work regulated under ORS
11 446.395.

12 “(19) ‘Zero-lot-line dwelling’ means a single-family dwelling unit con-
13 structed in a group of attached units in which:

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

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

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

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

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

30 “(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
7 submits a bid to do work as a contractor in preparation for or in connection
8 with a small commercial structure must have one of the following endorse-
9 ments:

10 “(a) Residential general contractor.

11 “(b) Residential specialty contractor.

12 “(c) Residential limited contractor.

13 “(d) Residential developer.

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

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

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

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

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

19 “[*i*] (j) Commercial developer.

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

24 “(a) Commercial general contractor level 1.

25 “(b) Commercial specialty contractor level 1.

26 “(c) Commercial general contractor level 2.

27 “(d) Commercial specialty contractor level 2.

28 “(e) Commercial developer.

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

30 **“701.081. (1) A residential general contractor shall:**

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

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

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

6 “(2) A residential specialty contractor shall:

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

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

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

12 “(3) A residential limited contractor shall:

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

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

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

18 “(4) A residential developer shall:

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

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

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

24 **“(a) Obtain a surety bond under ORS 701.068 in the amount of**
25 **\$10,000;**

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

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

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

