

# Senate Bill 1571

Sponsored by Senator SHIELDS; Senators MONNES ANDERSON, PROZANSKI, ROSENBAUM, Representative BAILEY (Presession filed.)

## 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**.

Prohibits certain solicitation practices by construction contractors providing restoration work on residential or commercial property or contents following man-made or natural disaster. Makes violation subject to civil penalty not to exceed \$10,000. Requires minimum civil penalty of \$1,000 and imposition of license sanctions for repeat violations.

## A BILL FOR AN ACT

Relating to restoration work; creating new provisions; and amending ORS 701.992.

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

**SECTION 1. Sections 2 and 3 of this 2014 Act are added to and made a part of ORS chapter 701.**

**SECTION 2. (1) As used in this section:**

(a) **"Man-made or natural disaster" means a fire, flood, earthquake, crime or other sudden event that causes property or the contents of property to suffer major damage as defined by the Construction Contractors Board by rule.**

(b) **"Restoration work" means services to repair, restore or clean residential or commercial property, or the contents of a residential or commercial property, damaged by a man-made or natural disaster.**

(2) **A contractor may not directly, or through an employee, agent or other person acting on behalf of the contractor, solicit restoration work business by initiating in-person contact with a property owner or occupant at, or within 1,000 feet of, property damaged by a man-made or natural disaster.**

(3) **A contractor may not directly, or through an employee, agent or other person acting on behalf of the contractor, solicit restoration work business from a property owner or occupant if the contractor or the person making the solicitation knows or reasonably should know that the physical, emotional or mental state of the owner or occupant is such that the owner or occupant is unable to exercise reasonable judgment in contracting for restoration work.**

**SECTION 3. (1) A person who violates section 2 of this 2014 Act is subject to assessment of a civil penalty by the Construction Contractors Board, not to exceed \$10,000.**

**(2) If a person commits a second violation of section 2 of this 2014 Act:**

(a) **The civil penalty imposed by the board under subsection (1) of this section may not be less than \$1,000; and**

(b) **The board shall suspend or revoke the license of the contractor. A license suspension under this paragraph shall be for period of not less than 30 days.**

**(3) If a person commits a third violation of section 2 of this 2014 Act:**

**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) The civil penalty imposed by the board under subsection (1) of this section may not**  
2 **be less than \$1,000; and**

3       **(b) The board shall revoke the license of the contractor.**

4       **SECTION 4.** ORS 701.992 is amended to read:

5       701.992. (1) Except as provided in subsections (4) and (5) of this section **or section 3 of this 2014**  
6 **Act**, any person who violates any provision of this chapter or any rule adopted by the Construction  
7 Contractors Board shall forfeit and pay into the General Fund of the State Treasury a civil penalty  
8 in an amount determined by the board of not more than \$5,000 for each offense.

9       (2) Civil penalties under this section shall be imposed as provided in ORS 183.745.

10       (3) The provisions of this section are in addition to and not in lieu of any other penalty or  
11 sanction provided by law.

12       (4) The board shall impose sanctions for violation of ORS 701.098 (1)(h) on both the person to  
13 whom the contract is awarded and the person who awards the contract as follows:

14       (a) A penalty not less than \$500 nor more than \$1,000 for the first offense;

15       (b) A penalty not less than \$1,000 nor more than \$2,000 for the second offense;

16       (c) Suspension of the person's license for six months for a third offense;

17       (d) Suspension of the person's license for three years for a fourth offense; and

18       (e) Revocation of the person's license for a fifth offense.

19       (5) The board may impose a civil penalty not to exceed \$100 for each violation of ORS 87.007  
20 (3).

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