

# House Bill 2947

Sponsored by Representative WITT

## 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**.

Increases required bond for residential general contractor.

### A BILL FOR AN ACT

Relating to residential contractor bonding; creating new provisions; and amending ORS 701.081.

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

**SECTION 1.** ORS 701.081 is amended to read:

701.081. (1) A residential general contractor shall:

(a) Obtain a surety bond under ORS 701.068 in the amount of [*\$20,000*] **\$50,000**;

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

and

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

(2) A residential specialty contractor shall:

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

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

and

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

(3) A residential limited contractor shall:

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

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

and

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

(4) A residential developer shall:

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

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

(5) A residential locksmith services contractor shall:

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

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

and

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

(6) A home inspector services contractor shall:

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

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

and

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

3 (7) A home services contractor shall:

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

5 (b) Obtain general liability insurance under ORS 701.073 in an amount of not less than \$100,000.

6 (8) A home energy performance score contractor shall:

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

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

10 (c) Have an owner or employee that is certified by the board as a home energy assessor.

11 **SECTION 2. (1) A residential general contractor shall file any new or additional bonds**  
12 **necessary for compliance with ORS 701.081 (1)(a) with the Construction Contractors Board**  
13 **no later than 90 days after the effective date of this 2015 Act. However, any person filing a**  
14 **license application under ORS 701.068 (1) on or after the effective date of this 2015 Act must**  
15 **file a bond in the amount described in ORS 701.081 (1)(a) with the application. This sub-**  
16 **section does not apply to a person required by the board under ORS 701.068 (6) to have a bond**  
17 **that exceeds the amount required under ORS 701.081 (1)(a).**

18 (2) Notwithstanding ORS 701.098 and 701.992, if a residential general contractor that is  
19 subject to the 90-day filing deadline established in subsection (1) of this section maintains a  
20 bond of at least \$20,000 the board may not impose a license suspension or revocation or civil  
21 penalty on the contractor for a failure to comply with ORS 701.081 (1)(a) prior to the 90-day  
22 filing deadline.