

A-Engrossed
Senate Bill 596

Ordered by the Senate April 28
Including Senate Amendments dated April 28

Sponsored by COMMITTEE ON WORKFORCE

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.

Requires person employing, contracting with or leasing services of construction flagger to obtain construction flagging contractor license. Creates exceptions for certain other licensed contractors. Imposes insurance and bonding requirements for construction flagging contractors.

Takes effect July 1, 2017.

A BILL FOR AN ACT

1
2 Relating to construction flagging contractors; and prescribing an effective date.

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

4 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS chapter 701.**

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

6 (a)(A) **"Construction flagger" means an individual who, for compensation or with the**
7 **expectation of compensation, directs or controls the flow of motor vehicle traffic on a public**
8 **roadway to prevent or reduce conflict between the flow of traffic and construction activity**
9 **on or near the roadway.**

10 (B) **"Construction flagger" does not mean an individual performing work for the federal**
11 **government, a public body as defined in ORS 174.109 or a business regulated by the Public**
12 **Utility Commission.**

13 (b) **"Construction flagging contractor" means a person who employs, contracts with or**
14 **obtains through a worker leasing company, one or more individuals to act as construction**
15 **flaggers.**

16 (2) **Except as provided in this section, a person may not undertake, offer to undertake**
17 **or submit a bid to do work as a construction flagging contractor unless the person holds a**
18 **construction flagging contractor license issued by the Construction Contractors Board.**

19 (3) **This section does not require a person to obtain a construction flagging contractor**
20 **license if the person holds a valid license and endorsement as a:**

21 (a) **Residential general contractor;**

22 (b) **Commercial general contractor level 1;**

23 (c) **Commercial specialty contractor level 1;**

24 (d) **Commercial general contractor level 2; or**

25 (e) **Commercial specialty contractor level 2.**

26 (4) **An applicant for a construction flagging contractor license must:**

27 (a) **Submit an application in the manner described in ORS 701.046;**

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

2 (c) Obtain general liability insurance under ORS 701.073 in an amount of not less than
3 \$500,000.

4 (5) A construction flagging contractor license authorizes a person to act as a con-
5 struction flagging contractor but does not authorize the person to engage in any other ac-
6 tivities that require a license issued under this chapter.

7 (6) Notwithstanding any other provision of this chapter, the board may not:

8 (a) Impose training or continuing education requirements for a construction flagging
9 contractor or a responsible managing individual for the contractor.

10 (b) Require a construction flagging contractor or the responsible managing individual for
11 the contractor to take a test measuring the knowledge of the contractor or responsible
12 managing individual regarding business practices and laws affecting construction contrac-
13 tors.

14 **SECTION 3.** (1) The Construction Contractors Board shall make construction flagging
15 contractor licenses available for issuance under section 2 of this 2015 Act no later than 180
16 days after the effective date of this 2015 Act.

17 (2) Notwithstanding section 2 of this 2015 Act and ORS 701.992, the board may not assess
18 a civil penalty against a person for a failure to comply with section 2 of this 2015 Act during
19 the period ending 90 days after the date that the board makes construction flagging con-
20 tractor licenses available for issuance.

21 **SECTION 4.** This 2015 Act takes effect on July 1, 2017.
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