

SB 336 STAFF MEASURE SUMMARY

Carrier: Sen. Riley

Senate Committee On Business and Transportation

Action Date: 02/13/17
Action: Do pass.
Vote: 5-0-0-0
Yeas: 5 - Beyer, Girod, Monroe, Riley, Thomsen
Fiscal: Has minimal fiscal impact
Revenue: No revenue impact
Prepared By: Patrick Brennan, LPRO Analyst

WHAT THE MEASURE DOES:

Allows a construction contractor or business to temporarily operate without a responsible managing individual if the responsible managing individual ceases service in that role.

ISSUES DISCUSSED:

- Reasons that a responsible managing individual might leave
- Possible negative impacts to both contractors and customers of work delays or termination

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Construction Contractors Board (CCB) is the state's licensing and regulatory agency for residential and commercial construction contractors, subcontractors and home inspectors. The Board investigates and adjudicates complaints filed against licensees and assesses sanctions where applicable, and provides education and testing on construction laws and business practices.

The responsible managing individual can be either an owner or employee of the business who exercises management or supervisory authority and who has successfully completed the training for, and has passed the required testing for, licensure in the role. While it is not prohibited for a business to have more than one licensed responsible managing individual, most have just one. This can cause problems when the responsible managing individual leaves a business unexpectedly before a replacement can become qualified and licensed.

Senate Bill 336 establishes a procedure by which a construction contracting business may temporarily operate without a responsible managing individual, and directs CCB to adopt rules establishing the maximum period for operating without one.