HB 2420-5 (LC 2862) 4/12/19 (RLM/CDT/ps)

Requested by HOUSE COMMITTEE ON RULES at the request of Representative Paul Holvey

PROPOSED AMENDMENTS TO HOUSE BILL 2420

On page 1 of the printed bill, line 4, after "455.450," insert "455.475,". 1 Delete lines 7 through 19 and delete pages 2 through 24 and insert: 2 3 **"GENERAL DEFINITIONS** 4 $\mathbf{5}$ "SECTION 1. ORS 455.010 is amended to read: 6 "455.010. As used in this chapter, unless the context requires otherwise: 7 "(1)(a) 'Advisory board' means the board with responsibility for assisting 8 in the adoption, amendment or administration of a specialty code, specif-9 ically: 10 "(A) The Building Codes Structures Board established under ORS 455.132; 11 "(B) The Electrical and Elevator Board established under ORS 455.138; 12 "(C) The State Plumbing Board established under ORS 693.115; 13 "(D) The Board of Boiler Rules established under ORS 480.535; 14 "(E) The Residential and Manufactured Structures Board established un-15der ORS 455.135; 16 "(F) The Mechanical Board established under ORS 455.140; or 17 "(G) The Construction Industry Energy Board established under ORS 18 455.492. 19 "(b) 'Appropriate advisory board' means the advisory board that has ju-20risdiction over a particular code, standard, license, certification or matter. 21

1 "(2) 'Department' means the Department of Consumer and Business Ser-2 vices.

"(3) 'Director' means the Director of the Department of Consumer and
Business Services.

5 "(4) 'Low-Rise Residential Dwelling Code' means the adopted specialty 6 code prescribing standards for the construction of residential dwellings that 7 are three stories or less above grade and have an exterior door for each 8 dwelling unit, but are not facilities or homes described in ORS 443.400 or 9 transient lodging.

"(5) 'Municipal building official' means a person who is charged by
 a municipality with responsibility for the administration and enforce ment of a building inspection program in the municipality and is:

13 "(a) An employee of the municipality; or

"(b) A person employed under an intergovernmental agreement or
 by a council of governments to carry out that responsibility for any
 number of municipalities, provided that:

"(A) The municipalities are contained within a geographic area that
 does not exceed three adjacent counties; and

"(B) The department determines by rule that the municipalities can
be reasonably served by the person on a timely basis.

"(6) 'Municipal inspector' means a person who performs routine
 enforcement of one or more state building code specialty codes or
 parts of one or more specialty codes for a municipality and is:

24 "(a) An employee of the municipality; or

25 "(b) A person employed under an intergovernmental agreement or 26 by a council of governments or acting as an independent contractor 27 exercising actual or apparent authority under the contract to perform 28 that routine enforcement in any number of municipalities, provided 29 that:

30 "(A) The municipalities are contained within a geographic area that

1 does not exceed three adjacent counties; and

"(B) The department determines by rule that the municipalities can
be reasonably served by the person on a timely basis.

"[(5)] (7) 'Municipality' means a city, county or other unit of local government otherwise authorized by law to administer a building code.

6 "[(6)] (8) 'Prefabricated structure' means a building or subassembly that 7 has been in whole or substantial part manufactured or assembled using 8 closed construction at an off-site location to be wholly or partially assembled 9 on-site. 'Prefabricated structure' does not include a manufactured dwelling, 10 recreational structure or recreational vehicle, as those terms are defined in 11 ORS 446.003.

"[(7)] (9) 'Specialty code' means a code of regulations adopted under ORS
446.062, 446.185, 447.020 (2), 455.020 (2), 455.496, 455.610, 455.680, 460.085,
460.360, 479.730 (1) or 480.545, but does not include regulations adopted by
the State Fire Marshal pursuant to ORS chapter 476 or ORS 479.015 to
479.200 and 479.210 to 479.220.

17 "[(8)] (10) 'State building code' means the combined specialty codes.

"[(9)] (11) 'Structural code' means the specialty code prescribing struc tural standards for building construction.

"[(10)] (12) 'Unsafe condition' means a condition caused by earthquake which is determined by the department or any representative of the department to be dangerous to life and property. 'Unsafe condition' includes but is not limited to:

"(a) Any portion, member or appurtenance of a building that has become
detached or dislodged or appears likely to fail or collapse and thereby injure
persons or damage property; or

"(b) Any portion, of a building or structure that has been damaged by earthquake, or by fire or explosion resulting from an earthquake, to the extent that the structural strength or stability of the building is substantially less than it was prior to the earthquake. 1 2

"SECTION 2. (1) Except as provided in subsection (2) of this section,
 a municipal building official serving a municipality that administers
 and enforces a building inspection program under ORS 455.148 or
 455.150 must:

"(a) Hold a valid certificate as an A-level inspector or A-level plan
examiner issued by the Department of Consumer and Business Services or an equivalent certificate issued by a national organization
recognized by the Director of the Department of Consumer and Business Services by rule; and

12 **"(b) Have:**

"(A) Five or more years of experience performing A-level structural
 plan review under an appropriate certificate;

"(B) Five or more years of experience performing A-level structural
 inspections under an appropriate certificate; or

17 "(C) A bachelor's degree or higher degree in architecture.

"(2) A person who does not meet the requirements under subsection
(1) of this section may serve as a municipal building official for a
municipality if the municipality employs a lead municipal inspector
who possesses some of the qualifications described under subsection
(1) of this section as specified in department rules.

²³ "SECTION 3. ORS 455.715 is amended to read:

"455.715. As used in ORS 455.715 to 455.740, unless the context otherwise
 requires:

"(1) 'Building official' means a person charged by a municipality with
responsibility for administration and enforcement of the state building code
in the municipality.

"(2) "Business of providing prefabricated structure plan approvals and inspections' means an independent contractor providing prefabricated structure plan approval or inspection services, or both, under the following specialty
codes, as provided in ORS 455.020, 455.705 and 455.715:

3 "(a) Structural;

4 "(b) Mechanical;

5 "(c) Plumbing;

6 "(d) Electrical; [and] or

7 "(e) Low-rise residential dwelling.

8 "(3) 'Inspector' means:

9 "(a) A person, including a plans examiner, [acting under the authority and 10 direction of a building official and] charged **by a municipality** with the re-11 sponsibility of routine enforcement of one or more specialty codes or parts 12 of specialty codes **on behalf of the municipality**;

"(b) A person, including a plans examiner, who provides enforcement of
 one or more specialty codes or parts of specialty codes and who is personally
 in the business of providing prefabricated structure plan approvals or in spections or is employed by such a business;

"(c) A specialized building inspector certified under ORS 455.723 who [*is employed by*] **provides services to** a municipality or [*by*] **through** the De partment of Consumer and Business Services;

"(d) A person [*employed by*] **providing services to** a municipality or the department who is certified under ORS 455.732 to perform inspections under one or more specialty codes throughout a building code administrative region; or

²⁴ "(e) A person designated by the Director of the Department of Consumer ²⁵ and Business Services to ensure compliance with a specialty code or with ²⁶ any requirement for a license, registration, certification, endorsement or ²⁷ other authorization to perform work [*related to the administration and* ²⁸ *enforcement of*] **regulated under** the state building code.

²⁹ "<u>SECTION 4.</u> ORS 455.720 is amended to read:

³⁰ "455.720. (1) In accordance with applicable provisions of ORS chapter 183,

to promote effective and uniform enforcement of the state building code by
improving the competence of building officials and inspectors, the Director
of the Department of Consumer and Business Services, with the advice of the
advisory boards, shall:

5 "(a) Establish for building officials and inspectors reasonable minimum 6 training and experience standards, including but not limited to courses or 7 subjects for instruction, facilities for instruction, qualification of instructors 8 and methods of instruction. The standards shall include provisions for de-9 termining a practical experience equivalent.

"(b) Establish a procedure to be used by municipalities to determine whether a person meets minimum standards or has minimum training to [*be appointed or employed*] **provide services** as a building official or inspector. The procedure shall allow for a field examination of a person to determine if the person meets the practical experience equivalent of a minimum standard.

"(c) Subject to such terms, conditions and classifications as the director may impose, certify building officials as being qualified, and revoke such certifications in the manner provided in ORS 455.740.

"(d) Require an applicant for a certificate as a building official or inspector to demonstrate knowledge of the laws governing accessibility to buildings by persons with disabilities by passing an examination prescribed by the director.

"(2) The director shall maintain and, upon request of [municipalities, furnish information on applicants for appointment or employment as building officials or inspectors.] a municipality, furnish information on candidates
for the provision of municipal building official services, or municipal
inspector services, to the municipality.

"(3) Pursuant to ORS chapter 183, the director shall adopt rules necessary
to carry out the certification programs provided by subsection (1) of this
section.

"(4) The director, by rule, may require evidence of completion of continuing education covering any certification created under this section as a condition of maintaining the certification. Nothing in this subsection shall prohibit the director from delegating any of this power to a municipality.

5 "(5) The director, with the advice of the appropriate advisory boards, may 6 adopt rules for certifying inspectors as being qualified to enforce one or more 7 particular specialty codes, subject to any terms, conditions and classifica-8 tions the director may impose, and for revoking those certifications in the 9 manner provided in ORS 455.740.

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"SECTION 5. ORS 455.723 is amended to read:

"455.723. (1) The Director of the Department of Consumer and Business Services, with the advice of the appropriate advisory boards, may adopt rules establishing one or more programs to train, qualify and certify an individual as a specialized building inspector authorized to enforce [*portions*] **parts** of specialty codes. Notwithstanding ORS 455.720 (1) and 455.725, the rules may include, but need not be limited to, rules that establish:

"(a) Work experience, training and other qualifications for program par-ticipation;

¹⁹ "(b) Content and presentation requirements for training programs;

"(c) Methods for verifying the qualification of the individual to enforce
 [portions] parts of specialty codes as a specialized building inspector certi fied under this section;

"(d) The [*portions*] **parts** of various specialty codes that each program
will enable a qualifying individual to enforce and any terms, conditions or
classifications applicable for that enforcement; and

"(e) Requirements the director believes reasonable for the administration
 and enforcement of this section.

"(2) Notwithstanding ORS 446.250, 455.630, 455.720, 455.725, 479.530,
479.810 and 479.855, the director may issue or cause to be issued a certificate
as a specialized building inspector to an individual who successfully com-

pletes an approved training program and satisfies qualification verification
 under this section. A specialized building inspector may be trained and
 certified in parts of more than one specialty code.

"(3) An individual certified as a specialized building inspector under this section may conduct inspections and enforce [*portions*] **parts** of specialty codes under ORS 479.510 to 479.945 and 479.950 and this chapter and ORS rhapters 446, 447 and 693 as identified by the director. The enforcement of [*portions*] **parts** of specialty codes by a specialized building inspector is subject to any terms, conditions or classifications applicable to that enforcement established by the director by rule.

11 "SECTION 6. ORS 455.730 is amended to read:

"455.730. [No person shall be appointed or employed as a building official or inspector by any municipality] A municipality may not accept municipal building official or municipal inspector services from a person unless the person has been certified as being qualified under ORS 455.715 to 455.740, and the certification has not lapsed or been revoked.

¹⁷ "SECTION 7. ORS 455.732 is amended to read:

¹⁸ "455.732. (1) As used in this section, 'building code administrative ¹⁹ region' means a region established by the Director of the Department of ²⁰ Consumer and Business Services under ORS 455.042 for the uniform admin-²¹ istration of the state building code.

"(2) The authority of the director under this section and ORS 455.720 and 455.723 to specify terms, conditions and classifications for the certification of inspectors includes the authority to certify an inspector to perform inspections under multiple specialty codes or parts of a specialty code.

"(3) The director may provide for an inspector who is likely to be employed within a specific building code administrative region to be certified to perform inspections throughout a building code administrative region, whether within or outside of a municipality. The director may recognize any training program certified by the director under ORS 455.723 or 455.725 for

purposes of certifying an inspector to perform inspections throughout a building code administrative region. This subsection does not require a municipality administering and enforcing a building inspection program under ORS 455.148 or 455.150 to allow an inspector certified under this subsection who is not [*employed by*] **an employee of** the municipality to perform building inspections on behalf of the municipality.

"(4) In determining the appropriate experience, training or other qualifications for an inspector under ORS 455.720 or 455.723, the director shall
consult with the appropriate advisory boards. The factors to be considered
by the director may include, but need not be limited to:

"(a) Any factors specific to, or of particular relevance to, a specialty code
 or to the types of buildings, structures, systems or equipment in a geographic
 area that are inspected under the specialty code;

"(b) Staffing levels or other specific criteria for building inspection programs established by a municipality where the inspector is likely to [*be employed*] **provide services** or for building inspection programs established by the director; and

"(c) Any factors specific to, or of particular relevance to, the building
 code administrative region within which the inspector is likely to [*be em- ployed*] provide services.

"(5) In determining the scope of certifications and qualifications for an inspector, the director may utilize field training equivalency, independent evaluations or other methods the director deems appropriate.

²⁴ "SECTION 8. ORS 455.737 is amended to read:

²⁵ "455.737. (1) Notwithstanding ORS 455.720 (1), the Director of the De-²⁶ partment of Consumer and Business Services, by rule, shall adopt criteria for ²⁷ review of the experience and training in building inspection and building ²⁸ plan review acquired by a person outside the State of Oregon. The criteria ²⁹ shall be adopted in a manner that facilitates review of a person's qualifica-³⁰ tions by a [*local*] **municipal** building official.

"(2)(a) A [local] **municipal** building official who wishes to [employ] use 1 the services of a person who is not certified under ORS 455.735 as an in- $\mathbf{2}$ spector shall submit the person's qualifications to the director. The director 3 shall review the stated qualifications against the criteria adopted under 4 subsection (1) of this section, including verification of experience and train- $\mathbf{5}$ ing. The director shall respond to the *[local]* **municipal** building official in 6 writing within 10 working days of receiving the applicant's qualifications, 7 stating whether the person meets the applicable criteria. 8

9 "(b) Upon application and payment of the required fee, the director shall 10 allow a person whose qualifications meet the criteria adopted under sub-11 section (1) of this section to sit for any examination necessary for the re-12 quired certification.

¹³ "<u>SECTION 9.</u> ORS 455.740 is amended to read:

"455.740. (1) Subject to ORS chapter 183, the Director of the Department of Consumer and Business Services may deny, condition, suspend, revoke or refuse to renew a certificate of a building official or inspector if the director finds that the building official or inspector has:

"(a) Consistently failed to act in the public interest in the performanceof duties;

"(b) Failed to complete the continuing education requirements as required
 under ORS 455.720 (4);

"(c) Provided false information to the Department of Consumer and
Business Services; or

²⁴ "(d) Committed an act described in ORS 455.125 or 455.129.

"(2) In any revocation proceeding under this section, [*the*] a municipality
or council of governments that employs the building official or inspector
[*shall be*] is entitled to appear as a party in interest, either for or against
the revocation.

29 "(3) When a certification is suspended or revoked under this section, the 30 director may also suspend, deny or place conditions on that person's right to reapply for certification under ORS 455.735 for a period not to exceed 12
months.

"(4) This section does not limit or otherwise affect the authority of a
municipality to dismiss or suspend a building official or inspector at the
discretion of the municipality.

6 "(5) Notwithstanding the requirements of subsections (1) to (4) of this 7 section, the director may adopt rules that:

8 "(a) Allow certifications to be placed on inactive status; and

9 "(b) Extend continuing education compliance requirements in case of ill-10 ness or hardship.

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"MUNICIPAL BUILDING INSPECTION PROGRAMS

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"SECTION 10. (1) If a municipal building official makes a building 14 inspection program decision that is adverse to a party, and the deci-15 sion is not a code interpretation, a ruling on design or materials or a 16 ruling on other technical or scientific issues reserved by law for de-17 termination by the Director of the Department of Consumer and 18 Business Services, the Department of Consumer and Business Ser-19 vices, a chief specialty code inspector or an advisory board, the 20municipality shall provide an administrative process for appealing the 21decision. 22

"(2) At the time of making the decision, the municipal building of ficial shall, in writing:

25 "(a) State that the party may appeal the decision; and

26 "(b) Describe the means and the deadline for informing the
 27 municipality that the party is appealing the decision.

28 **"(3)** The municipal administrative process must:

"(a) Afford the party an opportunity to appeal the decision before
 an individual, department or body that is other than the municipal

1 building official or a municipal inspector; and

2 "(b) Not be a judicial proceeding in a court of law.

"(4) If a municipal inspector makes a determination that is adverse to a party, and after receiving a request for review from the adversely affected party the municipal building official fails to timely review the municipal inspector's determination and issue a decision, the municipality shall treat the failure as a municipal building official decision affirming the municipal inspector and provide the party a reasonable opportunity to use the municipal administrative process to appeal.

10 "(5) The costs incurred by a municipality in providing notice and 11 administrative process under this section are building inspection pro-12 gram administration and enforcement costs for the purpose of fee 13 adoption under ORS 455.210.

"<u>SECTION 11.</u> A person, regardless of how employed, who performs
 plan review, building inspection services or building official services
 for a municipality is a public official for the purposes of ORS chapter
 244.

¹⁸ "SECTION 12. ORS 455.148 is amended to read:

"455.148. (1)(a) A municipality that assumes the administration and
 enforcement of a building inspection program shall administer and enforce
 the program for all of the following:

"(A) The state building code, as defined in ORS 455.010, except as set
forth in paragraph (b) of this subsection.

"(B) Manufactured structure installation requirements under ORS 446.155,
446.185 (1) and 446.230.

"(C) Manufactured dwelling parks and mobile home parks under ORS
 chapter 446.

²⁸ "(D) Park and camp programs regulated under ORS 455.680.

²⁹ "(E) Tourist facilities regulated under ORS 446.310 to 446.350.

³⁰ "(F) Manufactured dwelling alterations regulated under ORS 446.155.

"(G) Manufactured structure accessory buildings and structures under
 ORS 446.253.

"(H) Boilers and pressure vessels described in rules adopted under ORS
4 480.525 (5).

5 "(b) A building inspection program of a municipality may not include:

"(A) Boiler and pressure vessel programs under ORS 480.510 to 480.670
except those described in rules adopted under ORS 480.525 (5);

8 "(B) Elevator programs under ORS 460.005 to 460.175;

9 "(C) Amusement ride regulation under ORS 460.310 to 460.370;

10 "(D) Prefabricated structure regulation under ORS chapter 455;

"(E) Manufacture of manufactured structures programs under ORS 446.155
to 446.285, including the administration and enforcement of federal manufactured dwelling construction and safety standards adopted under ORS
446.155 or the National Manufactured Housing Construction and Safety
Standards Act of 1974;

"(F) Licensing and certification, or the adoption of statewide codes and
 standards, under ORS chapter 446, 447, 455, 479 or 693; or

¹⁸ "(G) Review of plans and specifications as provided in ORS 455.685.

"(2) A municipality that administers a building inspection program as allowed under this section shall do so for periods of four years. The Department of Consumer and Business Services shall adopt rules to adjust time periods for administration of a building inspection program to allow for variations in the needs of the department and participants.

²⁴ "(3)(a) When a municipality administers a building inspection program, ²⁵ the governing body of the municipality shall[, unless other means are already ²⁶ provided, appoint a person to administer and enforce the building inspection ²⁷ program, who shall be known as the building official. A building official ²⁸ shall, in the municipality for which appointed, attend to all aspects of code ²⁹ enforcement, including the issuance of all building permits. Two or more ³⁰ municipalities may combine in the appointment of a single building official for

the purpose of administering a building inspection program within their communities.] arrange for the services of a municipal building official, and
if necessary a lead municipal inspector, in accordance with section 2
of this 2019 Act.

5 "(b) Except as provided in this subsection, the municipal building 6 official shall be responsible for ensuring the adequate and proper ad-7 ministration and enforcement of building inspection program activ-8 ities, including but not limited to the issuance of building permits. The 9 municipal building official shall provide supervision for municipal in-10 spectors.

"(4)(a) By January 1 of the year preceding the expiration of the four-year period described in subsection (2) of this section, the governing body of the municipality shall notify the Director of the Department of Consumer and Business Services and, if the municipality is not a county, notify the county whether the municipality will continue to administer and enforce the building inspection program after expiration of the four-year period.

"(b) Notwithstanding the January 1 date set forth in paragraph (a) of this
subsection, the director and the municipality and, if the municipality is not
a county, the county may by agreement extend that date to no later than
March 1.

"(5) If a city does not notify the director, or notifies the director that it will not administer the building inspection program, the county or counties in which the city is located shall administer and enforce the county program within the city in the same manner as the program is administered and enforced outside the city, except as provided by subsection (6) of this section. "(6) If a county does not notify the director, or notifies the director that it will not administer and enforce a building inspection program, the director

shall contract with a municipality or other person or use such state employees or state agencies as are necessary to administer and enforce a building inspection program, and permit or other fees arising therefrom shall

be paid into the Consumer and Business Services Fund created by ORS
705.145 and credited to the account responsible for paying the expenses
thereof. A state employee may not be displaced as a result of using contract
personnel.

5 "(7) The governing body of a municipality may commence responsibility 6 for the administration and enforcement of a building inspection program be-7 ginning July 1 of any year by notifying the director no later than January 8 1 of the same year and obtaining the director's approval of an assumption 9 plan as described in subsection [(11)(c)] (12)(c) of this section.

"(8) The department shall adopt rules to require the governing body of 10 each municipality assuming or continuing a building inspection program 11 under this section to submit a written plan with the notice required under 12 subsection (4) or (7) of this section. If the department is the governing body, 13 the department shall have a plan on file. The plan must specify how coop-14 eration with the State Fire Marshal or a designee of the State Fire Marshal 15will be achieved and how a uniform fire code will be considered in the review 16 process of the design and construction phases of buildings or structures. 17

(9) A municipal inspector who is not an employee of the municipal pality shall, subject to the approval of the municipal building official, establish the resources used or needed for the municipal inspector to perform routine enforcement services and establish the method by which the enforcement services are to be performed.

"[(9)] (10) A municipality that administers and enforces a building inspection program pursuant to this section shall recognize and accept the performances of state building code activities by businesses and persons authorized under ORS 455.457 to perform the activities as if the activities were performed by the municipality. A municipality is not required to accept an inspection, a plan or a plan review that does not meet the requirements of the state building code.

³⁰ "[(10)] (11) The department or a municipality that accepts an inspection

or plan review as required by this section by a person licensed under ORS
 455.457 has no responsibility or liability for the activities of the licensee.

"[(11)] (12) In addition to the requirements of ORS 455.100 and 455.110,
the director shall regulate building inspection programs that municipalities
assume on or after January 1, 2002. Regulation under this subsection shall
include but not be limited to:

"(a) Creating building inspection program application and amendment
requirements and procedures;

9 "(b) Granting or denying applications for building inspection program 10 authority and amendments;

"(c) Requiring a municipality assuming a building inspection program to submit with the notice given under subsection (7) of this section an assumption plan that includes, at a minimum:

"(A) A description of the intended availability of program services, in cluding proposed service agreements for carrying out the program during at
 least the first two years;

"(B) Demonstration of the ability and intent to provide building inspection program services for at least two years;

"(C) An estimate of proposed permit revenue and program operating expenses;

21 "(D) Proposed staffing levels; and

22 "(E) Proposed service levels;

²³ "(d) Reviewing procedures and program operations of municipalities;

"(e) Creating standards for efficient, effective, timely and acceptable
 building inspection programs;

26 "(f) Creating standards for justifying increases in building inspection 27 program fees adopted by a municipality;

(g) Creating standards for determining whether a county or department building inspection program is economically impaired in its ability to reasonably continue providing the program throughout a county, if another municipality is allowed to provide a building inspection program within thesame county; and

3 "(h) Enforcing the requirements of this section.

4 "[(12)] (13) The department may assume administration and enforcement
5 of a building inspection program:

6 "(a) During the pendency of activities under ORS 455.770;

"(b) If a municipality abandons or is no longer able to administer the
building inspection program; and

9 "(c) If a municipality fails to substantially comply with any provision of 10 this section or of ORS 455.465, 455.467 and 455.469.

"[(13)] (14) If the department assumes the administration and enforcement of a building inspection program under this section, in addition to any other power granted to the director, the director may:

"(a) Enter into agreements with local governments under ORS 455.185
 regarding the administration and enforcement of the assumed building in spection program;

"(b) Take action as described in ORS 455.192 to ensure that sufficient staff and other resources are available for the administration and enforcement of the assumed building inspection program; and

"(c) Charge fees described in ORS 455.195 for department services pro vided in administering and enforcing the assumed building inspection pro gram.

"[(14)] (15) A municipality that abandons or otherwise ceases to adminis-23ter and enforce a building inspection program that the municipality assumed 24under this section may not resume the administration or enforcement of the 25program for at least two years. The municipality may resume the adminis-26tration and enforcement of the abandoned program only on July 1 of an 27odd-numbered year. Prior to resuming the administration and enforcement 28of the program, the municipality must follow the notification procedure set 29 forth in subsection (7) of this section. 30

¹ **"SECTION 13.** ORS 455.150 is amended to read:

"455.150. (1) Except as provided in subsection [(15)] (16) of this section,
a municipality that assumes the administration and enforcement of a building inspection program prior to January 1, 2002, may administer and enforce
all or part of a building inspection program. A building inspection program:
"(a) Is a program that includes the following:

"(A) The state building code, as defined in ORS 455.010, except as set
forth in paragraph (b) of this subsection.

9 "(B) Manufactured structure installation requirements under ORS 446.155,
10 446.185 (1) and 446.230.

11 "(C) Manufactured dwelling parks and mobile home parks under ORS 12 chapter 446.

13 "(D) Park and camp programs regulated under ORS 455.680.

14 "(E) Tourist facilities regulated under ORS 446.310 to 446.350.

¹⁵ "(F) Manufactured dwelling alterations regulated under ORS 446.155.

"(G) Manufactured structure accessory buildings and structures under
 ORS 446.253.

"(H) Boilers and pressure vessels described in rules adopted under ORS
480.525 (5).

20 "(b) Is not a program that includes:

"(A) Boiler and pressure vessel programs under ORS 480.510 to 480.670
except those described in rules adopted under ORS 480.525 (5);

²³ "(B) Elevator programs under ORS 460.005 to 460.175;

²⁴ "(C) Amusement ride regulation under ORS 460.310 to 460.370;

²⁵ "(D) Prefabricated structure regulation under ORS chapter 455;

"(E) Manufacture of manufactured structures programs under ORS 446.155
to 446.285, including the administration and enforcement of federal manufactured dwelling construction and safety standards adopted under ORS
446.155 or the National Manufactured Housing Construction and Safety
Standards Act of 1974;

1 "(F) Licensing and certification, or the adoption of statewide codes and 2 standards, under ORS chapter 446, 447, 455, 479 or 693; and

³ "(G) Review of plans and specifications as provided in ORS 455.685.

4 "(2) A municipality that administers a building inspection program as 5 allowed under this section shall do so for periods of four years. The De-6 partment of Consumer and Business Services shall adopt rules to adjust time 7 periods for administration of a building inspection program to allow for 8 variations in the needs of the department and participants.

"(3)(a) When a municipality administers a building inspection program, 9 the governing body of the municipality shall[, unless other means are already 10 provided, appoint a person to administer and enforce the building inspection 11 program or parts thereof, who shall be known as the building official. A 12building official shall, in the municipality for which appointed, attend to all 13 aspects of code enforcement, including the issuance of all building permits. 14 Two or more municipalities may combine in the appointment of a single 15 building official for the purpose of administering a building inspection pro-16 gram within their communities.] arrange for the services of a municipal 17 building official, and if necessary a lead municipal inspector, in ac-18 cordance with section 2 of this 2019 Act. 19

"(b) Except as provided in this subsection, the municipal building official shall be responsible for ensuring the adequate and proper administration and enforcement of building inspection program activities, including but not limited to the issuance of building permits. The municipal building official shall provide supervision for municipal inspectors.

"(4)(a) By January 1 of the year preceding the expiration of the four-year period described in subsection (2) of this section, the governing body of the municipality shall notify the Director of the Department of Consumer and Business Services and, if not a county, notify the county whether the municipality will continue to administer the building inspection program, or

parts thereof, after expiration of the four-year period. If parts of a building
inspection program are to be administered and enforced by a municipality,
the parts shall correspond to a classification designated by the director as
reasonable divisions of work.

5 "(b) Notwithstanding the January 1 date set forth in paragraph (a) of this 6 subsection, the director and the municipality and, if the municipality is not 7 a county, the county may by agreement extend that date to no later than 8 March 1.

9 "(5) If a city does not notify the director, or notifies the director that it 10 will not administer certain specialty codes or parts thereof under the build-11 ing inspection program, the county or counties in which the city is located 12 shall administer and enforce those codes or parts thereof within the city in 13 the same manner as it administers and enforces them outside the city, except 14 as provided by subsection (6) of this section.

"(6) If a county does not notify the director, or notifies the director that 15 it will not administer and enforce certain specialty codes or parts thereof 16 under the building inspection program, the director shall contract with a 17 municipality or other person or use such state employees or state agencies 18 as are necessary to administer and enforce those codes or parts thereof, and 19 permit or other fees arising therefrom shall be paid into the Consumer and 20Business Services Fund created by ORS 705.145 and credited to the account 21responsible for paying such expenses. A state employee may not be displaced 22as a result of using contract personnel. 23

"(7) If a municipality administering a building inspection program under this section seeks to administer additional parts of a program, the municipality must comply with ORS 455.148, including the requirement that the municipality administer and enforce all aspects of the building inspection program. Thereafter, the municipality is subject to ORS 455.148 and ceases to be subject to this section.

30 "(8) The department shall adopt rules to require the governing body of

each municipality to submit a written plan with the notice required under subsection (4) of this section. If the department is the governing body, the department shall have a plan on file. The plan shall specify how cooperation with the State Fire Marshal or a designee of the State Fire Marshal will be achieved and how a uniform fire code will be considered in the review process of the design and construction phases of buildings or structures.

"(9) A municipal inspector who is not an employee of the municipal pality shall, subject to the approval of the municipal building official, establish the resources used or needed for the municipal inspector to perform routine enforcement services and establish the method by which the enforcement services are to be performed.

"[(9)] (10) A municipality that administers a code for which persons or businesses are authorized under ORS 455.457 to perform activities shall recognize and accept those activities as if performed by the municipality. A municipality is not required to accept an inspection, a plan or a plan review that does not meet the requirements of the state building code.

"[(10)] (11) The department or a municipality that accepts an inspection
or plan review as required by this section by a person licensed under ORS
455.457 has no responsibility or liability for the activities of the licensee.

"[(11)] (12) In addition to the requirements of ORS 455.100 and 455.110, the director shall regulate building inspection programs of municipalities assumed prior to January 1, 2002. Regulation under this subsection shall include but not be limited to:

"(a) Creating building inspection program application and amendment
 requirements and procedures;

"(b) Granting or denying applications for building inspection program
 authority and amendments;

²⁸ "(c) Reviewing procedures and program operations of municipalities;

"(d) Creating standards for efficient, effective, timely and acceptable
building inspection programs;

"(e) Creating standards for justifying increases in building inspection
program fees adopted by a municipality;

"(f) Creating standards for determining whether a county or department building inspection program is economically impaired in its ability to reasonably continue providing the program or part of the program throughout a county, if another municipality is allowed to provide a building inspection program or part of a program within the same county; and

8 "(g) Enforcing the requirements of this section.

9 "[(12)] (13) The department may assume administration and enforcement
10 of a building inspection program:

"(a) During the pendency of activities under ORS 455.770;

"(b) If a municipality abandons any part of the building inspection program or is no longer able to administer the building inspection program; and
"(c) If a municipality fails to substantially comply with any provision of
this section or of ORS 455.465, 455.467 and 455.469.

"[(13)] (14) If the department assumes the administration and enforcement of a building inspection program under this section, in addition to any other power granted to the director, the director may:

"(a) Enter into agreements with local governments under ORS 455.185
 regarding the administration and enforcement of the assumed building in spection program;

"(b) Take action as described in ORS 455.192 to ensure that sufficient staff
and other resources are available for the administration and enforcement of
the assumed building inspection program; and

"(c) Charge fees described in ORS 455.195 for department services pro vided in administering and enforcing the assumed building inspection pro gram.

²⁸ "[(14)] (15) If a municipality abandons or otherwise ceases to administer ²⁹ all or part of a building inspection program described in this section, the ³⁰ municipality may not resume the administration and enforcement of the

abandoned program or part of a program for at least two years. The 1 municipality may resume the administration and enforcement of the aban- $\mathbf{2}$ doned program or part of a program only on July 1 of an odd-numbered year. 3 To resume the administration and enforcement of the abandoned program or 4 part of a program, the municipality must comply with ORS 455.148, including $\mathbf{5}$ the requirement that the municipality administer and enforce all aspects of 6 the building inspection program. Thereafter, the municipality is subject to 7 ORS 455.148 and ceases to be subject to this section. 8

9 "[(15)] (16) A municipality that administers and enforces a building in-10 spection program under this section shall include in the program the in-11 spection of boilers and pressure vessels described in subsection (1)(a)(H) of 12 this section.

¹³ "<u>SECTION 14.</u> ORS 455.475 is amended to read:

"455.475. (1) An applicant for a building permit may appeal a decision
made by a building official under authority established pursuant to ORS
455.148, 455.150 or 455.467. The following apply to an appeal under this subsection:

"(a) An appeal regarding the interpretation or application of a particular specialty code provision shall be made first to the appropriate specialty code chief inspector of the Department of Consumer and Business Services. The decision of the department chief inspector may be appealed to the appropriate advisory board. The decision of the advisory board may only be appealed to the Director of the Department of Consumer and Business Services if codes in addition to the applicable specialty code are at issue.

²⁵ "(b) If the appropriate advisory board determines that a decision by the ²⁶ department chief inspector is a major code interpretation, then the inspector ²⁷ shall distribute the decision in writing to all applicable specialty code public ²⁸ and private inspection authorities in the state. The decision shall be dis-²⁹ tributed within 60 days after the board's determination, and there shall be ³⁰ no charge for the distribution of the decision. As used in this paragraph, a

'major code interpretation' means a code interpretation decision that affects
or may affect more than one job site or more than one inspection jurisdiction.

"(2) Except as provided in subsection (1) of this section or section 10 of this 2019 Act, an applicant for a building permit may appeal the decision of a building official on any matter relating to the administration and enforcement of this chapter to the department. The appeal must be in writing. A decision by the department on an appeal filed under this subsection is subject to judicial review as provided in ORS 183.484.

"(3) If an appeal is made under this section, an inspection authority shall
 extend the plan review deadline by the number of days it takes for a final
 decision to be issued for the appeal.

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14

"CONFORMING AMENDMENTS

15

¹⁶ **"SECTION 15.** ORS 215.236 is amended to read:

"215.236. (1) As used in this section, 'dwelling' means a single-family residential dwelling not provided in conjunction with farm use.

"(2) The governing body or its designee may not grant final approval of 19 an application made under ORS 215.213 (3) or 215.284 (1), (2), (3), (4) or (7) 20for the establishment of a dwelling on a lot or parcel in an exclusive farm 21use zone that is, or has been, receiving special assessment without evidence 22that the lot or parcel upon which the dwelling is proposed has been dis-23qualified for special assessment at value for farm use under ORS 308A.050 24to 308A.128 or other special assessment under ORS 308A.315, 321.257 to 25321.390, 321.700 to 321.754 or 321.805 to 321.855 and any additional tax im-26posed as the result of disqualification has been paid. 27

"(3) The governing body or its designee may grant tentative approval of
an application made under ORS 215.213 (3) or 215.284 (1), (2), (3), (4) or (7)
for the establishment of a dwelling on a lot or parcel in an exclusive farm

use zone that is specially assessed at value for farm use under ORS 308A.050 1 to 308A.128 upon making the findings required by ORS 215.213 (3) or 215.284 $\mathbf{2}$ (1), (2), (3), (4) or (7). An application for the establishment of a dwelling that 3 has been tentatively approved shall be given final approval by the governing 4 body or its designee upon receipt of evidence that the lot or parcel upon $\mathbf{5}$ which establishment of the dwelling is proposed has been disqualified for 6 special assessment at value for farm use under ORS 308A.050 to 308A.128 or 7 other special assessment under ORS 308A.315, 321.257 to 321.390, 321.700 to 8 321.754 or 321.805 to 321.855 and any additional tax imposed as the result of 9 disqualification has been paid. 10

"(4) The owner of a lot or parcel upon which the establishment of a dwelling has been tentatively approved as provided by subsection (3) of this section shall, before final approval, simultaneously:

"(a) Notify the county assessor that the lot or parcel is no longer being
used as farmland or for other specially assessed uses described in subsection
(2) or (3) of this section;

"(b) Request that the county assessor disqualify the lot or parcel from special assessment under ORS 308A.050 to 308A.128, 308A.315, 321.257 to 321.390, 321.700 to 321.754 or 321.805 to 321.855; and

20 "(c) Pay any additional tax imposed upon disqualification from special 21 assessment.

"(5) Except as provided in subsection (6) of this section, a lot or parcel that has been disqualified pursuant to subsection (4) of this section may not requalify for special assessment unless, when combined with another contiguous lot or parcel, it constitutes a qualifying parcel.

"(6)(a) A lot or parcel that has been disqualified pursuant to subsection
(4) of this section may requalify for wildlife habitat special assessment under
ORS 308A.403 to 308A.430 or conservation easement special assessment under
ORS 308A.450 to 308A.465 without satisfying the requirements of subsection
(5) of this section.

"(b) Upon disqualification from wildlife habitat special assessment under ORS 308A.430 or disqualification from conservation easement special assessment under ORS 308A.465, the lot or parcel shall be subject to the requirements of subsection (5) of this section.

5 "(7) When the owner of a lot or parcel upon which the establishment of 6 a dwelling has been tentatively approved notifies the county assessor that 7 the lot or parcel is no longer being used as farmland and requests disquali-8 fication of the lot or parcel for special assessment at value for farm use, the 9 county assessor shall:

"(a) Disqualify the lot or parcel for special assessment at value for farm
 use under ORS 308A.050 to 308A.128 or other special assessment by removing
 the special assessment;

"(b) Provide the owner of the lot or parcel with written notice of thedisqualification; and

"(c) Impose the additional tax, if any, provided by statute upon disquali-fication.

"(8) The Department of Consumer and Business Services, a **municipal** 17 building official, as defined in ORS [455.715 (1)] 455.010, or any other agency 18 or official responsible for the administration and enforcement of the state 19 building code, as defined in ORS 455.010, may not issue a building permit for 20the construction of a dwelling on a lot or parcel in an exclusive farm use 21zone without evidence that the owner of the lot or parcel upon which the 22dwelling is proposed to be constructed has paid the additional tax, if any, 23imposed by the county assessor under subsection (7)(c) of this section. 24

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"SECTION 16. ORS 446.250 is amended to read:

²⁶ "446.250. The Director of the Department of Consumer and Business Ser-²⁷ vices shall cause inspections to be made, approve plans and specifications, ²⁸ provide technical services and issue permits for alteration of manufactured ²⁹ dwellings and installation of manufactured dwellings and manufactured ³⁰ structure accessory buildings and structures on a lot. The director shall ap-

point or contract with municipalities that request such appointment or con-1 tract for inspection and issuance of permits for alteration of manufactured $\mathbf{2}$ dwellings and installation of manufactured dwellings and manufactured 3 structure accessory buildings and structures and alterations of installations 4 of plumbing, heating, illuminating, cooking or electrical equipment, provided $\mathbf{5}$ the [municipality employs as local] municipal inspectors are qualified per-6 sons who have been certified by the director for inspection and issuance of 7 permits for alteration of manufactured dwellings and installation of manu-8 factured dwellings and manufactured structure accessory buildings and 9 structures, pursuant to ORS 446.003, 446.111, 446.155, 446.160, 446.176, 446.225 10 to 446.285 and 446.990. However, the certification standards under this sec-11 tion shall relate to the inspections to be performed and shall not be more 12stringent for municipal inspectors than those applying to state inspectors. 13

14

"SECTION 17. ORS 446.255 is amended to read:

"446.255. (1) After written notice and hearing as provided in subsection 15(2) of this section, the Director of the Department of Consumer and Business 16 Services may revoke the certification of a [local] municipal inspector certi-17 fied under ORS 446.250, or the authority of a [local government] munici-18 pality to enforce provisions of ORS 446.003, 446.111, 446.160, 446.176, 446.225 19 to 446.285 and 446.990, [when] if it appears by competent evidence that the 20inspector or [local government] municipality has consistently failed to act 21in the public interest in the enforcement of the provisions of ORS 446.003, 22446.111, 446.160, 446.176, 446.225 to 446.285 and 446.990. 23

"(2) Any proceedings under subsection (1) of this section shall be conducted pursuant to the provisions of ORS 183.415 to 183.430, 183.440 to 183.460, 183.470 to 183.485 and 183.490 to 183.540, dealing with contested cases.

²⁸ "SECTION 18. ORS 447.091 is amended to read:

"447.091. The Department of Consumer and Business Services or local
 government administering the plumbing specialty code adopted under ORS

1 447.020 (2) may, upon request of any sanitary district formed pursuant to 2 ORS 450.005 to 450.245, sanitary authority established under ORS 450.600 to 3 450.989, or county service district established under ORS 451.410 to 451.610, 4 contract for [*the*] **district** inspection of building sewers constructed to con-5 nect a district sewage system if inspectors [*employed by such*] **for the** district 6 are certified for sewer inspections under ORS 455.715 to 455.740.

7

"SECTION 19. ORS 450.837 is amended to read:

"450.837. (1) Water authorities and sanitary authorities are municipalities
for the purposes of administering and enforcing the plumbing code as provided under ORS 455.150.

"(2) However, notwithstanding ORS 455.150 (3), a municipal building of-11 ficial [appointed by] providing services to a water authority or sanitary 12 authority, or [an] a municipal inspector acting under the authority and di-13 rection of such a building official shall [administer and enforce only that 14 portion] carry out administration and enforcement activities only for 15 that part of the plumbing code governing the installation and maintenance 16 of connections between structures and the mains and sewers of the authority. 17 "(3) Nothing in this section authorizes a building official or inspector 18

[of] for a water authority or sanitary authority to administer or enforce all
or part of any specialty code except the plumbing code.

"(4) A water authority or sanitary authority shall notify the Director of the Department of Consumer and Business Services not later than May 1 of each year as to whether the authority will or will not exercise the code enforcement power granted by this section.

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"SECTION 20. ORS 455.042 is amended to read:

"455.042. The Director of the Department of Consumer and Business Services shall establish regions for all areas of the state to carry out the uniform administration of the state building code. The director shall assign Department of Consumer and Business Services employees for the regions as necessary to:

1 "(1) Promote consistent interpretation of the state building code;

"(2) Resolve disputes between [*local*] municipal building officials and
contractors or developers regarding the application of one or more provisions
of the state building code; and

"(3) Provide oversight and enforcement of ORS 446.003 to 446.200, 446.225
to 446.285, 446.395 to 446.420, 479.510 to 479.945, 479.950, 479.995 and 480.510
to 480.670 and ORS chapters 447, 455, 460 and 693 and the rules adopted under those statutes.

9 **"SECTION 21.** ORS 455.046 is amended to read:

¹⁰ "455.046. (1) The Department of Consumer and Business Services shall:

"(a) Develop and administer an installation label program for minor installations under the state building code, including but not limited to electrical installations under ORS 455.627, 479.540 and 479.570 and plumbing installations under ORS 447.076;

15 "(b) Develop standard application forms and procedures for use by 16 municipalities in Clackamas, Multnomah and Washington Counties when is-17 suing structural, mechanical, electrical, plumbing and other permits when 18 those permits do not require a review of building plans;

"(c) Develop standard application forms and procedures for issuing build ing permits and recording inspections;

"(d) Develop standard forms and procedures for reviewing building plans;
"(e) Establish standardized criteria and methodology for determining fee
amounts for permits that are required under the state building code established under ORS 455.030;

25 "(f) Maintain and make available to the public the names of persons cer-26 tified to review building plans;

"(g) Maintain and make available to the public the names of persons
 certified to perform technical inspections; and

²⁹ "(h) Administer prepaid building permit cost accounts.

30 "(2) The department may use the resources of the Tri-County Building

1 Industry Service Center to:

"(a) Assist [local] municipal building officials in the administration and
enforcement of the state building code; and

"(b) Establish a process to facilitate the consistent application of the
state building code throughout the state.

6 "SECTION 22. ORS 455.062 is amended to read:

"455.062. (1) A Department of Consumer and Business Services employee
acting within the scope of that employment may provide typical plans and
specifications:

"(a) For structures of a type for which the provision of plans or specification is exempted under ORS 671.030 from the application of ORS 671.010
to 671.220 and exempted under ORS 672.060 from the application of ORS 672.002 to 672.325; and

"(b) Notwithstanding ORS 671.010 to 671.220 and 672.002 to 672.325, for
 structures that are metal or wood frame Use and Occupancy Classification
 Group U structures under the structural specialty code.

"(2) A **municipal** building official [or inspector, as those terms are defined in ORS 455.715, when], if acting within the scope of direct employment by a municipality, may provide typical plans and specifications for structures of a type for which the provision of plans or specifications is exempted under ORS 671.030 from the application of ORS 671.010 to 671.220 and exempted under ORS 672.060 from the application of ORS 672.002 to 672.325.

"(3) This section does not alter any applicable requirement under ORS
671.010 to 671.220 or 672.002 to 672.325 regarding stamps and seals for a set
of plans for a structure.

²⁶ "<u>SECTION 23.</u> ORS 455.070 is amended to read:

"455.070. (1) Any person may report a suspected violation of the state building code that poses an imminent threat to public health or safety to the local **municipal** building official or, where the code is state-administered, to the Department of Consumer and Business Services. The complaint shall

be in writing and submitted under rules adopted by the department. The rules of the department shall provide for the disposition of frivolous or harassing complaints by requiring detailed descriptions of the alleged violation and reference to the code sections allegedly violated.

5 "(2) The municipality or the department shall give notice of the complaint 6 to the contractor, building owner and subcontractor, if any, involved in the 7 project alleged to be in violation. The municipality or the department may 8 charge the complainant for the necessary costs of supplying, copying and 9 distributing the complaint form.

"(3) If, after five working days, no remedial action has taken place, the 10 complainant has standing to appeal the matter to the appeals board of the 11 municipality, where one is established, or directly to the appropriate advi-12 sory board where there is no local appeals board. The municipal appeals 13 board or state advisory board shall reach a final decision within 14 days of 14 the complainant's appeal. A municipal appeals board decision shall then be 15 subject to appeal to a state advisory board under ORS 455.690, provided that 16 the state advisory board shall reach a final determination within 14 days of 17 notice of an appeal. A record of the written complaint and the findings of 18 the appeals and advisory boards may be introduced into evidence in any ju-19 dicial proceeding for damages brought against the complainant by any person 20suffering damages as a result of the complaint. 21

²² "<u>SECTION 24.</u> ORS 455.080 is amended to read:

"455.080. Notwithstanding ORS 455.630 (2), any inspector, including a 23specialty code inspector licensed under ORS 455.457, authorized by ORS 24455.148, 455.150 or 455.153 to determine compliance with the requirements 2526 of the state building code or any specialty code under this chapter may, in accordance with a compliance program as described in ORS 455.153 (2), re-27quire any person who is engaged in any activity regulated by the state 28building code to demonstrate proof of compliance with the applicable li-29 censing, registration or certification requirements of ORS chapters 446, 447, 30

1 455, 460, 479, 480, 693 and 701.

² "SECTION 25. ORS 455.200 is amended to read:

"455.200. The Director of the Department of Consumer and Business Services:

⁵ "(1) May adopt rules, establish policies and procedures and take other actions the director considers reasonable or expedient for carrying out agreements under ORS 455.148 [(13)] (14), 455.150 [(13)] (14) or 455.185 and any duties, functions and powers of the director or the Department of Consumer and Business Services under ORS 455.148 [(13)] (14), 455.150 [(13)] (14) or 455.185 to 455.198;

"(2) Shall consult at least annually with appropriate advisory boards regarding any agreements under ORS 455.185 or actions taken by the director under ORS 455.148 [(13)] (14), 455.150 [(13)] (14) or 455.185 to 455.198; and

"(3) Shall report annually to the Legislative Assembly as provided under ORS 192.230 to 192.250 regarding any department activities under ORS 455.148 [(13)] (14), 455.150 [(13)] (14) or 455.185 to 455.198. The report shall include, but not be limited to, information regarding any projected need for an increase in department resources required for carrying out the administration and enforcement of building inspection programs under ORS 455.148 [(13)] (14), 455.150 [(13)] (14) or 455.185 to 455.198.

21

"<u>SECTION 26.</u> ORS 455.210 is amended to read:

"455.210. (1) Fees shall be prescribed as required by ORS 455.020 for plan 22review and permits issued by the Department of Consumer and Business 23Services for the construction, reconstruction, alteration and repair of pre-24fabricated structures and of buildings and other structures and the installa-25tion of mechanical heating and ventilating devices and equipment. The fees 26may not exceed 130 percent of the fee schedule printed in the 'Uniform 27Building Code,' 1979 Edition, and in the 'Uniform Mechanical Code,' 1979 28Edition, both published by the International Conference of Building Officials. 29 Fees are not effective until approved by the Oregon Department of Admin-30

1 istrative Services.

"(2) Notwithstanding subsection (1) of this section, the maximum fee the
Director of the Department of Consumer and Business Services may prescribe
for a limited plan review for fire and life safety as required under ORS
479.155 shall be 40 percent of the prescribed permit fee.

"(3)(a) A municipality may adopt by ordinance or regulation such fees as 6 may be necessary and reasonable to provide for the administration and 7 enforcement of any specialty code or codes for which the municipality has 8 assumed responsibility under ORS 455.148 or 455.150. A municipality shall 9 give the director notice of the proposed adoption of a new or increased fee 10 under this subsection. The municipality shall give the notice to the director 11 at the time the municipality provides the opportunity for public comment 12under ORS 294.160 regarding the fee or, if the proposed fee is contained in 13 an estimate of municipal budget resources, at the time notice of the last 14 budget meeting is published under ORS 294.426. 15

(b) Ten or more persons or an association with 10 or more members may 16 appeal the adoption of a fee described in this subsection to the Director of 17 the Department of Consumer and Business Services. The persons or associ-18 ation must file the appeal no later than 60 days after the director receives 19 notice of the proposed adoption of the fee from the municipality under par-20agraph (a) of this subsection. However, if the municipality failed to give 21notice to the director, an appeal may be filed with the director within one 22year after adoption of the new or increased fee. Upon receiving a timely 23appeal, the director shall, after notice to affected parties and hearing, review 24the municipality's fee adoption process and the costs of administering and 25enforcing the specialty code or codes referred to in paragraph (a) of this 26subsection. The director shall approve the fee if the director feels the fee is 27necessary and reasonable. If the director does not approve the fee upon ap-28peal, the fee is not effective. The appeal process provided in this paragraph 29 does not apply to fees that have been submitted for a vote and approved by 30

1 a majority of the electors voting on the question.

"(c) Fees collected by a municipality under this subsection shall be used
for the administration and enforcement of a building inspection program for
which the municipality has assumed responsibility under ORS 455.148 or
455.150.

6 "(d) For purposes of paragraph (b) of this subsection, in determining 7 whether a fee is reasonable the director shall consider whether:

8 "(A) The fee is the same amount as or closely approximates the amount 9 of the fee charged by other municipalities of a similar size and geographic 10 location for the same level of service;

"(B) The fee is calculated with the same or a similar calculation method
as the fee charged by other municipalities for the same service;

"(C) The fee is the same type as the fee charged by other municipalities
for the same level of service; and

"(D) The municipality, in adopting the fee, complied with ORS 294.160,
294.361 and 294.426 and this section and standards adopted by the director
under ORS 455.148 [(11)] (12) or 455.150 [(11)] (12).

¹⁸ "(4) Notwithstanding any other provision of this chapter:

"(a) For the purpose of partially defraying state administrative costs, there is imposed a surcharge in the amount of four percent of the total permit fees or, if the applicant chooses to pay an hourly rate instead of purchasing a permit, four percent of the total hourly charges collected.

"(b) For the purpose of partially defraying state inspection costs, there is imposed a surcharge in the amount of two percent of the total permit fees or, if the applicant chooses to pay an hourly rate instead of purchasing a permit, two percent of the total hourly charges collected.

"(c) For the purpose of defraying the cost of administering and enforcing the state building code, there is imposed a surcharge on permit fees and on hourly charges collected instead of permit fees. The surcharge may not exceed one percent of the total permit fees or, if the applicant chooses to pay an hourly rate instead of purchasing a permit, one percent of the total hourly
charges collected.

"(d) For the purpose of defraying the cost of developing and administering the electronic building codes information system described in ORS 455.095 and 455.097, there is imposed a surcharge in the amount of four percent on permit fees, or if the applicant chooses to pay an hourly rate instead of purchasing a permit, four percent of the total hourly charges collected.

8 "(5) Municipalities shall collect and remit surcharges imposed under
9 subsection (4) of this section to the director as provided in ORS 455.220.

"(6) The director shall adopt administrative rules to allow reduced fees
 for review of plans that have been previously reviewed.

¹² "SECTION 27. ORS 455.450 is amended to read:

13 "455.450. A person may not:

"(1) Violate, or procure or assist in the violation of, any final order of the Director of the Department of Consumer and Business Services, an advisory board, a state administrative officer or any local appeals board, **a** building official or **an** inspector, concerning the application of the state building code in a particular case or concerning a license, certificate, registration or other authorization.

"(2) Engage in, or procure or assist any other person to engage in, any 20conduct or activity for which a permit, label, license, certificate, registration 21or other formal authorization is required by any specialty code, any pro-22vision of ORS 446.003 to 446.200, 446.225 to 446.285, 446.395 to 446.420, 446.566 23to 446.646, 446.666 to 446.746, 479.510 to 479.945, 479.950 and 480.510 to 480.670, 24this chapter or ORS chapter 447, 460 or 693, or any rule adopted or order 25issued for the administration and enforcement of those provisions, without 26first having obtained such permit, label, license, certificate, registration or 27other formal authorization. 28

29 "(3) Violate, or procure or assist in the violation of, any standard, spec-30 ification, requirement, prohibition or other technical provision set forth in

the state building code or an applicable local building code or in any rule 1 or order of the Department of Consumer and Business Services, an advisory $\mathbf{2}$ board, a [local] municipal governing body or [local] municipal building of-3 ficial. 4

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"SECTION 28. ORS 455.485 is amended to read:

"455.485. (1) When adopting the state building code, the Director of the 6 Department of Consumer and Business Services shall give special consider-7 ation to the unique needs of construction in rural or remote parts of this 8 9 state.

(2) Notwithstanding any description of State Fire Marshal duties in ORS 10 476.030, 476.033, 476.035, 476.150 or 476.155, the Director of the Department 11 of Consumer and Business Services or a [local] municipal building official 12 administering a building inspection program under ORS 455.148 or 455.150 13 may determine whether the structure as set forth in the plans and specifi-14 cations or as constructed meets the standards of the state building code, in-15 cluding but not limited to fire and life safety standards. The State Fire 16 Marshal, or a local fire official for a governmental subdivision exempted 17 from State Fire Marshal regulations as described under ORS 476.030, may 18 provide advice to building officials, inspectors or Department of Consumer 19 and Business Services employees concerning state building code standards. 20A [local] **municipal** building official or department employee shall give 21consideration to advice of the State Fire Marshal or local fire official that 22does not conflict with the state building code, but shall retain the authority 23to make final decisions regarding the code. 24

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"SECTION 29. ORS 455.685 is amended to read:

"455.685. The Director of the Department of Consumer and Business Ser-26vices may, upon an application setting forth a set of plans and specifications 27that will be utilized in one or more municipalities to acquire building per-28mits, review and approve the application for the construction or erection of 29 any building or structure if such set of plans meets the requirements of the 30

state building code. All costs incurred by the director by virtue of the ex-1 amination of such a set of plans and specifications shall be paid by the ap- $\mathbf{2}$ plicant. The plans and specifications or any plans and specifications required 3 to be submitted to a state agency shall be submitted to the director who shall 4 examine the instruments and if necessary distribute them to the appropriate $\mathbf{5}$ state agencies for scrutiny regarding adequacy as to fire safety, life safety 6 and all other appropriate features. The state agencies shall examine and 7 promptly return the plans and specifications together with their certified 8 statement as to the adequacy of the instruments regarding that agency's area 9 of concern. The applicant shall submit the plans and specifications to a [local 10 *building official*] **municipality** prior to application for a building permit. 11 The [local] municipal building official shall [review] cause the plan to be 12reviewed for those features required by local ordinance or by any site-13 specific, geographic, geologic or climatic code requirements. A [local building 14 official] **municipality** shall issue a building permit upon application and 15presentation to the [local building official] municipality of such a set of 16 plans and specifications bearing the approval of the director if the require-17 ments of all other local ordinances are satisfied. The director or [local] 18 municipal building official may assess such fees as necessary to recover the 19 reasonable costs incurred to ensure the compliance of the plans and specifi-20cations with the state building code. 21

22 "SECTION 30. ORS 455.800 is amended to read:

²³ "455.800. As used in ORS 455.800 to 455.820:

"(1) 'Building official' means a person who is a **municipal** building official as defined in ORS [455.715] 455.010 or a Department of Consumer and
Business Services employee charged with enforcement or administration of
the state building code.

"(2) 'Building trade committee' means a group composed of experienced and knowledgeable local general contractors or other persons having substantial expertise in various aspects of one and two family dwelling con1 struction under the Low-Rise Residential Dwelling Code.

2 "(3) 'General contractor' has the meaning given that term in ORS 701.005.

³ "(4) 'Master builder' means a person certified under ORS 455.810.

4 "(5) 'Qualified construction company' means a company that has been:

5 "(a) Continuously licensed by the Construction Contractors Board during
6 the preceding 60 months as a general contractor; or

"(b) Continuously licensed by the Construction Contractors Board during
at least the preceding 24 months as a general contractor and by one or more
other states during the balance of the preceding 60 months in an occupation
equivalent to that of a general contractor.

11 "(6) 'Regular employee' means a person who:

"(a) Is continuously employed by, and on the regular payroll of, a quali fied construction company;

"(b) Has filed a withholding exemption certificate pursuant to ORS
 316.182 for work performed for the qualified construction company; and

"(c) Is available during working hours to supervise on-site dwelling con struction, including but not limited to supervising the installation of:

18 "(A) Drywall;

19 "(B) Electrical systems;

- 20 "(C) Footings;
- 21 "(D) Foundations;
- 22 "(E) Framing;

23 "(F) Insulation;

- 24 "(G) Mechanical systems;
- 25 "(H) Plumbing systems; and

26 "(I) Stairs.

27 "(7) 'Whole dwelling remodel' means a project that includes the installa-28 tion in an existing dwelling of all of the following:

- 29 "(a) Drywall;
- 30 "(b) Electrical systems;

1 "(c) Footings;

2 "(d) Foundations;

3 "(e) Framing;

4 "(f) Insulation;

5 "(g) Mechanical systems; and

6 "(h) Plumbing systems.

7 "SECTION 31. ORS 455.820 is amended to read:

8 "455.820. (1) A master builder must perform all plan review and required 9 verifications for which government review or inspection has been waived by 10 a building official. The master builder shall maintain copies of all documents 11 and reports required by the government granting the waiver and provide 12 those copies to the building official.

"(2) When waiving government performance of plan review or required 13 inspections, a building official shall require the master builder to sign a form 14 that specifically identifies each waiver and states that the master builder 15 accepts the duty of performing the review and verifications. A master builder 16 who accepts the duty of performing a review or verification remains respon-17 sible for that duty unless released by written and signed permission of the 18 building official. A building official may release a master builder from a re-19 view or verification duty by a written and signed assumption of the review 20or inspection duty by the building official or written and signed assumption 21of the review and verification duty by another master builder. 22

"(3) A building official for a government that has a master builder pro-gram:

"(a) Must conduct inspections of at least 10 percent of projects that are
built under a master builder program;

"(b) May revoke a waiver for a plan review or required inspection if the
master builder fails to properly perform, or document performance of, review
or verification duties; and

30 "(c) Must notify the Department of Consumer and Business Services when

1 the official revokes a waiver pursuant to paragraph (b) of this subsection.

"(4) When revoking a waiver, a building official shall provide the master builder with a release under subsection (2) of this section from future performance of review or verification duties. A release does not relieve a master builder from liability for the failure to perform, or document performance of, review or verification duties prior to the revocation of the waiver.

"(5) A government having a master builder program has no legal duty with regard to plan review or required inspections properly waived under ORS 455.815 and accepted by a master builder in a signed form described under subsection (2) of this section. This subsection does not release a government from a duty arising due to a waiver revocation under subsection (3) of this section or an assumption under subsection (2) of this section.

"(6) A [local government] **municipality** may refuse to grant recognition 13 to a certified master builder if a waiver granted to the master builder under 14 that government's master builder program has been revoked pursuant to 15 subsection (3)(b) of this section. If a waiver is revoked pursuant to subsection 16 (3)(b) of this section, a [local government] municipality or municipal 17 building official may send a recommendation to the department for action 18 against the master builder who was granted the waiver. The [local govern-19 *ment*] **municipality** or **municipal** building official may also send the de-20partment any information supporting the recommendation. 21

²² "SECTION 32. ORS 479.530 is amended to read:

"479.530. As used in ORS 479.510 to 479.945 and 479.995, unless the context
requires otherwise:

"(1) 'Approved testing laboratory' means a testing laboratory that meets
criteria for electrical product evaluation established by the Director of the
Department of Consumer and Business Services with the approval of the
Electrical and Elevator Board under ORS 479.730.

"(2) 'Board' means the Electrical and Elevator Board established under
 ORS 455.138.

1 "(3) 'Certified electrical product' means an electrical product that is cer-2 tified under ORS 479.760 and that is not decertified.

"(4) 'Competent inspection service' means an electrical inspection service
[of a city or county] administered by a municipality under ORS 455.148 or
455.150 that [employs] provides services through electrical inspectors who
are certified to meet standards under ORS 479.810.

"(5) 'Commercial electrical air conditioning equipment' means heating, cooling, refrigeration, dehumidifying, humidifying and filtering equipment used for climatizing or moving of air if used in commerce, industry or government and if installed in a place not accessible to the general public other than the switches regulating the operation of the equipment.

"(6) 'Demarcation point' means the place of interconnection between the communications cabling, terminal equipment or protective apparatus of the telecommunications service provider and the customer's premises.

"(7) 'Department' means the Department of Consumer and Business Ser vices.

"(8) 'Director' means the Director of the Department of Consumer and
Business Services.

"(9) 'Dwelling unit' means one or more rooms for the use of one or more persons as a housekeeping unit with space for eating, living and sleeping and permanent provisions for cooking and sanitation.

"(10) 'Electrical installations' means the construction or installation of electrical wiring and the permanent attachment or installation of electrical products in or on any structure that is not itself an electrical product. 'Electrical installation' also means the maintenance or repair of installed electrical wiring and permanently attached electrical products. 'Electrical installation' does not include an oil module.

"(11) 'Electrical product' means any electrical equipment, material, device
 or apparatus that, except as provided in ORS 479.540, requires a license or
 permit to install and either conveys or is operated by electrical current.

"(12) 'Equipment' means any material, fittings, devices, appliances, fixtures, apparatus or the like that are used as part of or in connection with an electrical installation.

4 "(13) 'Field evaluation firm' means an independent organization that pro-5 vides:

6 "(a) Evaluations or testing, or both; and

"(b) Documentation regarding compliance with electrical product safety
standards and with the electrical installation safety code.

9 "(14) 'Industrial electrical equipment' means electrical products used in 10 industry or government that utilize electric energy for mechanical, chemical, 11 heating, lighting or similar purposes, that are designed to service or produce 12 a product and that are used directly in the production of the service or 13 product.

"(15) 'Installation label' means an adhesive tag issued by governmental agencies that administer the Electrical Safety Law to licensed electrical contractors for application to those minor electrical installations for which the board by rule determines to be appropriate for random inspections.

"(16) 'License' means a permit issued by the department under ORS 479.630 authorizing the person whose name appears as licensee thereon to act as an electrical contractor, supervising electrician, journeyman electrician, electrical apprentice or limited elevator journeyman as indicated thereon.

"(17) 'Minimum safety standards' means safety standards prescribed by
concurrence of the board and the director under ORS 479.730.

"(18) 'Multifamily dwelling' means a building containing more than one
dwelling unit.

"(19) 'Oil module' means a prefabricated structure manufactured to the specifications of the purchaser and used outside this state in the exploration for or processing or extraction of petroleum products.

30 "(20) 'Permit' means an official document or card issued by the enforcing

1 agency to authorize performance of a specified electrical installation.

"(21) 'Single family dwelling' means a building consisting solely of one
dwelling unit.

"(22) 'Telecommunications service provider' means a telecommunications
carrier as defined in ORS 133.721 or a telecommunications utility or competitive telecommunications provider, both as defined in ORS 759.005.

"(23) 'Uncertified product' means any electrical product that is not an
electrical product certified under ORS 479.760.

9 **"SECTION 33.** ORS 693.115 is amended to read:

10 "693.115. (1) The State Plumbing Board is established in the Department 11 of Consumer and Business Services, consisting of seven members appointed 12 by the Governor. The appointment of a member of the board is subject to 13 confirmation by the Senate pursuant to section 4, Article III of the Oregon 14 Constitution.

¹⁵ "(2) The members of the board shall be as follows:

"(a) One journeyman plumber with 10 or more years' experience in the
trade or calling of journeyman plumber;

18 "(b) One licensed plumbing contractor;

"(c) One [*local*] municipal plumbing inspector who is a journeyman
 plumber;

21 "(d) One registered professional mechanical engineer;

²² "(e) One officer or employee of the Oregon Health Authority;

"(f) One plumbing equipment supplier who otherwise qualifies by experience in the industry or one building official; and

²⁵ "(g) One member of the general public.

"(3) The term of office of each member is four years, but a member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor. A member is not eligible for appointment to more than two full terms of office. If there is a vacancy for any cause, the Governor shall make an appointment to become immediately

1 effective for the unexpired term.

"(4) A member of the board shall receive compensation and expenses as
provided in ORS 292.495.

4 "SECTION 34. (1) Section 2 of this 2019 Act is added to and made a
5 part of ORS 455.715 to 455.740.

"(2) Sections 10 and 11 of this 2019 Act and ORS 455.148 are added
to and made a part of ORS chapter 455.

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"COMPLIANCE DEADLINE

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"SECTION 35. (1) No later than 90 days after the effective date of this 2019 Act, a municipality that uses a building inspector not meeting the definition of 'municipal inspector' in ORS 455.010, or a building official not meeting the definition of 'municipal building official' in ORS 455.010, shall inform the Director of the Department of Consumer and Business Services whether the municipality chooses to continue to administer and enforce a building inspection program.

"(2) If a municipality chooses under subsection (1) of this section 18 to not continue the administration and enforcement of the building 19 inspection program, the director shall treat the choice as an aban-20donment of the program for purposes of ORS chapter 455. If the 21abandoning municipality is a city, unless the county is also an aban-22doning municipality the director shall transfer administration and 23enforcement of the city program as provided under ORS 455.148 (5) or 24455.150 (5). If the abandoning municipality is a county, the director 25shall take actions necessary for the administration and enforcement 26of the county building inspection program, and the building inspection 27program of any abandoning city within the county, as provided under 28ORS 455.148 (6) or 455.150 (6). 29

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"(3) If a municipality chooses to continue the administration and

enforcement of the building inspection program, no later than July 1, 1 2020, all building inspectors and building officials that the municipality $\mathbf{2}$ is using must meet the applicable definitions in ORS 455.010. If after 3 July 1, 2020, the municipality uses building inspectors or building of-4 ficials who do not meet the applicable definitions under ORS 455.010, $\mathbf{5}$ the director shall treat the action as an abandonment of the program 6 for purposes of ORS chapter 455 and proceed as described in subsection 7 (2) of this section. 8

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"VALIDATION OF PAST ACTIONS

¹² "SECTION 36. The Legislative Assembly hereby ratifies and declares ¹³ valid any action taken by a building inspector or building official as ¹⁴ part of the administration and enforcement of a building inspection ¹⁵ program on behalf of a municipality that would have been a lawful ¹⁶ action if performed by the Department of Consumer and Business ¹⁷ Services as part of administering and enforcing a building inspection ¹⁸ program.

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"SECTION 37. The unit captions used in this 2019 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2019 Act.

"UNIT CAPTIONS

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"OPERATIVE DATE

²⁹ "<u>SECTION 38.</u> Section 36 of this 2019 Act and the amendments to ³⁰ ORS 215.236, 446.250, 446.255, 447.091, 450.837, 455.042, 455.046, 455.062,

455.070, 455.080, 455.148, 455.150, 455.200, 455.210, 455.450, 455.485, 455.685,
 455.800, 455.820, 479.530 and 693.115 by sections 12, 13 and 15 to 33 of this
 2019 Act become operative on July 1, 2020.

"EMERGENCY CLAUSE

"SECTION 39. This 2019 Act being necessary for the immediate
preservation of the public peace, health and safety, an emergency is
declared to exist, and this 2019 Act takes effect on its passage.".

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