

Amended  
Secretary of State  
**NOTICE OF PROPOSED RULEMAKING HEARING\***  
A Statement of Need and Fiscal Impact accompanies this form.

<hr/> Construction Contractors Board (Agency and Division)		OAR 812 (Administrative Rules Chapter Number)
Catherine Dixon (Rules Coordinator)	700 Summer Street NE Suite 300, Salem OR 97310 (Address)	378-4621 ext. 4077 (Telephone)

**RULE CAPTION**

Adopts revised form and definitions, clarifies language, corrects cites, and revises wording for clarity and consistency.  
Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

April 28, 2009	11:00 a.m.	West Salem Roth's IGA, Santiam Rm., 1130 Wallace Rd., Salem, OR	Tom Skaar
Hearing Date	Time	Location	Hearings Officer

*Auxiliary aids for persons with disabilities are available upon advance request.*

**RULEMAKING ACTION**

**ADOPT:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

**AMEND:**  
812-001-0200      812-002-0420      812-003-0120      812-003-0330      812-006-0300      812-006-0400

**REPEAL:**

**Renumber:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

**Amend and Renumber:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

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ORS 87.093, 670.310, 701.122, 701.235, 701.325, 701.330 & 701.530  
Stat. Auth.: ORS

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Other Authority

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ORS 87.093, 701.005, 701.010, 701.026, 701.056, 701.063, 701.122, 701.131, 701.225, 701.235, 701.325, 701.330 & 701.530  
Stats. Implemented: ORS

**RULE SUMMARY**

- 812-001-0200 is amended to adopt the notice entitled "Consumer Protection Notice" to include information for consumers on the warranty offer for new residential construction.
- 812-002-0420 is amended to correct and update cite references.
- 812-003-0120 is amended to delete language that is no longer necessary and to clarify that advertising via audio-only media, such as radio commercials, must include an audible statement of the contractor's license number. Advertising via video or video-audio combined media, such as television commercials, must show the contractor's license number.
- 812-003-0330 is amended, based on advice from counsel, to clarify that a contractor may not place a license into an inactive status that has been expired for over one year. A contractor must be eligible for renewal in order to be eligible for the inactive status.
- 812-006-0300 is amended to use the proper term "translator" rather than "interpreter".

- 812-006-0400 is amended to create a consistent training and testing period.

ORS 183.335(2)(b)(G) requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

April 28, 2009 at 11:00 a.m.

**Last Day for Public Comment**

Last day to submit written comment to Rules Coordinator, Catherine Dixon  
PO Box 14140, Salem OR 97309

\_\_\_\_\_  
Signature

Catherine Dixon

Printed Name

\_\_\_\_\_  
March 6, 2009

Date

\*The *Oregon Bulletin* is published on the 1<sup>st</sup> of each month and updates the rule text found in the Oregon Administrative Rules Compilation. Notice forms must be submitted to the Administrative Rules Unit, Oregon State Archives, 800 Summer Street NE, Salem OR 97310 by 5:00 pm on the 15<sup>th</sup> day of the preceding month unless this deadline falls on a Saturday, Sunday or legal holiday when Notice forms are accepted until 5:00 pm on the preceding workday. ARC 920-2005

**NOTE:** In order to save postage and printing costs in these difficult times, CCB is only providing a copy of the notice. To view the language of each individual rule change, please go to our web site at [http://www.oregon.gov/CCB/Laws\\_Rules.shtml#Administrative\\_Rule\\_Notices](http://www.oregon.gov/CCB/Laws_Rules.shtml#Administrative_Rule_Notices). If you don't have web access, contact Cathy Dixon at (503) 378-4621 ext. 4077 for assistance in receiving a copy.

**Amended**  
Secretary of State  
**STATEMENT OF NEED AND FISCAL IMPACT**

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Construction Contractors Board

OAR 812

Agency and Division

Administrative Rules Chapter Number

In the Matter of: Amendments to OAR 812

Rule Caption: (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

Adopts revised form and definitions, clarifies language, corrects cites, and revises wording for clarity and consistency.

Statutory Authority: ORS 87.093, 670.310, 701.122, 701.235, 701.325, 701.330 & 701.530

Other Authority:

Stats. Implemented: ORS 87.093, 701.005, 701.010, 701.026, 701.056, 701.063, 701.122, 701.131, 701.225, 701.235, 701.325, 701.330 & 701.530

Need for the Rule(s): (Explain how the rule is intended to meet the need).

- 812-001-0200 is amended to adopt the notice entitled "Consumer Protection Notice" that was revised to include information for consumers on the warranty offer for new residential construction.
- 812-002-0420 is amended to correct and update cite references.
- 812-003-0120 is amended to delete language that is no longer necessary and to clarify that advertising via audio-only media, such as radio commercials, must include an audible statement of the contractor's license number. Advertising via video or video-audio combined media, such as television commercials, must show the contractor's license number.
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- 812-006-0300 is amended to use the proper term "translator" rather than "interpreter".
- 812-006-0400 is amended to create a consistent training and testing period.

Documents Relied Upon, and where they are available: ORS 701 and OAR 812. Documents are on the agency website at [www.oregon.gov/ccb](http://www.oregon.gov/ccb) or a paper copy is available upon request.

Fiscal and Economic Impact, including a Statement of Cost of Compliance:

The rule changes have no known fiscal impact on state agencies, units of local government or the public.

The rule changes have no known economic impact on state agencies, units of local government or the public.

The rule changes do not increase the reporting, recordkeeping or other administrative activities for businesses. The rule changes will not increase costs of compliance for businesses.

The rule changes will not increase the cost of a new single-family dwelling.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)): None.
2. Cost of compliance effect on small business (ORS 183.336):
  - a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule: The rule amendments do not have an impact on small businesses.

- b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services: The rule changes do not increase the reporting, recordkeeping or other administrative activities for businesses. The rule changes will not increase costs of compliance for businesses
- c. Equipment, supplies, labor and increased administration required for compliance: No known impact.

How were small businesses involved in the development of this rule?

Six of the current nine Board members are business owners.

Administrative Rule Advisory Committee consulted? The Construction Contractors Board is made up of six contractors; one elected public official, and two public members. They serve as their own Administrative Rule Advisory Committee.

If not, why?:

\_\_\_\_\_  
Authorized Signer  
Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97310.

Catherine Dixon  
Printed Name

March 6, 2009  
Date  
ARC 925-2007

**AMENDED  
HOUSING COST IMPACT STATEMENT**

FOR ESTIMATING THE EFFECT OF A PROPOSED RULE OR ORDINANCE ON THE COST OF DEVELOPING  
A \*TYPICAL 1,200 SQ FT DETACHED SINGLE FAMILY DWELLING ON A 6,000 SQ FT PARCEL OF LAND.  
(ORS 183.534)

FOR ADMINISTRATIVE RULES

**AGENCY NAME:** Construction Contractors Board  
**ADDRESS:** 700 Summer St. NE Ste 300  
**CITY/STATE:** Salem OR 97309  
**PHONE:** (503) 378-4621

**PERMANENT:**

**HEARING DATE:** April 28, 2009

**TEMPORARY:**

**EFFECTIVE DATE:**

**BELOW PLEASE PROVIDE A DESCRIPTION OF THE ESTIMATED SAVINGS OR ADDITIONAL COSTS THAT WILL  
RESULT FROM THIS PROPOSED CHANGE.**

PROVIDE A BRIEF EXPLANATION OF HOW THE COST OR SAVINGS ESTIMATE WAS DETERMINED.  
IDENTIFY HOW CHANGE IMPACTS COSTS IN CATEGORIES SPECIFIED

**Description of proposed change:** (Please attach any draft or permanent rule or ordinance)

- 812-001-0200 is amended to adopt the notice entitled "Consumer Protection Notice" to include information for consumers on the warranty offer for new residential construction.
- 812-002-0420 is amended to correct and update cite references.
- 812-003-0120 is amended to delete language that is no longer necessary and to clarify that advertising via audio-only media, such as radio commercials, must include an audible statement of the contractor's license number. Advertising via video or video-audio combined media, such as television commercials, must show the contractor's license number.
- 812-003-0330 is amended, based on advice from counsel, to clarify that a contractor may not place a license into an inactive status that has been expired for over one year. A contractor must be eligible for renewal in order to be eligible for the inactive status.
- 812-006-0300 is amended to use the proper term "translator" rather than "interpreter".
- 812-006-0400 is amended to create a consistent training and testing period.

**Description of the need for, and objectives of the rule:**

- 812-001-0200 is amended to adopt the notice entitled "Consumer Protection Notice" that was revised to include information for consumers on the warranty offer for new residential construction.
- 812-002-0420 is amended to correct and update cite references.
- 812-003-0120 is amended to delete language that is no longer necessary and to clarify that advertising via audio-only media, such as radio commercials, must include an audible statement of the contractor's license number. Advertising via video or video-audio combined media, such as television commercials, must show the contractor's license number.
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- 812-006-0300 is amended to use the proper term "translator" rather than "interpreter".
- 812-006-0400 is amended to create a consistent training and testing period.

**List of rules adopted or amended:**

Amend:

812-001-0200	812-003-0320	812-005-0280	812-012-0170
812-003-0200	812-003-0330	812-005-0800	

**Materials and labor costs increase or savings:**

The rule amendments have no measurable impact the cost of a materials and labor.

**Estimated administrative construction or other costs increase or savings:**

The rule amendments have no known impact.

**Land costs increase or savings:**

The rule amendments have no measurable impact the cost of a new home or a building lot.

**Other costs increase or savings:**

The rule amendments have no measurable impact the cost of a new home or a building lot.

\*Typical-Single story 3 bedrooms, 1 ½ bathrooms, attached garage (calculated separately) on land with good soil conditions with no unusual geological hazards.

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**PREPARERS NAME:** Catherine Dixon

**EMAIL ADDRESS:** [catherine.a.dixon@state.or.us](mailto:catherine.a.dixon@state.or.us)

## Draft Proposed Rules for April 28, 2009 Rule Hearing

PROPOSED RULE	EXPLANATION
<p><b>812-001-0200</b>  <b>Consumer Notices Adoption</b></p> <p>(1) In order to comply with the requirement to adopt an information notice to owner under ORS 87.093, the Construction Contractors Board adopts the form entitled “Information Notice to Owner About Construction Liens,” as revised December 20, 2007. This form may be obtained from the agency.</p> <p>(2) In order to comply with the requirement to adopt a consumer notice form under ORS 701.330(1), the board adopts the form “Consumer Protection Notice” as revised [<del>December 20, 2007</del>] <b>February 20, 2009</b>.</p> <p>(3) In order to comply with the requirement to adopt a “Information Notice to Property Owners About Construction Responsibilities” form under ORS 701.325(3), the board adopts the form “Information Notice to Property Owners About Construction Responsibilities” as revised September 23, 2008.</p> <p>(4) In order to comply with the requirement to adopt a notice of procedure form under ORS 701.330(2), the board adopts the form “Notice of Procedure” dated December 4, 2007.</p> <p>(5) The board adopts the form “Notice of Compliance with Homebuyer Protection Act” (HPA) as revised December 16, 2003.</p> <p>(6) The board adopts the form “Model Features for Accessible Homes” dated December 4, 2007.</p> <p>Stat. Auth.: ORS 87.093, 670.310, 701.235, 701.325, 701.330 &amp; 701.530  Stats. Implemented: ORS 87.093, 701.235, 701.325, 701.330 &amp; 701.530  (4/81, 11/81, 1/82, 3/82, 6/82, 1/83, 1/83, 3/83, 3/83, 10/83, 2/87, 7/87, 1/89, 11/89, 5/92, 7/92, 8/92, 3/99, 9/99, temp. 5/00, 8/00, 6/02, 12/02, temp. 3/03, 6/03, 12/03, temp. 12/03, temp. 12/03, 2/04, 5/04, temp. 6/04, 8/04, 12/05, temp. 1/06, 3/06, 6/07, 12/07, temp. 1/08, 4/08, 9/08, temp. 2/09)  (Amended and renumbered from 812-001-0020, 12/05)</p>	<p><u>Consumer Protection Notice:</u>  Amended to adopt the notice entitled “Consumer Protection Notice” to include information for consumers on the warranty offer for new residential construction. (GF)</p> <p>Currently a temporary rule.</p>
<p><b>812-002-0420</b>  <b>Lapse in License</b></p> <p>“Lapse in license” as used in [<del>ORS 701.131(2)(b),</del>] ORS 701.063(4), [<del>OAR 812-006-0020(1)(b), OAR 812-006-0020(2)(b), and OAR 812-020-0085</del>] <b>ORS 701.131(2)(b), ORS 701.225(6)(b) and OAR chapter 812</b> commences at the time that a license expires, is suspended or is terminated for any reason and ends when the license is renewed, reissued or reinstated by the agency.</p> <p>Stat. Auth.: ORS 670.310 &amp; 701.235  Stats. Implemented: ORS 701.063, 701.131 &amp; 701.225  (4/98, 6/00, 6/03, temp. 7/03, 12/03, 12/05, 12/07, 6/08, 11/08)</p>	<p>Amend: The term “lapse” (or “lapsed” or “lapses”) occurs in three statutes, ORS 701.063, 701.131 and 701.225, not just two as the rule indicates.</p> <p>There is no rule numbered OAR 812-006-0020.</p> <p>The term “lapse” (or “lapsed” or “lapses”) occurs in several rules, most of which are not listed in the definition rule, OAR 812-002-0420. These are:</p> <p>OAR 812-002-0630  OAR 812-002-0635  OAR 812-002-0640</p>

OAR 812-003-0230(2)  
 OAR 812-003-0290  
 OAR 812-003-0300  
 OAR 812-003-0310(3)  
 OAR 812-003-0330  
 OAR 812-003-0360  
 OAR 812-003-0380(4)  
 OAR 812-003-0430(2)  
 OAR 812-004-0600(2)(a)(B)  
 OAR 812-005-0800(2), (5)  
 OAR 812-006-0400(2)(c)  
 OAR 812-006-0450(2)  
 OAR 812-020-0055(5) – separate definition of “lapse” for Commercial Contractor CE rules  
 OAR 812-020-0085

OAR 812-002-0420 needs to be modified to clarify that it applies as the definition to these other rules. (KD)

**812-003-0120**

**License Required to Advertise**

(1) No person shall advertise or otherwise hold out to the public that person's services as a contractor unless that person holds a current, valid license, nor shall any person claim by advertising or by any other means to be licensed, bonded, or insured unless that person holds a current, valid license.

(2) License number in advertising and contracts:

(a) All newsprint classified advertising and newsprint display advertising for work subject to ORS chapter 701 prepared by a contractor or at the contractor's request or direction, shall show the contractor's license number.

(b) All written bids, written inspection reports and building contracts subject to ORS chapter 701 shall show the contractor's license number.

(c) All telephone directory space ads and display ads shall show the contractor's license number.

(d) Except as set forth in subsection (2)(e) of this rule all business cards, business letterhead, business signs at construction sites, all advertising, shall show the contractor's license number. [~~This rule is effective upon filing for all contractors filing for new license, and is effective for all existing contractors when they purchase new business cards, business letterhead, and business signs for construction sites, or January 1, 1998, whichever date occurs sooner.~~]

(e) Subsection (2)(d) of this rule does not apply to a company whose primary business is other than construction and has a Standard Industrial Classification (SIC) code from other than Major Groups 15, 16, and 17.

**(f) All advertisements by audio-only media, such as radio commercials, must contain an audible statement of the contractor's license number.**

**(g) All advertisements by video media or video and audio combined media, such as television commercials, must show visually the contractor's license number.**

Stat. Auth.: ORS 670.310 & 701.235

Stats. Implemented: ORS 701.010 & 701.026

Delete 1998 implementation language: Amend to delete language that is no longer needed. (KD)

Electronic Advertising CCB # Rule: Amend to clarify that advertising via audio-only media, such as radio commercials, must include an audible statement of the contractor's license number. Advertising via video or video-

<p>(12/04, 6/08)</p>	<p>audio combined media, such as television commercials, must show the contractor's license number. (KD)</p>
<p><b>812-003-0330</b>  <b>Inactive Status Generally</b></p> <p>(1) A licensee may not convert a license to an inactive status if the licensee is engaged in work as a contractor.</p> <p>(2) A licensee may not offer to undertake work, advertise work as a contractor, submit a bid for construction work, obtain a building permit or perform construction work while in an inactive status.</p> <p>(3) A licensee shall notify the agency of any change of address while in an inactive status. During the period when the status of a license is inactive, the agency shall send notices and any other communications to the licensee at the last known address of record of the licensee.</p> <p>(4) To convert to an inactive status <b>a license must have:</b></p> <p>(a) <del>[A licensee must have a current]</del> <b>A current</b> active license <del>[or a license that lapsed no more than two years prior to the application for inactive status];</del></p> <p><b>(b) A current suspended license; or</b></p> <p><b>(c) A license that has expired no more than one year.</b></p> <p><del>[(b)]</del> <b>(5) If the licensee was subject to discipline by the agency, the licensee must satisfy any conditions imposed by the agency as a result of the discipline <u>in order to be eligible for the inactive status.</u></b><del>;</del></p> <p><del>[(e)]</del> <b>(6) The licensee must submit a request to convert to inactive status on forms provided by the agency; and</b></p> <p><del>[(d)]</del> <b>(7) The licensee must comply with OAR 812-003-0340, 812-003-0350, and 812-003-0360.</b></p> <p>Stat. Auth.: ORS 670.310 &amp; 701.235  Stats. Implemented: ORS 701.056 &amp; 701.063  (12/04, 6/08)</p>	<p><u>Inactive License:</u>  <i>Note: This is being coordinated with amendments to SB 203.</i>  Amend: Based on 9/15/08 advice from our AAG, a contractor may <u>not</u> place a license into an inactive status that has been expired for over one year.</p> <p>A contractor must be eligible for a renewal in order to be eligible for the inactive status. Once a license has been expired for over one year, they are no longer eligible for renewal. Also, the rule below as it currently reads conflicts with our statutory authority.  (KP)</p>
<p><b>812-006-0300</b>  <b>Testing Requirements</b></p> <p>(1) The test required in ORS 701.122 shall cover the subjects listed in OAR 812-006-0250.</p> <p>(2) A person seeking to take the test shall:</p> <p>(a) Pay any fees required by the test administrator;</p> <p>(b) Provide approved government-issued picture identification to the test administrator;</p> <p>(c) Pay for the authorized <del>[interpreter]</del> <b>translator</b> needed to take the test; and</p> <p>(d) Complete the test within a time limit approved by the agency.</p> <p>(3) A person taking the test shall be allowed to use an Oregon Contractor's Reference Manual and one language translation book during the test.</p> <p>(4) A person taking the test shall not:</p> <p>(a) Retake the same version of the test on consecutive attempts.</p> <p>(b) Be accompanied by anyone while taking the test, except <del>[a state-certified interpreter]</del> <b>an authorized translator.</b></p> <p>(5) After the test is completed, a person shall not review the test questions or answers.</p> <p>(6) There are no reciprocal agreements with other states or organizations that test contractors.</p>	<p><u>Housekeeping:</u> Amend to use the proper term "translator".  (GF)</p>

