

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

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

Exemption to showing license number, housekeeping, implement SB 203, sec. 8 (2009) and adopt education provider bond form.
Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

December 8, 2009 Hearing Date	11:00 a.m. Time	West Salem Roth's IGA, Doaks Ferry Rm., 1130 Wallace Rd., Salem, OR Location	Rob Hernandez Hearings Officer
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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:
812-003-0120 812-008-0090 812-012-0110 812-021-0025

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.

ORS 670.310, 701.126, 701.235, 701.305, 701.315, 701.320, 701.330, 701.335

Stat. Auth.: ORS

Chapter 408, OR Laws 2009 (SB 203, section 8(2)(d))

Other Authority

ORS 701.010, 701.026, 701.126, 701.305, 701.330, 701.335

Stats. Implemented: ORS

RULE SUMMARY

Revised Date of Meeting: The rulemaking hearing original scheduled for December 1, 2009, has been moved to December 8, 2009, due to a change in the Board meeting date.

- 812-003-0120 is amended to reorganize and clarify existing language and revised the exemption to exempt promotional gifts from the requirement that it contain the CCB license number.
- 812-008-0090 is amended to delete (3) because the language is no longer necessary as OAR 812-008-0078 was repealed 1/26/06.
- 812-012-0110 is amended to implement SB 203, section 8 (2)(d) that removes the requirement that written contracts must have a summary of notices. The new requirement is to "list" the notices.
- 812-021-0025 is amended to add an approved bond form for residential continuing education providers of CORE.

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.

December 8, 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

November 6, 2009

Date

*The *Oregon Bulletin* is published on the 1st 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 15th 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. If you don't have web access, contact Cathy Dixon at (503) 378-4621 ext. 4077 for assistance in receiving a copy.

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.)

Exemption to showing license number, housekeeping, implement SB 203, sec. 8 (2009) and adopt education provider bond form.

Statutory Authority: ORS 670.310, 701.126, 701.235, 701.305, 701.315, 701.320, 701.330, 701.335

Other Authority: Chapter 408, OR Laws 2009 (SB 203, section 8(2)(d))

Stats. Implemented: ORS 701.010, 701.026, 701.126, 701.305, 701.330, 701.335

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

- 812-003-0120 is amended to reorganize and clarify existing language and revised the exemption to exempt promotional gifts from the requirement that it contain the CCB license number.
- 812-008-0090 is amended to delete (3) because the language is no longer necessary as OAR 812-008-0078 was repealed 1/26/06.
- 812-012-0110 is amended to implement SB 203, section 8 (2)(d) that removes the requirement that written contracts must have a summary of notices. The new requirement is to "list" the notices.
- 812-021-0025 is amended to add an approved bond form for continuing education providers of CORE.

Documents Relied Upon, and where they are available: ORS 701 and OAR 812. Documents are on the agency website at 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.

OAR 812-021-0025 adopts the residential continuing education provider bond form at an estimated cost of \$400. This will impact businesses that want to provide residential continuing education CORE courses to CCB licensees.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):
The rule changes have no known fiscal impact on state agencies, units of local government or the public; except for OAR 812-021-0025 adopts the residential continuing education provider bond form for CORE at an estimated cost of \$400¹.
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:
Theses rule amendments do not have an impact on small businesses except for OAR 812-021-0025 adopts the residential continuing education provider bond form for CORE at an estimated cost \$400.
 - b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services: Theses rule amendments do not impact reporting, recordkeeping or other administrative activities required for compliance.
 - c. Equipment, supplies, labor and increased administration required for compliance: No impact.

¹Estimated cost of bond from information received from CBIC who estimates that the premium rate for this bond should be not more than \$20.00 per \$1,000 or in this case \$400.00.

OAR 812-021-0025 adopts the residential continuing education provider bond form at an estimated cost of \$400. This will impact businesses that want to provide residential continuing education CORE courses to CCB licensees.

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

November 6, 2009

Date
ARC 925-2007

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** PERMANENT: HEARING DATE: **12/08/09**
ADDRESS: **700 Summer St. NE Ste 300**
CITY/STATE: **Salem OR 97309** TEMPORARY: EFFECTIVE DATE:
PHONE: **(503) 378-4621**

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)

- 812-003-0120 is amended to reorganize and clarify existing language and revised the exemption to exempt promotional gifts from the requirement that it contain the CCB license number.
- 812-008-0090 is amended to delete (3) because the language is no longer necessary as OAR 812-008-0078 was repealed 1/26/06.
- 812-012-0110 is amended to implement SB 203, section 8 (2)(d) that removes the requirement that written contracts must have a summary of notices. The new requirement is to "list" the notices.
- 812-021-0025 is amended to add an approved bond form for continuing education providers for CORE.

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

- 812-003-0120 is amended to reorganize and clarify existing language and revised the exemption to exempt promotional gifts from the requirement that it contain the CCB license number.
- 812-008-0090 is amended to delete (3) because the language is no longer necessary as OAR 812-008-0078 was repealed 1/26/06.
- 812-012-0110 is amended to implement SB 203, section 8 (2)(d) that removes the requirement that written contracts must have a summary of notices. The new requirement is to "list" the notices.
- 812-021-0025 is amended to add an approved bond form for continuing education providers for CORE.

List of rules adopted or amended:

812-003-0120 812-008-0090 812-012-0110 812-021-0025

Materials and labor costs increase or savings: None.

Estimated administrative construction or other costs increase or savings:

OAR 812-021-0025 adopts the residential continuing education provider bond form at an estimated cost of \$400². This will impact businesses that want to provide residential continuing education courses to CCB licensees.

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 changes have no known fiscal or economic impact on state agencies, units of local government or the public; except OAR 812-021-0025 that adopts the residential continuing education provider bond form at an estimated cost of \$400. This will impact businesses that want to provide residential continuing education courses for CORE to CCB licensees.

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

PREPARERS NAME: Catherine Dixon

EMAIL ADDRESS: catherine.a.dixon@state.or.us

² Estimated cost of bond from information received from CBIC who estimates that the premium rate for this bond should be not more than \$20.00 per \$1,000 or in this case \$400.00.

Proposed Rules for December 8, 2009

PROPOSED RULE	EXPLANATION
<p>812-003-0120 License Required to Advertise</p> <p>(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.</p> <p>(2) License number in advertising and contracts:</p> <p>(a) All newspaper classified advertising and newspaper 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.</p> <p>(b) All written bids, written inspection reports and building contracts subject to ORS chapter 701 shall show the contractor's license number.</p> <p>(c) All telephone directory space ads and display ads shall show the contractor's license number.</p> <p><u>(d) All advertisements by audio-only media, such as radio commercials, must contain an audible statement of the contractor's license number.</u></p> <p><u>(e) All advertisements by video media or video and audio combined media, such as television commercials, must show visually the contractor's license number.</u></p> <p><u>(f) All advertising by internet media, including but not limited to, website advertising must show visually the contractor's license number.</u></p> <p>[(d)] (g) [Except as set forth in subsection (2)(e) of this rule all] All business cards, business letterhead, business signs at construction sites[;] and all other written or visual advertising[;] shall show the contractor's license number.</p> <p>[(e)] (h) [Subsection (2)(d) of this rule] This section 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.</p> <p><u>(i) This section does not apply to promotional gifts, including, but not limited to, pencils, pens, cups and items of clothing.</u></p> <p>[(f) All advertisements by audio-only media, such as radio commercials, must contain an audible statement of the contractor's license number.</p> <p>[(g) All advertisements by video media or video and audio combined media, such as television commercials, must show visually the contractor's license number.</p> <p>[(h) All advertising by internet media, including but not limited to, website advertising must show visually the contractor's license number.]</p> <p>Stat. Auth.: ORS 670.310 & 701.235 Stats. Implemented: ORS 701.010 & 701.026 (12/04, 6/08, 5/09)</p>	<p>Revisions are for two purposes—<u>Housekeeping/minor policy clarification</u>:</p> <ol style="list-style-type: none"> 1. The first revision reorganizes and clarifies existing requirements for display of CCB license number language. (See reordered subsections (d), (e), and (f) and revised subsections (g) and (h).) 2. The second revision exempts promotional gifts from the requirement that such items contain the license number. (See new subsection (i).) <p>(RB/KD)</p>
<p>812-008-0090 Revocation of Certification</p> <p>The Construction Contractors Board may revoke the certificate of an Oregon certified home inspector or the license of a business that performs work as a home inspector for failure of the Oregon certified home inspector to:</p> <p>(1) Comply with one or more of the “Standards of Practice” set forth in OAR 812-008-0202 through 812-008-0214.</p> <p>(2) Comply with one or more of the “Standards of Behavior” set forth in OAR</p>	<p><u>Housekeeping</u>: Amended to delete the reference to OAR 812-008-0078 that was repealed 1/26/06. The language in (3) is no longer necessary. (KP)</p>

<p>812-008-0201. [(3) Comply with OAR [812-008-0078(1)]. Stat. Auth.: ORS 670.310, 701.235, 701.350 & 701.355 Stats. Implemented: ORS 701.350 & 701.355 (2/98, 6/99, 6/00, 3/06)</p>	
<p>812-012-0110 Terms of Written Contract (1) If a contractor is required to have a written contract under ORS 701.305, the written contract or attached addendum to the written contract must contain the following: (a) A statement that the contractor is licensed by the Construction Contractors Board. (b) The contractor’s name, address, phone number and license number issued by the board as shown on board records. (c) Effective July 1, 2008, an acknowledgment of a written offer of a warranty, if an offer is required by ORS 701.320, and indication of the acceptance or rejection of the offered warranty; (d) A summary list of the notices required under ORS 87.093, 701.330 or under rules adopted under ORS 701.335(2). (e) Effective July 1, 2008, acknowledgment of the receipt of the maintenance information required by the board under ORS 701.335; (f) An explanation of the property owner’s rights under the contract, including, but not limited to, the ability to file a complaint with the board and the existence of any mediation or arbitration provision in the contract, set forth in a conspicuous manner as defined by the board by rule. (g) Customer’s name and address; (h) Address where the work is to be performed; (i) A description of the work to be performed; (j) Price and payment terms; (2) The information described in section (1) of this rule must be legible and in dark ink. Stat. Auth.: ORS 670.310, 701.235, 701.305, 701,315, 701.320, 701.330 & 701.335 Stats. Implemented: ORS 701.305, 701.330 & 701.335 (12/07, 6/08)</p>	<p><u>Housekeeping</u>: Amended to implement SB 203 (2009), Section 8 (2)(d) that removes the requirement that the written contract must have a summary of notices. The new requirement is to “list” the notices. (KD)</p>
<p>812-021-0025 Provider Approval, Standards, Fees and Renewal for Core – Continuing Education for Residential Contractors (1) The agency will review and approve providers offering core continuing education. (2) Providers will apply for approval on a form prescribed by the agency. Providers may, but need not, apply for approval at the same time they apply for course approval. (3) Providers seeking approval to offer training in BEST, building codes or “green” or sustainable building practices must submit the following to the agency: (a) Name, address and contact information of the provider; (b) Business entity type of the provider and, if applicable, the Corporation Division business registry number; (c) Description of provider business plan;</p>	<p><u>Policy Issue</u>: Amended to add language to incorporate an approved bond form for residential education providers. Parallels language for approved bond forms for residential contractor and commercial contractor bonds. See OAR 812-003-0152(1)(b)l 812-003-153(1)(b). (KD)</p> <p><i>Note: CBIC estimates that the premium rate for this bond</i></p>

<p>(d) Description of the core subject area(s) provider intends to offer; and</p> <p>(e) Such other information or documentation as the agency may request.</p> <p>(4) Providers must remit to the agency together with their application:</p> <p>(a) A non-refundable fee of \$2,000 if applying to offer BEST;</p> <p>(b) A non-refundable fee of \$500 if applying to offer building codes or “green” or sustainable building practices; or</p> <p>(c) A non-refundable fee of \$2,500 if applying to offer both BEST and building codes or “green” or sustainable building practices.</p> <p>(5) To qualify for approval, providers must:</p> <p>(a) Certify the programs offered meet the minimum standards and content objectives established by the Board;</p> <p>(b) Employ or contract with educators who have at least two years work experience or two years of education, or any combination of both, in the subject that they instruct;</p> <p>(c) Be capable of entering and transmitting electronic data to the agency;</p> <p>(d) Describe a process for prompt resolution of complaints by registrants;</p> <p>(e) Describe a process for cancellations and refunding registrant payments; and</p> <p>(f) Provide a surety bond in an amount of \$20,000 obligating the surety to pay registrants to whom the provider owes money for cancellation or other refunds that the provider fails to pay. <u>The bond must be in the form adopted by the board as the “Continuing Education Provider Surety Bond” dated December 1, 2009.</u></p> <p>(6) Provider approval will be valid for two (2) years from the date the provider is approved by the agency.</p> <p>(7) Providers must re-submit application and fees required under sections (3) and (4) of this rule for renewal of approval. Renewal of approval will be subject to the same requirements as initial approval.</p> <p>Stat. Auth.: ORS 670.310, 701.126 & 701.235 Stats. Implemented: ORS 701.126 (6/09)</p>	<p><i>should be not more than \$20.00 per \$1,000 or in this case \$400.00. (CD)</i></p>
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