

Secretary of State  
Certificate and Order for Filing  
**TEMPORARY ADMINISTRATIVE RULES**  
A Statement of Need and Justification accompanies this form.

I certify that the attached copies\* are true, full and correct copies of the TEMPORARY Rule(s) adopted on May 18, 2010 by the  
(Date prior to or same as filing date.)

Construction Contractors Board OAR 812  
(Agency and Division) (Administrative Rules Chapter Number)  
Catherine Dixon 700 Summer St NE Suite 300, Salem OR 97301 378-4621 ext. 4077  
(Rules Coordinator) (Address) (Telephone)  
to become effective May 18, 2010 through November 12, 2010  
(Date upon filing or later) (A maximum of 180 days including the effective date.)

**RULE CAPTION**

Definition of "key employee" relating to commercial contractors

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

**RULEMAKING ACTION**

List each rule number separately, 000-000-0000.

**ADOPT:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.  
812-002-0390

**AMEND:**  
812-020-0055

**SUSPEND:**

ORS 670.310, 701.124 & 701.235  
Stat. Auth.: ORS

Other Authority

ORS 701.124  
Stats. Implemented: ORS

**RULE SUMMARY**

812-002-0390 is adopted to add a general definition for the term "key employee" to the definition section of the rules in Division 2.  
812-020-0055 is amended to remove the definition of "key employee" from 812-020-0055; the chapter on commercial contractor continuing education. The definition should be inclusive for all laws and rules relating to commercial contractor key employees and added to Division 2.

\_\_\_\_\_  
Authorized Signer

Catherine Dixon  
Printed Name

May 18, 2010  
Date

\*With this original and Statement of Need, file one photocopy of certificate, one paper copy of rules listed in Rulemaking Actions, and electronic copy of rules..

ARC 940-2005

**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.

# STATEMENT OF NEED AND JUSTIFICATION

A Certificate and Order for Filing Temporary Administrative Rules 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.)

Definition of "key employee" relating to commercial contractors

Statutory Authority: ORS 670.310, 701.124 & 701.235

Other Authority:

Stats. Implemented: ORS 701.124

### Need for the Temporary Rule(s):

When CCB adopted the rule for the continuing education, it failed to adopt a rule that would apply not only to education but to licensing as well. CCB needs to apply the same rule to be consistent; therefore, CCB is amending its rules by removing the definition of "key employee" from 812-020-0055 and adopting a new general definition of the term "key employee" in Division 2. That will allow the CCB to use the same definition for determining qualifying experience for commercial contractors.

- 812-002-0390 is adopted to add a general definition for the term "key employee" to the definition section of the rules in Division 2.
- 812-020-0055 is amended to remove the definition of "key employee" from 812-020-0055; the chapter on commercial contractor continuing education. The definition should be inclusive for all laws and rules relating to commercial contractor key employees and added to Division 2.

**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.

### Justification of Temporary Rule(s):

The CCB finds that following the permanent rulemaking process, instead of taking this temporary rulemaking action, would result in serious prejudice to the public interest and to CCB licensees. The CCB needs to immediately begin renewing licenses for commercial contractors that were issued beginning July 1, 2008. In order to meet that timeline, CCB must now print and send out renewal forms. These forms need to correctly identify those persons who qualify as "key employees". For this reason, the CCB needs to immediately adopt these rules. In order to become licensed and renew their licenses, commercial contractors need key employees that have a certain level of experience. Additionally, commercial contractor's key employees must complete continuing education requirements (ORS 701.124).

\_\_\_\_\_  
Authorized Signer

Catherine Dixon  
\_\_\_\_\_  
Printed Name

May 18, 2010  
\_\_\_\_\_  
Date

## 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:**

**TEMPORARY:**

**EFFECTIVE DATE:** May 18, 2010

### 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)

812-002-0390 is adopted to add a general definition for the term "key employee" to the definition section of the rules in Division 2.  
812-020-0055 is amended to remove the definition of "key employee" from 812-020-0055; the chapter on commercial contractor continuing education. The definition should be inclusive for all laws and rules relating to commercial contractor key employees and added to Division 2.

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

When CCB adopted the rule for the continuing education, it failed to adopt a rule that would apply not only to education but to licensing as well. CCB needs to apply the same rule to be consistent; therefore, CCB is amending its rules by removing the definition of "key employee" from 812-020-0055 and adopting a new general definition of the term "key employee" in Division 2. That will allow the CCB to use the same definition for determining qualifying experience for commercial contractors.

- 812-002-0390 is adopted to add a general definition for the term "key employee" to the definition section of the rules in Division 2.
- 812-020-0055 is amended to remove the definition of "key employee" from 812-020-0055; the chapter on commercial contractor continuing education. The definition should be inclusive for all laws and rules relating to commercial contractor key employees and added to Division 2.

The CCB finds that following the permanent rulemaking process, instead of taking this temporary rulemaking action, would result in serious prejudice to the public interest. The CCB needs to immediately begin renewing licenses for commercial contractors that were issued beginning July 1, 2008. In order to meet that timeline, CCB must now print and send out renewal forms. These forms need to correctly identify those persons who qualify as "key employees". For this reason, the CCB needs to immediately adopt these rules. In order to become licensed and renew their licenses, commercial contractors need key employees that have a certain level of experience. Additionally, commercial contractor's key employees must complete continuing education requirements (ORS 701.124).

#### **List of rules adopted or amended:**

812-002-0390      812-020-0055

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

None known.

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

None known.

#### **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:**

None known.

\*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

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## **812-020-0055**

### **Definitions – Continuing Education for Commercial Contractors**

The following definitions apply to OAR 812-020-0050 to 812-020-0073:

(1) “Building code” means a specialty code as defined in ORS 455.010(7).

(2) “Commercial contractor” means a licensed contractor as defined under ORS 701.005(2).

(3) “Inactive commercial contractor” means a commercial contractor that has voluntarily placed its license in inactive status in accordance with OAR 812-003-0330 to 812-003-0370 and has not converted the license back to active status in accordance with ORS 812-003-0380.

~~[(4) “Key employee” means an employee or owner of a contractor who is a corporate officer, manager, superintendent, foreperson, lead person or any other person who exercises management or supervisory authority over the construction activities of the business.]~~

~~[(5)]~~ (4) “Lapse in license” has the meaning given that term by OAR 812-002-0420.

~~[(6)]~~ (5) “License period” means the two-year period from the date a contractor’s license is first issued or last renewed until the date the license is next scheduled to expire.

Stat. Auth.: ORS 670.310, 701.124 & 701.235

Stats. Implemented: 701.124

(11/08, temp. 5/10)

## **812-002-0390**

### **Key Employee**

**“Key employee” means an employee or owner of a contractor who is a corporate officer, manager, superintendent, foreperson, lead person or any other person who exercises management or supervisory authority over the construction activities of the business.**

Stat. Auth.: ORS 670.310, 701.124 & 701.235

Stats. Implemented: 701.124

(temp. rule 5/10)