

# Construction Claims Task Force

Project Update: Workplan

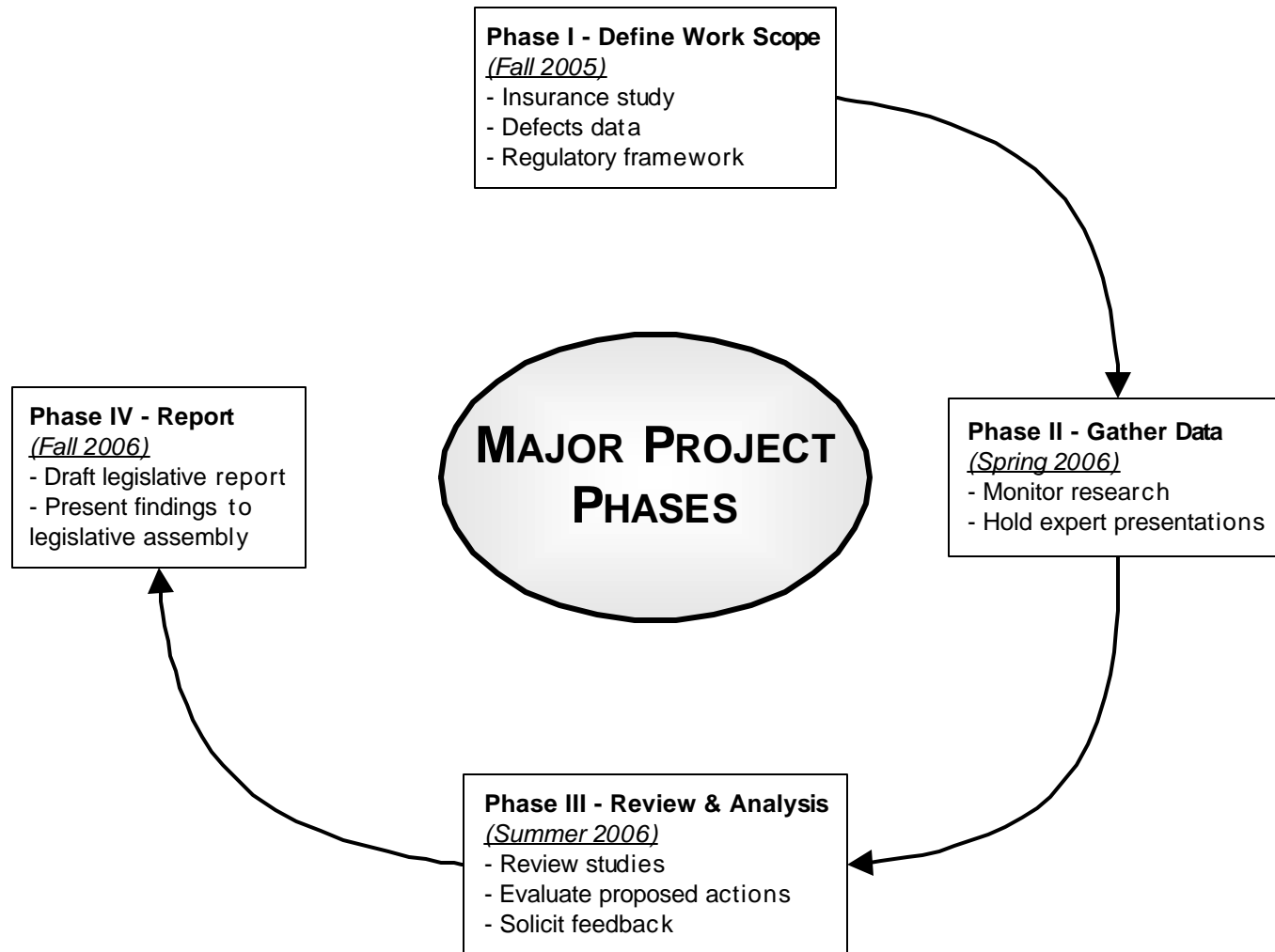
## Bill Summary (HB 2078)

### Requirements

- Appoint 9-member task force
- Conduct research to gather information
  - \* Insurance options including alternative coverage mechanisms and pricing
  - \* Construction claims in Oregon
  - \* National/international case studies
- Study objectives: Develop recommendations regarding changes to...
  - \* Construction practices
  - \* Consumer protection
  - \* Contractor requirements
  - \* Inspection procedures
  - \* Restriction of materials/methods
  - \* Construction warranties

### Outcome

- Report to legislature (Jan. 2007)
- List of recommendations



# Construction Claims Task Force

## *Research and Meeting Details*

### **Research tasks**

1. *Insurance study (required)*– commission a study to examine alternative coverage mechanisms and pricing options
2. *Construction defects data (required)* – obtain statistics and other data on construction defects to understand the size and scope of the problem
3. *Regulatory environment (optional)*– conduct an environmental scan to describe current regulations of residential and commercial construction as it relates to homeowners, contractors, and insurers
4. *National/international comparisons (optional)* – review available case studies to compare how other states have addressed these issues including the use of warranties
5. *Research causation/correlation (required)* – study the relationship between construction claims and construction industry practices, construction defects, consumer protection, and state-mandated requirements for contractors
6. *Cost-benefit analysis (optional)* –conduct a cost-benefit or other analysis to determine whether current consumer protection laws, building codes, and contractor insurance requirements are adequate

### **Meetings**

*(All meetings will include an opportunity for public comment)*

#### Phase I – Define Work Scope

- ✍ September 2005 (Kick-off)  
Agenda: *Introductions, workplan, insurance study*
- ✍ November 2005  
Agenda: *Review existing defects data, discuss regulatory environment, determine research needs*
- ✍ December 2005  
Agenda: *Review national/international comparisons, discuss RFP for defects study*

#### Phase II – Gather Data

- ✍ February 2006; March/April 2006  
Agenda: *2-3 meetings to monitor progress of insurance and defects studies and hold expert presentations*

#### Phase III – Review and Analysis

- ✍ May 2006  
Agenda: *Review insurance study draft report*
- ✍ June 2006  
Agenda: *Review defects study draft report*
- ✍ July 2006  
Agenda: *Compile proposed actions and determine analysis needs (correlation/causation, cost-benefit, etc.)*
- ✍ October 2006  
Agenda: *Review analysis of proposed actions and develop recommendations*

#### Phase IV - Report

- ✍ November 2006  
Agenda: *Review draft of report*
- ✍ December 2006  
Agenda: *Review final report*
- ✍ January 2007  
Agenda: *Present findings to legislative assembly*