

**FINAL ORDER**  
As of: January 30, 2023

1 **BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS  
2 SERVICES**

3 **IN THE MATTER OF:**

**CONSENT ORDER**

4 **4LEAF INC.,  
5 A FOREIGN BUSINESS CORPORATION,**

**BCD CASE C2022-0005**

6 **RESPONDENT.**

7 **INTRODUCTION**

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10 The Building Codes Division (“Division”) conducted an investigation on behalf of the  
11 Director of the Department of Consumer and Business Services (“Director”) and determined that  
12 4LEAF Inc. (“Respondent”) violated certain provisions of the Division’s statutes and administrative  
13 rules as identified below.

14 The parties agree to resolve this matter without a hearing. Respondent understands that  
15 Respondent has the right to a contested case hearing under the Administrative Procedures Act,  
16 Oregon Revised Statutes (“ORS”) chapter 183, and Respondent fully and finally waives the right to  
17 a hearing and any judicial review therefrom by the signing of this Consent Order.

18 **FINDINGS OF FACT**

19 1. On or about April 12, 2021, Respondent registered with the Oregon Secretary of State as a  
20 foreign business corporation.

21 2. On or about July 19, 2021, Respondent was issued Third Party Plan Review & Inspection  
22 Business Registration (“SRB”)<sup>1</sup> Certificate number SRB30.

23 3. On or about September 3, 2021, Jackson County entered into a personal services contract  
24 with Respondent to coordinate and expedite planning and building permits for those in

25 <sup>1</sup>This certification is required for any person who engages in or performs plan reviews and specialty code inspections as a third-party business (i.e., not acting as an exclusive employee of a municipality, the division, or another registered plan review and inspection business).

1 Jackson County that lost or had damaged homes or businesses due to the devastating Oregon  
2 wildfires in the year 2020.

- 3 4. At no relevant time did certain employees of Respondent (“Respondent’s Employees”) hold  
5 a valid Oregon Inspector Certification (“OIC”) and valid appropriate Oregon Code  
6 Certification (“OCC”) prior to performing, on behalf of Respondent, building inspections  
and reviews.
- 7 5. From on or about July 6, 2021, through on or about November 4, 2021, Respondent’s  
8 Employees, acting on Respondent’s behalf, performed hundreds of plumbing, mechanical,  
9 electrical, or manufactured dwelling building inspections and more than a dozen plan  
10 reviews for commercial and residential properties in Jackson County, Oregon.
- 11 6. Respondent’s Employees, acting on Respondent’s behalf, performed at least one such plan  
12 review on or about each of the following dates:
  - 13 a. July 6, 2021<sup>2</sup>;
  - 14 b. July 8, 2021<sup>3</sup>;
  - 15 c. July 9, 2021<sup>4</sup>;
  - 16 d. July 21, 2021;
  - 17 e. August 2, 2021;
  - 18 f. August 3, 2021;
  - 19 g. September 13, 2021;
  - 20 h. September 20, 2021;
  - 21 i. September 21, 2021;
  - 22 j. September 22, 2021;

23  
24 <sup>2</sup> All plan reviews conducted on this date were performed before the Division issued Respondent certificate number  
SRB30.

25 <sup>3</sup> All plan reviews conducted on this date were performed before the Division issued Respondent certificate number  
SRB30.

<sup>4</sup> All plan reviews conducted on this date were performed before the Division issued Respondent certificate number  
SRB30.

- k. October 4, 2021;
- l. October 15, 2021; and
- m. October 29, 2021.

7. Respondent's Employees, acting on Respondent's behalf, performed at least one such building inspection on or about each of the following dates:

- a. August 18, 2021;
- b. August 19, 2021;
- c. August 20, 2021;
- d. September 29, 2021;
- e. September 30, 2021;
- f. October 1, 2021;
- g. October 4, 2021;
- h. October 5, 2021;
- i. October 7, 2021;
- j. October 8, 2021;
- k. October 11, 2021;
- l. October 12, 2021;
- m. October 13, 2021;
- n. October 14, 2021;
- o. October 15, 2021;
- p. October 18, 2021;
- q. October 19, 2021;
- r. October 20, 2021;
- s. October 21, 2021;
- t. October 22, 2021;

- u. October 25, 2021;
- v. October 26, 2021;
- w. October 27, 2021;
- x. October 28, 2021;
- y. October 29, 2021;
- z. November 1, 2021;
- aa. November 2, 2021;
- bb. November 3, 2021; and
- cc. November 4, 2021.

## APPLICABLE LAW

1. Definitions for terms used in this Consent Order may be found in ORS 183.310, ORS 455.010, ORS 455.715, Oregon Administrative Rule (OAR) 918-001-0005, OAR 918-030-0010, and OAR 918-098-1005.
2. Under ORS 455.457, in accordance with the applicable provisions of ORS chapter 183, the Director of the Department of Consumer and Business Services by rule shall establish a licensing system for persons that perform specialty code inspections or plan reviews and for businesses that employ persons that perform specialty code inspections or plan reviews. Such a system shall include but not be limited to the following provisions:
  - a. Prescribing the form and content of and the times and procedures for submitting an application for the issuance or renewal of a license;
  - b. Prescribing the terms of the licenses and the fees for the original issue and renewal in amounts that do not exceed the cost to the Department of Consumer and Business Services of administering the licensing system;
  - c. Prescribing the requirements for and the manner of testing the competency of applicants for the protection of the public health and safety;

- d. Prescribing the amounts and conditions of bonds and liability insurance; and,
- e. Setting forth those actions or circumstances that constitute failure to achieve or maintain licensing competency or that otherwise constitute a danger to the public health or safety and for which the director may refuse to issue or renew or may suspend or revoke a license or impose a civil penalty.

3. Under ORS 455.455(1)(c), a person may not employ an individual to perform plan reviews unless the individual has a license issued under ORS 455.457.

4. Under ORS 455.455(1)(d), a person may not engage in reviewing plans without having a license issued under ORS 455.457.

5. Under OAR 918-090-0120, a business registered pursuant to ORS 455.457 shall employ or contract with plan reviewers and inspectors who are licensed under these rules and certified by the division in accordance with OAR 918, division 098, 281, 695, or 780 for the specific type of inspections or plan reviews that person will perform.

6. Under OAR 918-098-1025, every person who performs building code inspections, or plan reviews is required to possess a valid OIC and a valid appropriate OCC or authorization from the Division for the work being performed.

7. Under ORS 455.895(2), the Department of Consumer and Business Services, or an appropriate advisory board, if any, may at its discretion impose a civil penalty against any person who violates the state building code or this chapter or ORS chapter 447, 460 or 693, or any rule adopted or order issued for the administration and enforcement of those statutes. Except as provided in ORS 455.895(3), (4) and (9) of or ORS 446.995, a civil penalty imposed under ORS 455.895 must be in an amount determined by the appropriate advisory board or the department of not more than \$5,000 for each offense or, in the case of a continuing offense, not more than \$1,000 for each day of the offense.

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8. Under OAR 918-001-0036(5), civil penalties may be assessed in addition to, or in lieu of, the conditioning, suspension, or revocation of a license, certificate of competency, or similar authority issued by the Director.

## **CONCLUSIONS OF LAW**

1. Because Respondent was issued certificate number SRB30 by the Division, Respondent was considered a registered business pursuant to ORS 455.457; therefore, Respondent was required to employ licensed individuals to perform building code inspections and plan reviews under OAR 918-090-0120(1).
2. Respondent's Employees were required to possess valid Oregon OIC and OCC certifications, or authorization from the Division prior to performing the building inspections and plan reviews from on or about July 6, 2021, through on or about November 4, 2021, as required under OAR 918-098-1025.
3. By employing Respondent's Employees from on or about July 21, 2021, through on or about November 4, 2021, to perform one or more inspections, without valid Oregon OIC and OCC certifications, or authorization from the Division, Respondent violated ORS 455.455(1)(a) on at least twenty-nine (29) occasions.
4. By employing Respondent's Employees from on or about July 6, 2021, through on or about November 4, 2021, to perform one or more plan reviews, without valid Oregon OIC and OCC certifications, or authorization from the Division, Respondent violated ORS 455.455(1)(c) on at least thirteen (13) occasions.
5. By employing Respondent's Employees to perform plan reviews on or about July 6, 2021, on or about July 8, 2021, and on or about July 9, 2021, prior to the Division issuing Respondent certification SRB30, Respondent violated ORS 455.455(1)(d) on at least three (3) occasions.

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## ORDER

1. The Director hereby assesses a total civil penalty of \$45,000.00 against Respondent for violating ORS 455.455(1)(a), ORS 455.455(1)(c) and ORS 455.455(1)(d).
2. Respondent agrees to pay the civil penalty of \$45,000.00 no later than the 25th day of the month following the month in which this Consent Order is signed by both parties *(An invoice may be provided to Respondent after this Consent Order is signed by both parties. Respondent understands timely payment must be made even if no invoice is ever received.)*  
**Payment must be mailed to: Department of Consumer and Business Services, Fiscal Services Section, P.O. Box 14610, Salem, OR 97309-0445.** For payment questions call 971-375-7087.

***NOTE: If Respondent fails to make the payment as stated in this signed Consent Order, this account may be assigned to the Department of Justice, Department of Revenue, or a private collection agency. Respondent will be responsible for any court costs, attorney fees, any other necessary fees related to the collection of this debt, and any interest or penalties accrued. This debt may also appear on future credit reports.***

3. Respondent agrees to fully cooperate with the Division's enforcement efforts in other cases that rely on the facts underlying this case. Cooperation may include, but may not be limited to, making sworn statements or testifying in administrative hearings.
4. Respondent understands that further enforcement action may be taken for any violation of the Division's statutes or rules not alleged in this Consent Order, whether committed before or after the execution of this Consent Order, and for any violation of the terms of this Consent Order.
5. Respondent understands that failure to comply with this Consent Order may be used as a basis for the denial of future license, certificate, registration, or other applications, or for the refusal to renew the same; for the suspension, revocation, or conditioning of a license,

1 certificate, or registration issued by the Division or other state agencies; and/or for any other  
2 reason provided for in law.

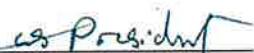
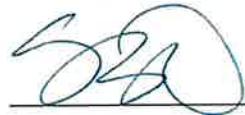
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6. Respondent understands that this Consent Order is a public record.
7. Respondent has read and fully understands the terms of this Consent Order, freely and  
voluntarily consents to the entry of this Consent Order without any force or duress, and  
expressly waives all rights to hearing or judicial review in this matter.
8. Respondent understands that, upon signature of all parties, this Consent Order will be a  
Final Order.

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10 So agreed this 30<sup>th</sup> day of January, 2023, by:

11     4LEAF, INC., a California corporation



as President

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13     By: Kevin Duggan, President

14     ///

15 SO ORDERED this 30<sup>th</sup> day of January, 2023, by:

16  
17     ANDREW R. STOLFI, Director,  
18     Department of Consumer and Business Services



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20     By: Alana Cox, Administrator, Building Codes Division