

# the TOOLBOX

September 2017

## 2017 Legislative Changes

The 2017 Oregon legislature passed several laws that may impact you. For details, visit the Legislature's website: <https://olis.leg.state.or.us/liz/2017R1/Measures/list/>. The bill number and session chapter are listed at the end of each law.

Highlights:

### **Temporary Responsible Managing Individual**

Under current law, most construction contractors must have at least one responsible managing individual (RMI) associated with their license. An RMI is an owner or supervisory employee of the business. Ordinarily, an RMI qualifies by completing the training and testing required for the license.

When an RMI leaves the business, the business has to appoint a new RMI and notify CCB. Unfortunately, a business may not always have a qualified individual immediately available. If the business does not appoint a new RMI, CCB may suspend its license. The legislature changed the law to allow a construction contractor to operate with a temporary RMI for up to 14 days, provided that the business notifies CCB of the temporary appointment. CCB will adopt rules to implement the new law, which takes effect Jan.1, 2018. (SB 336; Or Laws 2017, ch 483).

### **Prohibits Dividing Public Works Projects to Avoid Prevailing Wage Law**

This law prohibits anyone (not just public agencies) from dividing public works projects into more than one contract to avoid prevailing wage laws. The law clarifies the factors that the Commissioner of the Bureau of Labor and Industries (BOLI) may consider in determining when a project was improperly divided. BOLI may inspect the contractor's records at any time to determine whether the prevailing wage is actually being paid.

The law also clarifies the requirement that every public works contract and subcontract must specify that every contractor and subcontractor (unless exempt) must file a bond with CCB. Exempt contractors that violate prevailing wage requirements may be required to subsequently file a bond with CCB. The law also provides that a failure to pay a required prevailing wage rate and a failure to pay required fringe benefits are separate violations. This law contained an emergency clause and took effect June 14, 2017. (SB 416; Or Laws 2017, ch 334).

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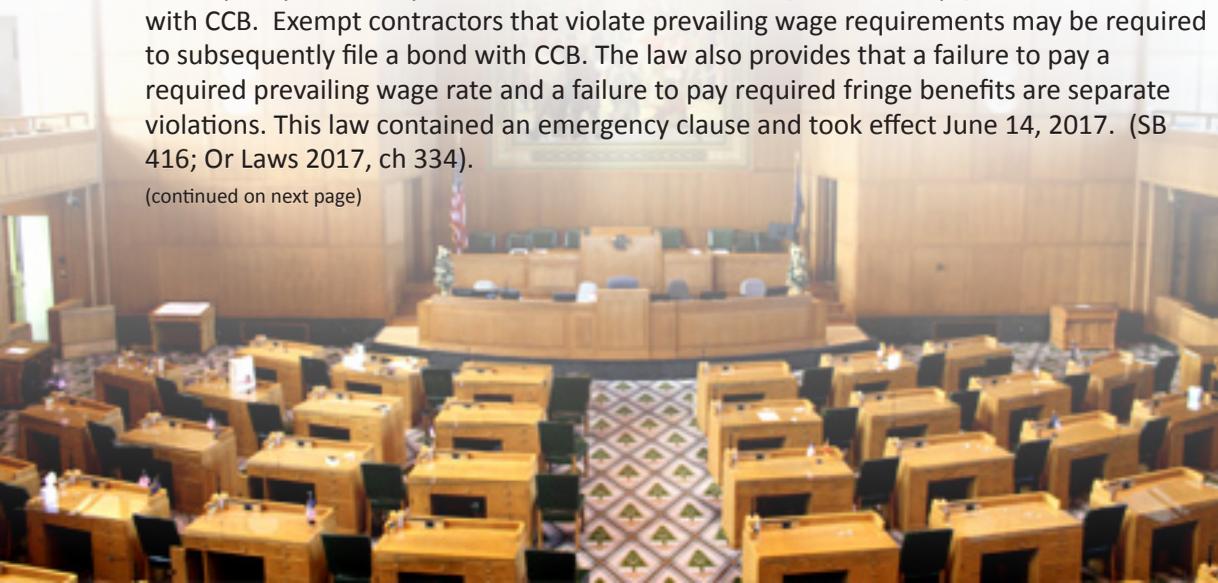
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### **Cities May Require Permits to Demolish Buildings that Contain Lead or Asbestos**

This new law allows a city to establish a program for the demolition of certain residential buildings. If the person demolishing the building is a contractor and the building was built before 1978, the contractor must submit proof that it is certified, by the Oregon Health Authority (OHA), to engage in lead-based paint activities.

The person performing the demolition must also follow best practices developed by OHA, the Department of Environmental Quality and the CCB. (These requirements do not apply if a qualified person determines that the building does not contain lead-based paint.) The person performing the demolition will also need to provide a copy of an asbestos survey.

The law takes effect on Jan.1, 2018. (SB 871; Or Laws 2017, ch 739).

### **Certain Contractors Must Employ Apprentices to Perform Work**

This new law requires state contracting agencies (other than the Oregon Department of Transportation) that award contracts in excess of \$5 million, or subcontracts in excess of \$1 million or 25 percent of the contract price, to require contractors to employ apprentices to perform at least 10 percent of the work. Apprentices must be paid the hourly rate provided by the apprenticeship agreement or the apprenticeship training program.

The requirement changes in 2022 to apply to contracts in excess of \$3 million. Apprentices must then perform at least 12 percent of the work. The requirement for subcontractors does not change.

The new law takes effect on Oct. 5, 2017, and becomes operational Jan.1, 2018. (HB 2162; Or Laws 2017, ch 416).

### **Construction Standards for “Tiny” Houses**

This new law requires the Building Codes Division to adopt construction standards for “small homes,” meaning a dwelling of not more than 600 square feet. The new standards must include allowing sleeping lofts and allowing the use of ladders (or alternative tread devices) as the primary means of egress from a sleeping loft. (HB 2737; Or Laws 2017, ch 394).

## **Proposed CCB rules would eliminate Series A/B in continuing education**

The CCB is proposing rules to allow all residential contractors to get continuing education credit for trade-specific courses (called Series B). Currently, only contractors licensed less than six years get credit for these Series B classes. If finalized, this means:

- Residential contractors would no longer have to worry about Series A vs. Series B classes. Contractors would simply need the three CCB laws, regulations and business practices classes plus five or 13 hours of **other approved classes**.
- These five or 13 hours of other classes could be about how to run your business or how to improve your craft. Most residential contractors need the five other hours; only those licensed less than six years need the 13 other hours.
- **The CCB still must approve all providers and courses.** Check the Course Catalog on the CCB

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## Key contacts

- Licensing questions:  
503-378-4621
- Report unlicensed activity: 503-934-2229
- Dispute resolution (mediation) questions:  
503-934-2247
- Education questions:  
503-934-2227

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- website to see if a course is approved or contact the CCB in advance.
- The proposed rules approve accredited education institutions and other government agencies as continuing education providers. This means that any community college or four-year college course in approved topic areas would qualify for CCB continuing education credit, even though they may not appear in the Course Catalog. Approved topic areas include: Marketing, customer service, accounting, business law, bidding, building codes, safety, environmental hazards (lead, asbestos, radon, etc.) energy efficiency, and trade-specific topics like how to install roofing or siding.

These rule changes would be effective Dec. 1, 2017. The proposal is part of a series of changes to continuing education to address concerns about course quality, variety and relevance.

The CCB already eliminated fees it once charged to education providers, opening the door to more providers. Eliminating the restriction on who can take Series B courses will allow you to take advantage of the increasing number of education providers, including product manufacturers.



## Where to send course completion certificates

The CCB has a new email box for course completion certificates. Please send these to [cecerts@state.or.us](mailto:cecerts@state.or.us). If your CCB number is not on the certificate, please include it in the email or we will not be able to assign the credit to your account!

Who needs to send course completion certificates? If your education provider doesn't send course completion information to the CCB, you must do so. Ask the organization providing the class if it plans to send the information electronically to the CCB. Always keep a copy for your files.

## OSHA courses

Not every class on the OSHA website is approved for CCB credit. Courses must be at least an hour in length for CCB credit. Some OSHA classes are shorter. The CCB Course Catalog lists all approved OSHA classes and the hours of credit for each. The OSHA website also provides a chart that shows which classes the CCB has approved, and for how many credits.

## Updating your business information

As you know, all business names must be registered with the Secretary of State Corporation Division. While the Corporation Division doesn't require all owners of the business to be listed on the registry, Oregon law does require that all owners be listed on your CCB license.

In addition, if your business or owner information changes, such as a new address or LLC member, Oregon law requires that you notify the CCB as well as the Corporation Division. Making the changes with one of these agencies does not fulfill the requirement for you to notify the other agency. The same is true with the Building Codes Division or any other state agency.

If you have questions about who you need to notify about business changes, please contact the CCB Customer Service Unit at 503-378-4621.

## Do you want to become an asbestos surveyor or abatement contractor?

### Accredited surveyors

Interested in becoming an accredited asbestos surveyor who can legally conduct/produce asbestos surveys in Oregon? If so, there are accredited asbestos training providers in Oregon who teach the three-day class.

Here is the list of DEQ accredited asbestos training providers

### Abatement contractors

Interested in becoming a licensed asbestos abatement contractor who can legally handle (abate) friable asbestos in Oregon? If so, review the Oregon asbestos abatement contractor license application prior to contacting Oregon DEQ.

**Questions?** Email [deqnwrasbestos@deq.state.or.us](mailto:deqnwrasbestos@deq.state.or.us) or call at 503-229-5982. In addition to DEQ requirements, it is also recommended that you consult with OR-OSHA for worker safety requirements for asbestos abatement <http://osha.oregon.gov/consult/Pages/index.aspx>

### Link to the DEQ asbestos webpage

Here's a link to the DEQ asbestos webpage: <http://www.oregon.gov/deq/Hazards-and-Cleanup/Pages/Asbestos-Information.aspx>.

## Due dates for W-2, W-3 & 1099-Misc.

Employers: W-2/W-3 filings are now due by Jan. 31. In addition, the Form 1099Misc. with nonemployee compensation in Box 7 is also required to be filed by Jan. 31. This was mandated by Congress, effective with the 2017 filing season.

## OregonSaves update

The Oregon State Treasury is launching OregonSaves, a simple and convenient way for workers to save for retirement.

The program allows employees to save a part of each paycheck through payroll deductions facilitated by their employer. Savings are invested in professionally-managed investment options in a Roth individual retirement account. The account is portable, allowing employees to take it with them from job to job.

**Any business with employees that does not provide an employer-sponsored retirement plan will need to register to facilitate OregonSaves for its employees.**

The registration process is designed to be simple to limit any burden on employers. Employers can choose to offer their own retirement plans to some or all of their employees instead of participating in the program.

Registration deadlines:

- An employer employing 100 or more employees: November 15, 2017
- An employer employing 50 to 99 employees: May 15, 2018
- An employer employing 20 to 49 employees: December 15, 2018
- An employer employing 10 to 19 employees: May 15, 2019
- An employer employing 5 to 9 employees: November 15, 2019
- An employer employing 4 or fewer employees: May 15, 2020

The state will notify employers approximately six months before their registration deadline and one month before the deadline with instructions about how to register.

### Questions?

- Visit [www.oregonsaves.com](http://www.oregonsaves.com).
- Call (844) 661-1256.
- Email: [clientservices@oregonsaves.com](mailto:clientservices@oregonsaves.com).